



NEBRASKA MEDICAL ASSOCIATION
group health plan

July 20, 2022



1

Agenda

History of the NMA Health Plan

Creation of the NMA Insurance Group

Current Market

NMA Health plan



2

NMA Health Plan



3

Why Create a Health Plan

- In 1979, coverage was not guaranteed.
- Physicians from the NMA and Blue Cross Blue Shield created the NMA Health Plan.
- 11 plan options were offered, ranging from a \$0 deductible to \$5000.
- Group and individual coverage was available.
- Rates were based on geography, age and sex.
- The plan was complex to administer.



4

Rebuild

- In 2002, the plan went through a complete overhaul and modernization.
- The total numbers of plans was reduced.
- Pricing based on geography was eliminated.
- The plan design was updated and the rate structure was changed.



5

Saved from the ACA

- In 2013, the NMA Health Plan was done.
- BCBS informed the NMA that the plan could not exist in a post ACA world, because it was only available to groups with 50 or more employees.
- The plan lost the ability to cover individual physicians.
- Cline Williams to the rescue. They created the Nebraska Medical Association Insurance Consortium as a way to perpetuate the NMA Health Plan, NMAIC
- NMAIC is a single large employer with multiple sub-divisions.



6

Rebranded

- In 2021, the plan was rebranded into:

The Nebraska Medical Association Group Health Plan



7

Expanding

- Growing the plan & improving benefits
 - Retirement provision, surviving spouse coverage
- Simplifying the process
- Committed to flexibility
- Committed to evolution and not revolution
- We want to be the go to plan for physicians!
- Question for the group:
 - What's more important to you, rates or benefits?



8

Nebraska Medical Association Insurance Group

- Why create an insurance agency?
 - To be focused exclusively on the needs of physicians and practices.
- Full Service Insurance Agency:
 - Employee Benefits
 - Health Insurance, Dental, Life, Disability, Worksite, Key Man Life Insurance
 - PC
 - Professional Liability, Property, Auto
 - Workers' Compensation
 - Personal Insurance



9

Current Market

- Small Group Fully-insured
 - ACA Compliant (guarantee issue no pre-existing)
 - Age Rated
 - Ever increasing deductibles and out-of-pocket
 - Renewal Protections
- Partially Self-insured (Level Funded)
 - Fastest Growing Segment
 - Looks and feels like a fully-insured plan
 - Dividend Option
 - Composite Rates
 - No Renewal Protections



10

Current Market

- ASO (Administrative Services Only)
 - Was mainly for larger employers
 - Buy stop loss, aggregate and then everything else is a variable cost
 - Need to know your risk
 - No guarantees, lasers, exclusions
 - Must be committed
 - Easy to get in hard to get out
 - Good cash flow (pay and pursue)



11

Health Plan Financials

Steadily increasing claims

- In 2021 average claim \$16,244 per employee
- In 2020 average claim was \$11,853 per employee

Increasing large claims

- 2021 Average large claim was \$46,033 (384)
- 2020 Average large claim was \$39,368 (330)

Between 2020 and 2021 we added \$4,328,000 in claims (Rx, Professional, Out and In-patient)

Between 2020 and 2021 specialty drug use grew by \$1,510,000 (128 new scripts)

Top 5 drugs currently:

- | | |
|------------|------------------|
| • Strensiq | \$142,600/script |
| • Takhzro | \$24,164/script |
| • Stelara | \$24,324/script |
| • Revlimid | \$23,397/script |
| • Tremfya | \$12,343/script |

12

Health Plan Financials

2019	# of claims	HCC	NHCC	Total
Inpatient	272	\$39	\$34	\$73
Out-patient	4488	\$37	\$74	\$111
Rx	45,868	\$59	\$45	\$105
Professional	53,778	\$35	\$123	\$158
Total	104,778	\$170	\$278	\$449



13

Health Plan Financials

2020	# of claims	HCC	NHCC	Total
Inpatient	303	\$83	\$66	\$149
Out-patient	4,668	\$102	\$143	\$246
Rx	38,329	\$144	\$93	\$237
Professional	49,528	\$91	\$262	\$354
Total	92,828	\$421	\$566	\$987



14

Health Plan Financials

2021	# of claims	HCC	NHCC	Total
Inpatient	1,279	\$158	\$59	\$218
Out-patient	4,708	\$150	\$176	\$327
Rx	37,887	\$235	\$105	\$341
Professional	52,497	\$154	\$313	\$467
Total	95,371	\$698	\$655	\$1353



15

Health Plan Financials

2022 (May)	# of claims	HCC	NHCC	Total
Inpatient	151	\$152	\$67	\$219
Out-patient	1,988	\$105	\$221	\$327
Rx	15,633	\$157	\$162	\$320
Professional	21,960	\$104	\$283	\$387
Total	39,732	\$520	\$734	\$1254



16

Wrap-up

- We are looking at making plan adjustments to impact utilization:
 - Copays
 - Deductibles
 - Coinsurance
 - Out of Pocket limits
- Focus on Catastrophic Claims
 - Diabetes/Verta
- Emphasize Case Management
- Plan is in great shape, but as a group we need to re-focus on growth.
- If you are on the plan, thanks for your support, if you aren't on the plan, why not?

