

2022 Health Plans

Board of Trustees – August 6, 2021

Purdue Health Plans - Overview

Plan Demographics

11,400 active eligible employees (monthly average)

23,844 total members (monthly average - employees, spouses, dependents)

48% single; 22% family; 14% employee + spouse; 16% employee + children

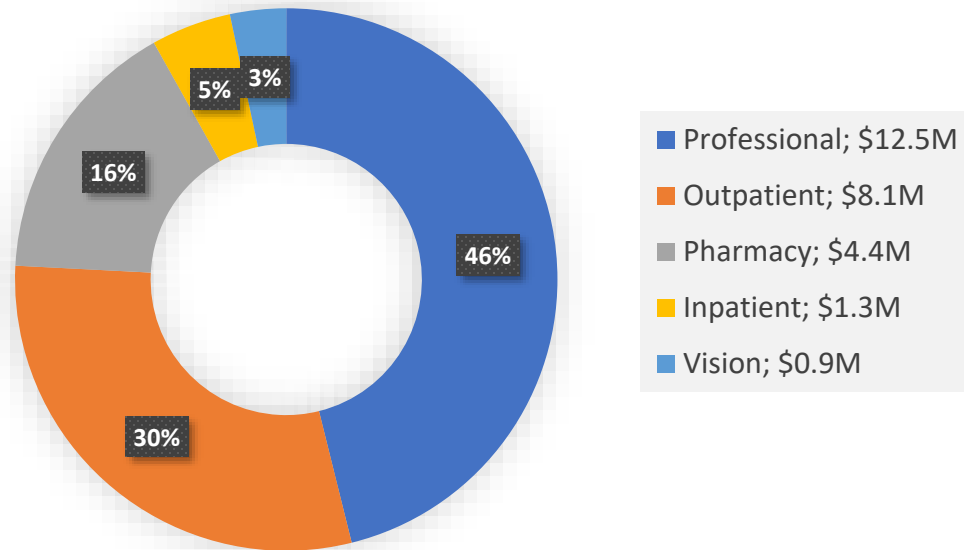
51% Premier; 33% Standard; 15% Limited; 2% J1

886 covered spouses with additional premium

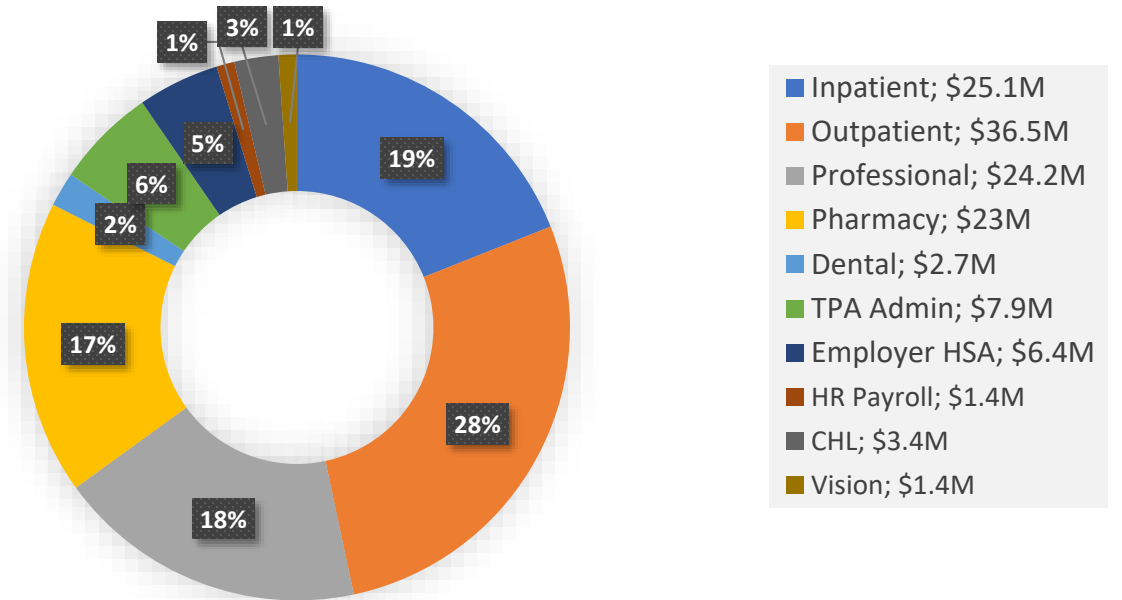
49% annual physicals in CY 2020, compared to 51% average over previous 3 years

Summary of Expenses - 2020

2020 Employee Spend - \$27M



2020 Purdue Medical Spend - \$132M



History of Benefit Changes

2014 - 2016

- Three plans (2 HDHP; 1 PPO)
- Anthem contract
- No employee premium increases
- Added free preventive dental
- Added autism and bariatric

2017

- Mid-America contract for labs
- Imaging/radiology offered at PUSH
- Healthy Boiler provided additional financial incentives for wellness activities and education
- Employee premium increase (4%)

2018

- CVS contract for pharmacy administration
- Numerous measures to reduce administrative costs
- Employee premium increase (7%)

2019

- Deductible/OOP increases
- Prescription formulary change
- Employee premium increase (6%)

2020

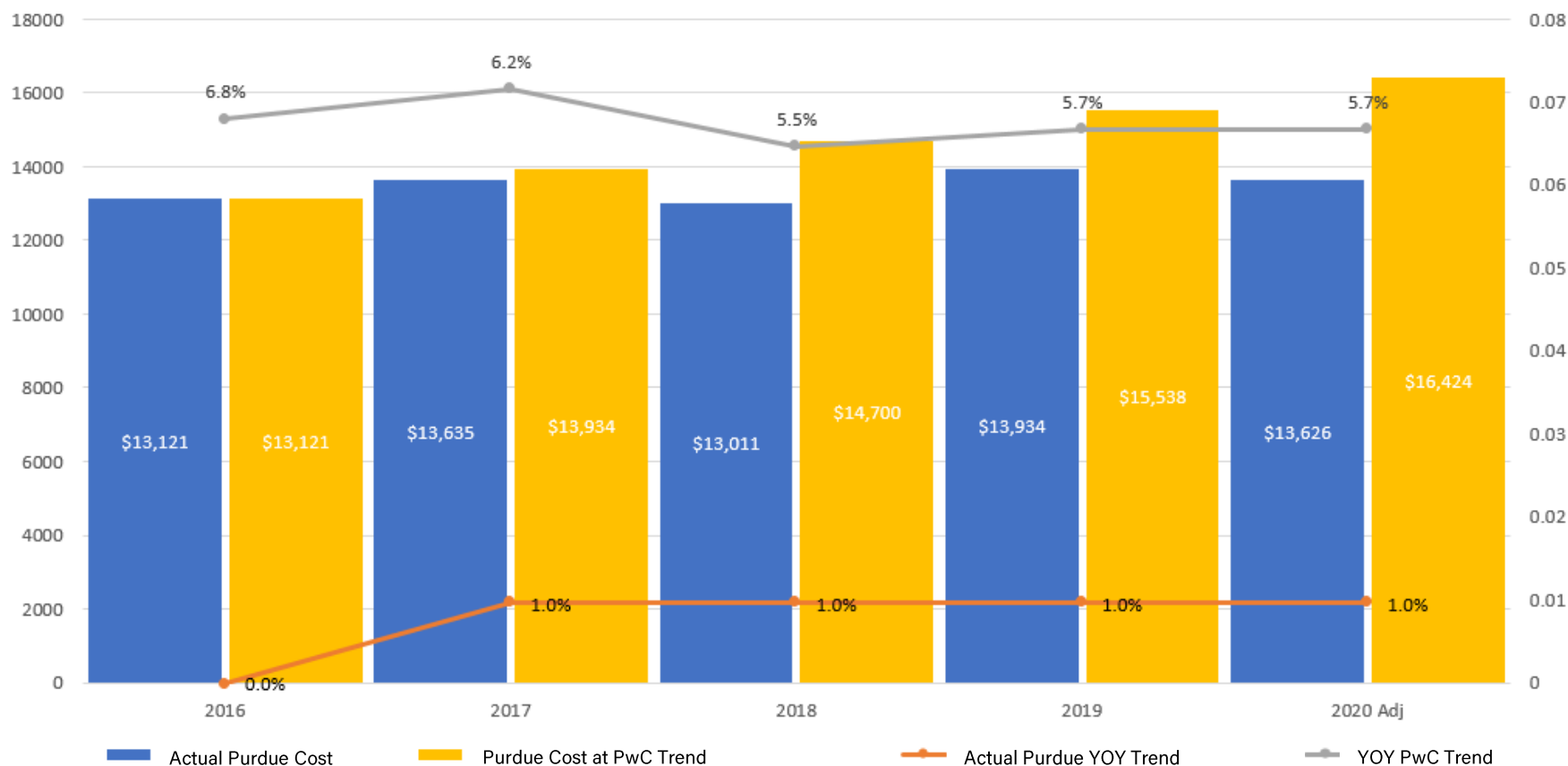
- No Employee premium increase
- Sunset PPO medical plan (1/1/21)
- Working spouse premium
- Tobacco surcharge increase
- Direct provider agreements
- Tiered narrow network option

2021

- No Employee premium increase
- 100% CDHP (3 Plans)
- Specialty Prescription Carve Out
- Retiree premium increase (5%)
- Prescription and Cancer Concierge
- Additional direct provider agreements
- Vision separated from Medical elections

Healthcare Expenditures – Overall 2016 - 2020

Total Actual Combined (ER & EE) Expenses vs Total Actual At PwC Published Trend (PEPY)



2022 Recommendations

Strategy	Plan Cost/Savings	Employee Cost/Savings
No Premium increase		●
Moved HSA Purdue contribution to \$200/\$400 & Expanding current incentive menu of health screenings		
Healthy Boiler Portal Upgrade	●	
Increase Retiree premiums (5%)	●	●
Dental Carrier Change & Reduction in premiums	●	●
Reduction in ASO fees - VSP vision carrier	●	
Additional direct agreement - Colonoscopy	●	●
Additional direct agreement - Diabetes Management	●	●

Not Recommended for 2022. Consider in future years:

- Increase in Working Spouse Premium
- Deductible and Out of Pocket increases
- Cost share on preventive dental
- Cost share on vision
- Premium increase for active employees and long-term disability members

Communication / Engagement

1. Stakeholder engagement

- Joint meetings – MaPSAC, CSSAC, Faculty benefits and compensation sub-committee

2. Benefit education emails

- Begins week of August 9
- Focus on all benefit programs which support overall health and well being

3. Open Enrollment Support

- Two weeks but includes two weekends
- Virtual presentations coordinated with HR business partners and all major unit leaders
- Virtual one-on-one counseling
- Recorded presentation online, online guide and dedicated website