

Memorandum

November 6, 2014

To: Robert Linn  
Chris Berner  
Georgette Gestely  
From: Michael Babette



Re: Health Insurance Program  
Quarterly Statistical Statement

Based on the average headcount for the quarter ended September 30, 2014, there are approximately 333,000 employees and 242,000 retirees covered for health insurance in the City's program. This includes all covered and independent agencies. The approximate total employer cost<sup>[1]</sup>, based on September 2014 premium rates, is \$5.563 billion in all funds / \$4.601 billion in City funds.

The attached tables summarize the cost and headcount by health insurance carriers.

Table 1 – the entire program

Tables 2 and 3 – employees and retirees respectively

Tables 4 and 5 – non-Medicare and Medicare respectively

Table 6 – quantifies savings from the Medicare HMOs vis-à-vis the GHI / Blue Cross Senior Care rate.

Table 7 – FY 2015 projected costs

Table 8 – Employee and retiree headcount by employer group

c. Steve Banks, Judy Daniels, Desmond D'sa, Deborah Friedman, Regina Fuchs, Brian Geller, Sang Hong, Linda Johnson, Tamara Lake, Sophie Lam, Gail Laufer, Claire Levitt, Tamara Lubansky, Lisa Polk, Bill Rauba, Simone Saywack and Carol Weiss

[1] These figures are based on employee/pension payroll headcount only. Non-Medicare premiums are the payment rate, not the HIP-HMO rate. Non-payroll (employee) headcount is generally an additional one percent of premium, nor do they include other related cost items such as Medicare Part B reimbursement and the City's contribution to the Health Insurance Stabilization Fund.

**Table 1**

**Total Employee and Retiree by Health Insurance Carrier**

Carrier (all plans)	Employer Cost a. \$millions			Contracts c.	Share
	All Funds	City Funds	Share b.		
GHI / Blue Cross combined	\$4,113	\$3,414	74%	439,150	76%
HIP including POS	1195	991	21%	108,384	19%
Aetna	109	90	2%	11,051	2%
Empire Blue Cross d.	57	47	1%	7,724	1%
CIGNA	14	11	0%	1,323	0%
Vytra	10	8	0.2%	692	0.1%
HealthNet	0	0	0.0%	0	0.0%
Med Team	33	27	0.6%	3,451	0.6%
GHI HMO	13	11	0.2%	1,405	0.2%
MetroPlus	20	no cost	0.4%	1,577	0.3%
Humana	0.1	0.1	0.0%	160	0.0%
Oxford	0.3	0.2	0.0%	110	0.0%
Health Options of Florida	no cost	no cost		47	0.0%
Av-Med	no cost	no cost		36	0.0%
ElderPlan	no cost	no cost		31	0.0%
<b>Total</b>	<b>\$5,563</b>	<b>\$4,601</b>		<b>575,141</b>	

a. Payroll headcount only. Non-headcount premium generally accounts for another 1%.

b. Based on all funds.

c. Medicare Family and Split Contracts are reported here as one contract.

d. Stand-alone Empire Blue Cross plans.

**Table 2**

**Total Employee by Health Insurance Carrier**

Carrier (all plans)	Employer Cost a. \$millions			Contracts c.	Share
	All Funds	City Funds	Share b.		
GHI / Blue Cross combined	\$2,923	\$2,426	72%	242,115	73%
HIP including POS	989	821	24%	74,214	22%
Aetna	74	61	2%	6,849	2%
CIGNA	11	9	0%	1,079	0%
Empire Blue Cross d.	38	31	1%	3,488	1%
Vytra	6	5	0.1%	431	0.1%
HealthNet	0	0	0.0%	0	0.0%
Med Team	29	24	0.7%	2,393	0.7%
GHI HMO	11	9	0.3%	1,122	0.3%
MetroPlus	20	0	0.0%	1,558	0.5%
<b>Total</b>	<b>\$4,101</b>	<b>\$3,387</b>		<b>333,249</b>	

**Table 3**

**Total Retiree by Health Insurance Carrier**

Carrier (all plans)	Employer Cost a. \$millions			Contracts c.	Share
	All Funds	City Funds	Share b.		
GHI / Blue Cross combined	\$1,191	988	81%	197,035	81%
HIP including POS	205	170	14%	34,170	14%
Aetna	35	29	2%	4,202	2%
Empire Blue Cross d.	19	16	1%	4,236	2%
CIGNA	2	2	0.2%	244	0.1%
Vytra	4	3	0.3%	261	0.1%
HealthNet	0	0	0.0%	0	0.0%
Med Team	4	3	0.3%	1,058	0.4%
GHI HMO	2	2	0.1%	283	0.1%
Humana	0.1	0	0.0%	160	0.1%
Oxford	0.3	0	0.0%	110	0.0%
MetroPlus	0.2	no cost	0.0%	19	0.0%
Health Options of Florida	no cost	no cost		47	0.0%
Av-Med	no cost	no cost		36	0.0%
ElderPlan	no cost	no cost		31	0.0%
<b>Total</b>	<b>\$1,462</b>	<b>\$1,214</b>		<b>241,892</b>	

a. Payroll headcount only. Non-headcount premium generally accounts for another 1%.

b. Based on all funds.

c. Medicare Family and Split Contracts are reported here as one contract.

d. Stand-alone Empire Blue Cross plans.

**Table 4****Total non-Medicare by Health Insurance Carrier**

Carrier (all plans)	Employer Cost a. \$millions				
	All Funds	City Funds	Share b.	Contracts c.	Share
GHI / Blue Cross combined	\$3,747	\$3,110	73%	299,264	74%
HIP including POS	1,139	946	22%	84,695	21%
Aetna	103	86	2%	8,999	2%
CIGNA	13	11	0%	1,273	0%
Empire Blue Cross d.	48	40	1%	4,183	1%
Vytra	10	8	0.2%	692	0.2%
HealthNet	0	0	0.0%	0	0.0%
Med Team	31	26	0.6%	2,479	0.6%
GHI HMO	13	10	0.2%	1,227	0.3%
MetroPlus	20	no cost	0.4%	1,577	0.4%
Humana	0.0	0.0	0.0%	1	0.0%
<b>Total</b>	<b>\$5,124</b>	<b>\$4,237</b>		<b>404,390</b>	

**Table 5****Total Medicare by Health Insurance Carrier**

Carrier (all plans)	Employer Cost a. \$millions				
	All Funds	City Funds	Share b.	Contracts c.	Share
GHI / Blue Cross combined	\$366	\$304	84%	139,886	82%
HIP including POS	55	46	13%	23,689	14%
Aetna	5	4	1%	2,052	1%
Empire Blue Cross d.	9	7	2%	3,541	2%
Med Team	2	1.9	0.5%	972	0.6%
HealthNet	0.0	0.0	0.0%	0	0.0%
GHI HMO	0.5	0.4	0.1%	178	0.1%
Oxford	0.3	0.21	0.1%	110	0.1%
CIGNA	no cost	no cost		50	0.0%
Humana	0.05	0.04	0.0%	159	0.1%
Health Options of Florida	no cost	no cost		47	0.0%
Av-Med	no cost	no cost		36	0.0%
ElderPlan	no cost	no cost		31	0.0%
<b>Total</b>	<b>\$438</b>	<b>\$364</b>		<b>170,751</b>	

a. Payroll headcount only. Non-headcount premium generally accounts for another 1%.

b. Based on all funds.

c. Medicare Family and Split Contracts are reported here as one contract.

d. Stand-alone Empire Blue Cross plans.

**Notes on Split Contracts:**

Split contract premium is allocated between non-Medicare and Medicare programs.

Split contract headcount is recorded only in the Medicare program.

**Table 6****Medicare Plans Savings versus Senior Care**

<b>Carrier</b>	<b>Plan</b>	<b>Code</b>	<b>Medicare Contracts</b>	<b>Estimated Lives</b>	<b>Plan Savings</b>	<b>Carrier Savings</b>
HIP	HIP-HMO-VIP 4 boroughs	31	15,480	18,424	\$1,284,521	
	HIP-MCP 4 boroughs	32	14	28	\$976	
	HIP-POS VIP NY	33	1	1	\$70	
	HIP MCP Westchester +	39	2	4	\$139	
	HIP HMO VIP WESTCHESTER +	3E	601	798	\$55,637	
	HIP HMO VIP NASSAU	3F	2,137	3,239	\$225,823	
	HIP POS WESTCHESTER +	3G	1	1	\$70	
	HIP MCP NASSAU	3H	3	6	\$209	
	HIP POS VIP NASSAU	3i	0	0	\$0	
	HIP MCP QUEENS	3L	6	12	\$418	
	HIP VIP QUEENS	3M	3,964	4,994	\$348,182	
	HIP HMO VIP Suffolk	3P	1,202	1,850	\$128,982	
	HIP POS Suffolk	3Q	1	1	\$70	<b>\$2,045,097</b>
	BLUE CHOICE	E1	0	0	\$0	
	EMPIRE HMO NYC	E4	92	110	\$173,184	
	EMPIRE HMO /ROCK/WEST	E5	28	40	\$10,008	
	Empire HMO Nassau	E7	24	33	\$24,952	
	Empire HMO Suffolk	E8	27	41	\$0	<b>\$208,144</b>
	CIGNA PHOENIX, ARIZONA	A3	50	74	\$0	<b>\$0</b>
	Health Net	H0	0	0	\$0	<b>\$0</b>
	HUMANA	D0	60	84	\$142,783	
	Humana Palm Beach	D1	19	30	\$50,994	
	HUMANA	Y1	26	35	\$59,493	
	HUMANA TAMPA CORE	Y4	47	63	\$107,087	
	HUMANA JACKSONVILLE	Y6	7	10	\$16,998	<b>\$377,356</b>
	OXFORD NEW YORK	L1	93	107	\$0	
	OXFORD NEW JERSEY	L2	11	16	\$0	
	OXFORD NASSAU RICHMOND	L4	6	8	\$0	<b>\$0</b>
	ELDERPLAN	M1	31	36	\$69,492	<b>\$69,492</b>
	BC/BS HEALTH OPTIONS Dade	O0	4	5	\$9,652	
	BCBS HLTH OPTIONS Palm Beach	O1	15	20	\$38,606	
	BCBS HLTH OPTIONS Broward	O3	28	39	\$75,282	<b>\$123,540</b>
	AV-MED	J0	36	50	\$96,516	<b>\$96,516</b>
<b>Grand Total</b>			<b>24,016</b>	<b>30,159</b>		<b>\$2,920,144</b>

**Table 7**

**HIP-HMO Rate  
Budgetary Impact of a One Percent increase  
\$ millions**

	<u>City Funds</u>	<u>All Funds</u>
FY 2014 Baseline	\$4,614	\$5,559
FY 2015		
1% increase	\$46.1	\$55.6
8% increase	\$369	\$445

Includes inflator for non-payroll premium.

**Table 8**

**Headcount by Employer Group**

	<b>Active</b>	<b>Retiree</b>
<b>Mayoral a.</b>	<b>141,359</b>	<b>125,102</b>
<b>Department of Education b.</b>	<b>120,857</b>	<b>81,138</b>
<b>Housing Authority</b>	<b>10,357</b>	<b>6,898</b>
<b>CUNY - Community Colleges</b>	<b>5,634</b>	<b>1,292</b>
<b>CUNY - Senior Colleges</b>	<b>13,145</b>	<b>6,668</b>
<b>Health and Hospitals</b>	<b>35,104</b>	<b>17,264</b>
<b>Off-Track-Betting Corporation</b>	<b>0</b>	<b>0</b>
<b>Transit Authority</b>	<b>868</b>	<b>1,191</b>
<b>School Construction Authority c.</b>	<b>581</b>	
<b>Cultural Institutions</b>	<b>2,264</b>	<b>831</b>
<b>Public Libraries</b>	<b>3,086</b>	<b>1,604</b>
<b>Fashion Institute of Technology d.</b>		<b>187</b>
<b>Total</b>	<b>333,254</b>	<b>242,174</b>

**a. Includes corpus funded, elected officials, and other PMS agencies not noted below.**

**b. Includes Charter Schools.**

**c. SCA retirees are included in Mayoral count. SCA generally underreports "other plans".**

**d. The City's program is available to retirees only.**