

## Annual adultBasic Report - 2004

### Number of Eligible Adults

The number of persons enrolled in adultBasic from January 2004 through December 2004 is:

January 2004	43,586
February 2004	42,846
March 2004	42,187
April 2004	41,237
May 2004	40,416
June 2004	39,440
July 2004	38,188
August 2004	37,087
September 2004	37,793
October 2004	38,484
November 2004	37,386
December 2004	39,005

### Geographic Distribution

Please refer to Attachment A (adultBasic Enrollment by County) for a county-by-county enumeration of enrollment for the reporting period.

### Waiting List

A statewide waiting list was implemented in March 2003. During the period January 2004 through December 2004, the Department was able to offer enrollment to 26,345 persons who had been on the waiting list. On average, 31% of the persons offered enrollment during the reporting period “took up” the offer and became enrolled.

The offer of enrollment from the waiting list was made possible because of monthly attrition from the program and because more total funding was allocated for state fiscal year 2004-2005 than had been previously allocated. Approximately \$118.98 M was appropriated for this year as contrasted with the \$112 M available during the prior fiscal year.

As of December 6, 2004, 96,353 persons were on the waiting list. Of that number, 2,988 were purchasing the program at the rates negotiated by the Department. Please refer to Attachment B (adultBasic Waitlist by County) for a county-by-county enumeration of waitlist activity during the reporting period.

### Insurers Participating in the Program

The insurers participating in the program during the reporting period were:

- Highmark
- Capital Blue Cross (coverage provided by Keystone Health Plan Central)
- Blue Cross of Northeastern Pennsylvania (coverage provided by First Priority)
- Independence Blue Cross (coverage provided by Keystone Health Plan East)

Contracts with the insurers were fully executed in March 2002 for a three-year period. Because contracts will expire in March 2005, the Department issued a Request for Proposal (RFP) on October 15, 2004, inviting proposals for the purpose of awarding new three-year contracts. On November 19, 2004, proposals were received in response to the RFP. At the time of this writing, the evaluation of the proposals is underway. Pursuant to the Procurement Code, this process is confidential. The Department will notify the legislature when the new contracts have been executed.

### The Scope of Services Being Provided

Services provided are those directed by Section 1303(f)(2) of Act 2001-77 and include:

- Inpatient Hospital Care (including maternity care)
- Short Procedure Unit Care
- Emergency Room Care
- Primary Care
- Specialist Care
- Surgery
- Obstetrics
- Laboratory/Pathology Tests
- X-Rays
- Routine Mammograms
- Rehabilitative Care (in lieu of inpatient hospital care)
- Ambulance Service
- Diabetic Supplies and Injections
- Routine Gynecological Care

No changes to the benefit package have been made during this reporting period.

However, under the terms of the recently issued RFP and related contract(s), new focus will be placed on: Disease management (particularly for asthma, cardiac care, and diabetes); linkages with other sources of healthcare services (especially for those persons on the waiting list); and improved customer service. The Department has also invited offerors to include pilot program concepts in their proposals that could link adultBasic to small employers and/or improve access to other sources of public healthcare service and coverage (e.g., Federally Qualified Health Centers, Rural Health Centers, etc.).

### The Level of Outreach

No funding was made available to the Department to conduct marketing for adultBasic during this reporting period (e.g., television or radio advertising).

Nevertheless, the Department has continued to work with community service partners to share information about adultBasic and to encourage the filing of an application. Doing so may result

in placement on the waiting list, but it also offers the opportunity to enroll in the program “at cost” for so long as the person is on the waiting list and may also result in a referral to another source of healthcare coverage or service (e.g., Medicaid, Federally Qualified Health Centers, etc.).

### Cost of Coverage

The average statewide rate per enrollee for the provision of adultBasic coverage was \$262 per month during the reporting period. Of that amount, each enrollee has paid \$30 per month and the resulting cost to the Commonwealth has been \$232.

As conveyed in the last report, rates for adultBasic were negotiated for the first two years of the contract. As required, contractors submitted utilization data to the Department’s actuary in December of 2003. This data was analyzed to establish the new rates that became effective in March 2004.

### The Amount of Enrollee Contribution

In accordance with Section 1303 (b)(2) of the Statute, each eligible adult has been responsible for paying \$30 per month for coverage. However, a modest adjustment to the premium will be implemented in March 2005 as a result of cumulative increases in the Consumer Price Index since the implementation of the program. The new premium will be \$32.00 per person. This small increase in the premium will make available approximately \$67,500 per month for the program and enable increased enrollment of approximately 240 additional persons each month.

During the reporting period, enrollees were required to pay co-payments for certain services including:

Primary Care Provider Visit	\$ 5.00
Specialist Visit	\$10.00
Emergency Room Visit	\$25.00 (waived if patient admitted)

There have been no other co-payments.