



BlueAdvantage Level Funded Plan Playbook For Brokers

Self-funding with a safety net

June 2023



How it works

As fully insured rates have risen, employers are looking for ways to manage healthcare benefit costs and slow potential rate increases for their business and their employees. More and more employers are moving to self-funding to help manage these costs.

Level funding is a product designed to allow smaller sized groups the benefits of self-funding, while maintaining the ease of being fully insured.

For level funded plans, BlueAdvantage sets up and administers a self-funded health plan on behalf of the employer, which pays for the plan participants' medical and pharmacy benefits directly. Employers enjoy the benefit of predictable level billing, while also allowing the opportunity for shared savings. Financial risk for medical expenses is covered by the stop-loss insurance underwritten by FullscopeRMS.

The BlueAdvantage Level Funded plan provides the same regulatory, enrollment and reporting requirements as self-funded plans. The level funded product offers the same benefit design options, features and point solutions as provided to Arkansas Blue Cross and Blue Shield fully insured large group plans.



Ideal Buyer Persona

- 25-200 enrolled employees
- Minimal large claim risk
- Engaged leadership team
- Groups engaged in health/wellness and wanting to manage their claim cost



Employer Opportunity

Employers can save money if employee claims are less than expected. BlueAdvantage will return 50% of the claim surplus (after terminal liability is funded) at the end of the year if the employer renews and stays through the 16th month.

Note: If actual claims are more than the claim fund, stop-loss covers the excess.

Providers

This plan participates in the preferred provider organization (PPO). For maximum benefits, members should see providers who are PPO with BlueAdvantage Administrators of Arkansas. A list of participating providers is available online at blueadvantagearkansas.com. This plan also participates in the BlueCard® program.

Features included in BlueAdvantage Level Funded



Carleon Medical Benefits Management

Medical oncology evaluates the clinical appropriateness and medical necessity of cancer treatment regimens to ensure alignment with plan medical policy and promote evidence-based care. **Radiology** provides a multi-tier approach to managing advanced imaging services. Carleon engages providers when they are ordering imaging services and members when they are deciding where to undergo the service.



Lucet

Our behavioral health vendor, Lucet, is pioneering new ways to improve access to behavioral healthcare and bringing technology-focused care solutions to those we serve. Lucet gives members 24/7 access to licensed clinicians who can provide behavioral health services a member needs, no matter the challenges they're facing.



Blueprint Portal

Blueprint Portal lets members take charge of their own healthcare. With Blueprint Portal, members can view claims and policy information, access and send a digital ID card, find care and costs, access pharmacy information, see deductible progress and more.



Primary Care First & Patient-Centered Medical Homes

These value-based programs offer a team approach to patient care to ensure the patient receives the right care at the right time and in the right place. Providers in these programs go beyond reactive care and are proactive in how they treat their patients. They ensure their patients receive appropriate preventive care and have access to same-day appointments which leads to lower utilization of high-cost settings like the emergency department. Patients seeing a Primary Care First provider can expect to experience lower costs at the office visit because PCF providers are paid at a lower fee-for-service rate and are incentivized by the plan to achieve high quality of care.



Onduo

An innovative virtual diabetes program aimed at helping members manage their disease and improve their health with a care plan tailored specifically for them. Eligible members can access tools, coaching, clinical support and manage their type 2 diabetes from a smartphone with our virtual diabetes program.





Pharmacy

Our pharmacy program achieves lower costs by improving employee health outcomes, rigorous cost control measures—including specialty and drug pipeline management—streamlined plan administration, aligned policy and comprehensive client support. Because we utilize one of the largest PBMs in the nation, our pharmacy network provides choice, confidence and convenience for members at more than 68,000 pharmacies nationwide.



Case Management

Our case management program features an interdisciplinary team that works toward improving members' lives through information, education, and assistance to members and their families. Case management focuses on a holistic approach, with your employees interacting with nurse case managers at the center of the model. Recognizing that social, economic, and financial factors play a role in a member's health, the aim of the program is not only to work with a member's physician to manage and help coordinate care, but also to provide resources to members, help choose cost-effective treatment alternatives, and assist the member in navigating a complex healthcare system.

Reporting



High-Cost Claimant (HCC) Listing

Monthly detail on HCC including diagnosis category, number of visits and amounts paid.



Enrollment and Claims

Breakdown of the number of subscribers and members as well as the amounts paid for medical and pharmacy claims.



Top 25 Dispensed Prescriptions

Listing of the top dispensed drugs, therapeutic class, drug type, number of claimants, scripts and amount paid.

Appeals

Third-party vendor handles the utilization review appeals process. Our vendor is responsible for notifying the member of the receipt and outcome of the appeal. BlueAdvantage will issue a new EOB if the appeal is approved.

Effective Date

BlueAdvantage Level Funded plan applications may be submitted for a first of the month effective date.

Agent/Broker Requirements

The external agent must be appropriately licensed and appointed to represent BlueAdvantage in Arkansas, where the application is signed.

Proposal Process

An RFP is submitted to BlueAdvantage or a broker initiates process and submits required documents.



Process timeline for a new quote

- Broker and customer request quote options
- Quote released to the broker in 5-10 business days
- Review of quote broker and customer
- Decision by customer to purchase level funded product
- Completed case package and ASA (deadline is 15 days prior to the start of the first month of coverage)

Contracting

A contract will be executed between the employer and BlueAdvantage. The terms of the ASA are non-negotiable.

Decline and Discretionary Industries

Decline/No-Quote

Certain industries have a higher risk of severity and incidence of claims. Groups that fall into the following SIC categories will not be quoted.

SIC	Description
723	Crop Preparation Services For Market, Except Cotton Ginning
724	Cotton Ginning
912	Finfish
913	Shellfish
919	Miscellaneous Marine Products
1222	Bituminous Coal Underground Mining
1231	Anthracite Mining
1241	Coal Mining Services
2411	Logging
2421	Sawmills And Planing Mills, General
2426	Hardwood Dimension And Flooring Mills
2429	Special Product Sawmills, Nec
2892	Explosives
3292	Asbestos Products
4121	Taxicabs

SIC	Description
4311	United States Postal Service
5813	Drinking Places (Alcoholic Beverages)
7021	Rooming And Boarding Houses
7032	Sporting And Recreational Camps
7033	Recreational Vehicle Parks And Campsites
7041	Organization Hotels And Lodging Houses, On Membership Basis
7381	Detective, Guard, And Armored Car Services
8811	Private Households
9221	Police Protection
9223	Correctional Institutions
9224	Fire Protection
9711	National Security
9721	International Affairs
9999	Nonclassifiable Establishments

Discretionary Industries

We are typically not able to quote groups that fall into the following SIC categories, but these may be considered on a case-by-case basis.

Description
Employee Leasing Organizations
Employer/Company in business less than 2 years.
Associations/Trusts/JPAs/MEWA
Virgin Groups
Stand-Alone Casinos
PEOs/Groups coming out of a PEO (Professional Employer Organization)
Spin-off Groups

Discretionary Conditions

Diagnosis	Treatment
Hemophilia	Factor Replacement, Roctavian
VonWillebrands	Factor Replacement
PNH (Paroxysmal Nocturnal Hemoglobinuria)	Soliris
Hemolytic Uremic Syndrome	Soliris
Spinal Muscular Atrophy	Zolgensma, Spinraza
Pompe Disease	Enzyme Replacement Therapy
Gauchers Disease	Enzyme Replacement Therapy
Alpha 1 Anitrypsin Disorder	Augmentation (Protein Replacement) Therapy
Fabry's Disease	Enzyme Replacement Therapy
Hurlers Disease	Enzyme Replacement Therapy
Lipidoses	Enzyme Replacement Therapy
Hereditary Angioedema	Berinert, Cinryze, Ruconest
Beta Thalassemia	Zynteglo
Sickle Cell Anemia	Zynteglo
RPE65 Gene Mutation Inherited Vision Loss	Luxturna
Cystic Fibrosis	Ongoing RX Therapy
Lymphoma/Leukemias (not in remission)	Chemotherapy, BMT, SCT, Gene Therapies
Premature Infant	Extended inpatient care needs
Kidney Failure	Potential for Dialysis, Solid Organ Transplant
PKU	Medication, Diet
Severe Burns	Ongoing wound care and grafting
Severe Trauma	Extended inpatient care, Skilled Nursing Facility Care, rehabilitation
Liver Failure	Inpatient care d/t comps, transplant
Lung Failure	RX, Transplant
Primary Pulmonary Hypertension	RX, Transplant
Heart Failure	RX, Transplant, LVAD
High Risk Pregnancy/Multiple Gestation	Extended inpatient care, potential pre-mature delivery and preemie
Malignant Neoplasm/Carcinomas	RX, Chemotherapy, Targeted Therapies
Growth Hormone Deficiency	RX
ALS/Multiple Sclerosis	Maintenance RX, Infusion, Inpatient care
Maintenance RX costing 5k or greater per month	RX
Mental Health/Substance Abuse	RX, Inpatient, Partial-Inpatient Care

Funding Comparison

