

August 9, 2011

Dan Long
Executive Director
Commission on Governmental Forecasting
and Accountability
703 Stratton Office Building
Springfield, IL 62706

Dear Director Long:

Per the State Employees Group Insurance Act of 1971 (5 ILCS 375/5 (v)), the Department of Central Management Services (DCMS) must conduct the annual Benefit Choice period, beginning on May 1. This annual Benefit Choice period, or open enrollment period, is conducted for the purposes of allowing current members the opportunity to make changes to their chosen health carrier, to opt in or out of the dental program, to add or remove dependents, or a variety of other changes. Additionally, certain persons who are eligible to participate in the programs, but do not, are allowed an opportunity to enroll (or re-enroll) in the programs.

Subsequent to each open enrollment period, DCMS compiles data and produces a report commonly known as the Migration Report. Normally this report is provided to the Commission each spring as a part of the Group Insurance Data Binder used for the annual projection of Group Insurance liabilities. However, due to the extenuating circumstances surrounding the most recent open enrollment period – specifically the many questions regarding the provision of managed care through the use of self-insured arrangements with vendors – it would seem appropriate to provide the Commission with the relevant information at this time.

Attached, you will find several pages of both plan specific and summary information related to the four insurance programs administered by the State (State Employees Group Insurance Program, Teachers' Retirement Insurance Program, College Insurance Program, and Local Government Health Plan).

Pages one through five show the changes in health carrier made by members during the open enrollment period. Specifically, these pages reflect the health counts of members who elected to switch from a specific health carrier to another. Page five shows the migration summary for all four plans combined. Of particular note, on this page you will see that two vendors (Humana Health Plan and Humana Winnebago) that were under contract with the State during FY 2011 but are not during FY 2012. Additionally, there were two vendors (BCBS Blue Advantage and Personal Care OAP) that were not under contract during FY 2011 but are during FY 2012.

Pages six through ten show the differences by health carrier in both member (employee and retiree) and dependent enrollment from April 29, 2011 to July 29, 2011. In addition to the changes made by members in the open enrollment period, the differences in the numbers reflect any changes in membership do to new hires, terminations, or the addition or removal of any dependents. Although not the same as the changes made during the open enrollment period, the differences are typically very similar in size. For example, Health Alliance Illinois lost a net number of 986 members during the three month time period, 980 of these losses occurred as a result of the open enrollment period.

Pages six through ten, and most importantly page ten, also show the percentage changes in total enrollment by health carrier and the enrollment percentages of the various plan components relative to the total. Included in these figures is the percentage of members and dependents in managed care, self-insured managed care, and in self-insured carriers.

In general, the total count of members and dependents went from 436,000 to 438,864, an increase of 2,864 or 0.66%. This was mainly due to increases in dependents in the State Employees Group Insurance Program, retirees in the Teachers' Retirement Insurance Program, and a loss of members and dependents in the Local Government Health Plan. With the passing of both State and Federal legislation, coverage for dependents in the State Employees Program has increased consistently over the last several years. The Teachers' program sees consistent growth year over year as there are more retirements with longer life expectancies. In contrast, as healthcare costs have risen consistently over the last several years, the Local Government Health Plan has seen decreases in enrollment.

Page five shows the choices by members for all four plans combined. The following tables shows the number of members who chose to leave a given health carrier (note that Humana and Humana Winnebago were not offered as of July 1), the number of members that chose to join a given health carrier, and the net gain/ (loss) to each vendor as a result of the open enrollment period.

VENDOR	MEMBERS LEAVING
Health Alliance	8,176
Personal Care HMO	7,583
Humana Health Plan	7,148
CIGNA	2,310
Humana Winnebago	1,287
Health Alliance Illinois	980
HMO Illinois	959
HealthLink OAP	556
Personal Care OAP	14
Blue Advantage	0

VENDOR	MEMBERS JOINING
Personal Care OAP	10,359
HealthLink OAP	9,030
CIGNA	3,417
Health Alliance	2,965
HMO Illinois	2,277
Blue Advantage	837
Personal Care HMO	90
Health Alliance Illinois	38
Humana Health Plan	0
Humana Winnebago	0

VENDOR	NET GAIN/(LOSS)
Personal Care OAP	10,345
HealthLink OAP	8,474
HMO Illinois	1,318
CIGNA	1,107
Blue Advantage	837
Health Alliance Illinois	(942)
Humana Winnebago	(1,287)
Health Alliance	(5,211)
Humana Health Plan	(7,148)
Personal Care HMO	(7,493)

Based upon analysis of the choices made by membership (from page 5 of the report) several points can be highlighted regarding member behavior and preference.

- Of the 19,389 members that chose healthcare coverage under an open access plan (OAP), 13,948 or 71.9%, came from previous coverage under a fully insured HMO health carrier that was still available as of July 1.
- Of the 7,583 members that chose to leave Personal Care HMO, 6,066 or 78.0% chose to enroll in Personal Care OAP.
- Of the 8,435 members that were previously enrolled in one of the two Humana plans that expired on June 30, 2,741 or 32.5% enrolled in an OAP, 2,717 or 32.2% enrolled in one of the two Health Alliance plans, and 2,032 or 24.1% enrolled in the CIGNA plans.
- Overall, the CIGNA plans saw a net increase of 1,107 (3,417 joining and 2,310 leaving). Of the members joining, 2,032 or 59.5% came from previous participants in one of the two discontinued Humana Plans. Of the members leaving, 1,605 or 69.5% went to an OAP. An additional 560 or 24.2% went to one of the BCBS plans.

From page ten of the report, analysis shows the following changes in the overall make up of the plans' membership.

- While overall enrollment in the four programs increased, enrollment in managed care plans increased at a slightly greater rate, resulting in a total migration to managed care factor of 0.13%.
- The total enrollment in the plans that is covered under a self-insured financing arrangement (CIGNA plus self-insured managed care) increased from 53.2% to 61.2%.
- The total enrollment in the plans that is covered under a self-insured managed care plan increased from 15.5% to 23.6%.
- Self-insured managed care participation, as a percentage of all managed care, increased from 24.8% to 37.8%.

If you have any questions, or would like to further discuss the analysis, please feel free to contact me at your convenience.

Warmest Regards,

Colm Brewer, Acting Division Administrator
Office of Healthcare Purchasing

FY12 MIGRATION REPORT

State Members

Final

		1	2	3	4	5	6	7	8	9	10		
Carrier Name		H Alliance HMO (AH)	Personal Care (AS)	H Alliance Illinois (BS)	HMO Illinois (BY)	Humana Health Plan (CA)	Humana Winnebago (CE)	HealthLink OAP (CF)	Personal Care OAP (CH)	Blue Advantage (CI)	QCHP (D3)	Total Deleted	
1	Health Alliance	(AH)	0	11	3	605	0	0	4,790	1,192	197	379	7,177
2	PersonalCare	(AS)	44	0	1	321	0	0	715	5,020	131	161	6,393
3	Health Alliance Illinois	(BS)	4	1	0	40	0	0	421	235	14	69	784
4	HMO Illinois	(BY)	8	1	3	0	0	0	182	117	82	401	794
5	Humana Health Plan	(CA)	2,091	27	12	196	0	0	407	624	98	785	4,240
6	Humana Winnebago	(CE)	3	11	1	152	0	0	250	126	61	171	775
7	HealthLink OAP	(CF)	55	5		41	0	0	0	242	29	76	448
8	PersonalCare OAP	(CH)	2	2	0	1	0	0	0	0	0	0	5
9	Blue Advantage	(CI)	0	0	0	0	0	0	0	0	0	0	0
10	QCHP	(D3)	101	8	8	381	0	0	814	458	84	0	1,854
		(AH)	(AS)	(BS)	(BY)	(CA)	(CE)	(CF)	(CH)	(CI)	(D3)		
	Total Added:		2,308	66	28	1,737	0	0	7,579	8,014	696	2,042	22,470
	Net:		-4,869	-6,327	-756	943	-4,240	-775	7,131	8,009	696	188	

FY12 MIGRATION REPORT
LGHP Members
Final

		1	2	3	4	5	6	7	8	9	10		
Carrier Name		H Alliance HMO (AH)	Personal Care (AS)	H Alliance Illinois (BS)	HMO Illinois (BY)	Humana Health Plan (CA)	Humana Winnebago (CE)	HealthLink OAP (CF)	Personal Care OAP (CH)	Blue Advantage (CI)	LCHP (D3)	Total Deleted	
1	Health Alliance	(AH)	0	0	0	31	0	0	128	56	2	10	227
2	PersonalCare	(AS)	0	0	0	6	0	0	15	191	1	4	217
3	Health Alliance Illinois	(BS)	0	0	0	2	0	0	4	11	0	0	17
4	HMO Illinois	(BY)	1	0	0	0	0	0	5	2	0	2	10
5	Humana Health Plan	(CA)	96	2	0	31	0	0	124	143	4	26	426
6	Humana Winnebago	(CE)	0	0	0	0	0	0	0	0	0	0	0
7	HealthLink OAP	(CF)	0	0	0	2	0	0	0	1		2	5
8	PersonalCareOAP	(CH)	0	0	0	0	0	0	0	0	0	0	0
9	Blue Advantage	(CI)	0	0	0	0	0	0	0	0	0	0	0
10	QCHP	(D3)	3	0	1	9	0	0	8	30	0	0	51
		(AH)	(AS)	(BS)	(BY)	(CA)	(CE)	(CF)	(CH)	(CI)	(D3)		
	Total Added:		100	2	1	81	0	0	284	434	7	44	953
	Net:		-127	-215	-16	71	-426	0	279	434	7	-7	

FY12 MIGRATION REPORT

TRIP Members

Final

		1	2	3	4	5	6	7	8	9	10		
Carrier		H Alliance	Personal	H Alliance	HMO	Humana	Humana	HealthLink	Personal	Blue	TCHP	Total	
Name		HMO	Care	Illinois	Illinois	Health Plan	Health Plan	OAP	Care OAP	Advantage	(D3)	Deleted	
		(AH)	(AS)	(BS)	(BY)	(CA)	(CE)	(CF)	(CH)	(CI)	(D3)		
1	Health Alliance	(AH)	0	5	3	61	0	0	393	227	20	57	766
2	PersonalCare	(AS)	0	0	0	28	0	0	39	849	7	37	960
3	Health Alliance Illinois	(BS)	13	0	0	7	0	0	104	36	4	12	176
4	HMO Illinois	(BY)	0	1	1	0	0	0	12	3	1	128	146
5	Humana Health Plan	(CA)	499	10	2	262	0	0	471	555	80	512	2,391
6	Humana Winnebago	(CE)	0	0	0	0	0	0	0	0	0	512	512
7	HealthLink OAP	(CF)	4	2	1	18	0	0	0	37	6	29	97
8	PersonalCare OAP	(CH)	6	0	0	1	0	0	0	0	0	1	8
9	Blue Advantage	(CI)	0	0	0	0	0	0	0	0	0	0	0
10	QCHP	(D3)	18	2	1	68	0	0	109	170	12	0	380
		(AH)	(AS)	(BS)	(BY)	(CA)	(CE)	(CF)	(CH)	(CI)	(D3)		
	Total Added:		540	20	8	445	0	0	1,128	1,877	130	1,288	5,436
	Net:		-226	-940	-168	299	-2,391	-512	1,031	1,869	130	908	

FY12 MIGRATION REPORT

CIP Members

Final

		1	2	3	4	5	6	7	8	9	10		
Carrier Name		H Alliance HMO (AH)	Personal Care (AS)	H Alliance Illinois (BS)	HMO Illinois (BY)	Humana Health Plan (CA)	Humana Winnebago (CE)	HealthLink OAP (CF)	Personal Care OAP (CH)	Blue Advantage (CI)	CCHP (D3)	Total Deleted	
1	Health Alliance	(AH)	0	1	0	0	0	0	2	1	0	2	6
2	PersonalCare	(AS)	0	0	0	1	0	0	1	6	0	5	13
3	Health Alliance Illinois	(BS)	0	0	1	0	0	0	2	0	0	0	3
4	HMO Illinois	(BY)	0	0	0	0	0	0	2	0	1	6	9
5	Humana Health Plan	(CA)	13	1	0	9	0	0	23	18	1	26	91
6	Humana Winnebago	(CE)	0	0	0	0	0	0	0	0	0	0	0
7	HealthLink OAP	(CF)	0	0	0	0	0	0	0	2	0	4	6
8	PersonalCare OAP	(CH)	1	0	0	0	0	0	0	0	0	0	1
9	Blue Advantage	(CI)	0	0	0	0	0	0	0	0	0	0	0
10	QCHP	(D3)	3	0	0	4	0	0	9	7	2		25
		(AH)	(AS)	(BS)	(BY)	(CA)	(CE)	(CF)	(CH)	(CI)	(D3)		
Total Added:		17	2	1	14	0	0	39	34	4	43	154	
Net:		11	-11	-2	5	-91	0	33	33	4	18		

FY12 MIGRATION REPORT

TOTAL Members

Final

		1	2	3	4	5	6	7	8	9	10		
Carrier Name		H Alliance HMO (AH)	Personal Care (AS)	H Alliance Illinois (BS)	HMO Illinois (BY)	Humana Health Plan (CA)	Humana Winnebago (CE)	HealthLink OAP (CF)	Personal Care OAP (CH)	Blue Advantage (CI)	CIGNA (D3)	Total Deleted	
1	Health Alliance	(AH)	0	17	6	697	0	0	5,313	1,476	219	448	8,176
2	PersonalCare	(AS)	44	0	1	356	0	0	770	6,066	139	207	7,583
3	Health Alliance Illinois	(BS)	17	1	1	49	0	0	531	282	18	81	980
4	HMO Illinois	(BY)	9	2	4	0	0	201	122	84	537	959	
5	Humana Health Plan	(CA)	2,699	40	14	498	0	0	1,025	1,340	183	1,349	7,148
6	Humana Winnebago	(CE)	3	11	1	152	0	0	250	126	61	683	1,287
7	HealthLink OAP	(CF)	59	7	1	61	0	0	0	282	35	111	556
8	PersonalCare OAP	(CH)	9	2	0	2	0	0	0	0	0	1	14
9	Blue Advantage	(CI)	0	0	0	0	0	0	0	0	0	0	0
10	CIGNA	(D3)	125	10	10	462	0	0	940	665	98	0	2,310
		(AH)	(AS)	(BS)	(BY)	(CA)	(CA)	(CF)	(CH)	(CI)	(D3)		
	Total Added:		2,965	90	38	2,277	0	0	9,030	10,359	837	3,417	29,013
	Net:		-5,211	-7,493	-942	1,318	-7,148	-1,287	8,474	10,345	837	1,107	

FY12 MEMBERSHIP REPORT
State Members and Dependents

Health Carrier	4/29/2011		07/29/2011		Net Change		Percent Change	
	Members	Dependents	Members	Dependents	Members	Dependents	Members	Dependents
1 QCHP	79,234	39,775	78,995	39,723	-239	-52	-0.30%	-0.13%
2 Health Alliance HMO	38,261	43,062	33,177	38,700	-5,084	-4,362	-13.29%	-10.13%
3 Health Alliance Illinois	3,673	4,662	2,898	3,862	-775	-800	-21.10%	-17.16%
4 HMO Illinois	30,125	30,916	31,139	32,689	1,014	1,773	3.37%	5.73%
5 Blue Advantage	0	0	760	996	760	996	100.00%	100.00%
6 Humana HealthPlans	4,312	5,813	0	0	-4,312	-5,813	-100.00%	-100.00%
7 Humana Winnebago	780	778	0	0	-780	-778	-100.00%	-100.00%
8 Personal Care	13,463	13,698	7,079	6,830	-6,384	-6,868	-47.42%	-50.14%
9 PersonalCare OAP	0	0	8,179	9,931	8,179	9,931	100.00%	100.00%
10 HealthLink OAP	20,863	24,101	28,251	32,875	7,388	8,774	35.41%	36.41%
Managed Care Total	111,477	123,030	111,483	125,883	6	2,853	0.01%	2.32%
Self-Insured Managed Care	25,316	29,541	39,328	46,668	14,012	17,127	55.35%	57.98%
Self-Insured	104,550	69,316	118,323	86,391	13,773	17,075	13.17%	24.63%
TOTAL ALL PLANS	190,711	162,805	190,478	165,606	-233	2,801	-0.12%	1.72%
% Managed Care	58.45%	75.57%	58.53%	76.01%				
% Self-Insured Managed Care	13.27%	18.15%	20.65%	28.18%				
% Self-Insured	54.82%	42.58%	62.12%	52.17%				

FY12 MEMBERSHIP REPORT
LGHP Members and Dependents

Health Carrier	4/29/2011		7/29/2011		Net Change		Percent Change	
	Members	Dependents	Members	Dependents	Members	Dependents	Members	Dependents
1 LCHP	1,038	530	958	501	-80	-29	-7.71%	-5.47%
2 Health Alliance HMO	1,413	808	1,074	688	-339	-120	-23.99%	-14.85%
3 Health Alliance Illinois	145	66	98	51	-47	-15	-32.41%	-22.73%
4 HMO Illinois	271	215	331	252	60	37	22.14%	17.21%
5 Blue Advantage	0	0	7	1	7	1	100.00%	100.00%
6 Humana HealthPlans	563	510	0	0	-563	-510	-100.00%	-100.00%
7 Humana Winnebago	0	0	0	0	0	0		
8 Personal Care	519	356	212	94	-307	-262	-59.15%	-73.60%
9 PersonalCare OAP	0	0	457	390	457	390	100.00%	100.00%
10 HealthLink OAP	536	268	770	468	234	200	43.66%	74.63%
Managed Care Total	3,447	2,223	2,949	1,944	-498	-279	-14.45%	-12.55%
Self-Insured Managed Care	681	334	1,325	909	644	575	94.57%	172.16%
Self-Insured	1,719	864	2,283	1,410	564	546	32.81%	63.19%
TOTAL ALL PLANS	4,485	2,753	3,907	2,445	-578	-308	-12.89%	-11.19%
% Managed Care	76.86%	80.75%	75.48%	79.51%				
% Self-Insured Managed Care	15.18%	12.13%	33.91%	37.18%				
% Self-Insured	38.33%	31.38%	58.43%	57.67%				

FY12 MEMBERSHIP REPORT
TRIP Members and Dependents

Health Carrier	4/29/2011		7/29/2011		Net Change		Percent Change	
	Members	Dependents	Members	Dependents	Members	Dependents	Members	Dependents
1 TCHP	33,576	5,919	34,263	6,015	687	96	2.05%	1.62%
2 Health Alliance HMO	5,123	747	4,931	741	-192	-6	-3.75%	-0.80%
3 Health Alliance Illinois	898	150	736	132	-162	-18	-18.04%	-12.00%
4 Blue Advantage	0	0	140	17	140	17	100.00%	100.00%
5 HMO Illinois	6,561	1,287	7,053	1,368	492	81	7.50%	6.29%
6 Humana HealthPlans	2,431	381	0	0	-2,431	-381	-100.00%	-100.00%
7 Humana Winnebago	0	0	0	0	0	0		
8 Personal Care	1,953	293	1,033	138	-920	-155	-47.11%	-52.90%
9 PersonalCare OAP	0	0	1,986	291	1,986	291	100.00%	100.00%
10 HealthLink OAP	8,573	1,380	9,839	1,591	1,266	211	14.77%	15.29%
Managed Care Total	25,539	4,238	25,718	4,278	179	40	0.70%	0.94%
Self-Insured Managed Care	9,471	1,530	12,561	2,014	3,090	484	32.63%	31.63%
Self-Insured	43,047	7,449	46,824	8,029	3,777	580	8.77%	7.79%
TOTAL ALL PLANS	59,115	10,157	59,981	10,293	866	136	1.46%	1.34%
% Managed Care	43.20%	41.72%	42.88%	41.56%				
% Self-Insured Managed Care	16.02%	15.06%	20.94%	19.57%				
% Self-Insured	72.82%	73.34%	78.06%	78.00%				

FY12 MEMBERSHIP REPORT
CIP Members and Dependents

Health Carrier	4/29/2011		7/29/2011		Net Change		Percent Change	
	Members	Dependents	Members	Dependents	Members	Dependents	Members	Dependents
1 CCHP	3,860	610	3,998	621	138	11	3.58%	1.80%
2 Health Alliance HMO	303	59	315	62	12	3	3.96%	5.08%
3 Health Alliance Illinois	29	5	27	4	-2	-1	-6.90%	-20.00%
4 HMO Illinois	339	63	363	65	24	2	7.08%	3.17%
5 Blue Advantage	0	0	6	1	6	1	100.00%	100.00%
6 Humana HealthPlans	92	14	0	0	-92	-14	-100.00%	-100.00%
7 Humana Winnebago	0	0	0	0	0	0		
8 Personal Care	101	16	89	14	-12	-2	-11.88%	-12.50%
9 PersonalCare OAP	0	0	38	4	38	4	100.00%	100.00%
10 HealthLink OAP	403	80	459	88	56	8	13.90%	10.00%
Managed Care Total	1,267	237	1,297	238	30	1	2.37%	0.42%
Self-Insured Managed Care	432	85	524	96	92	11	21.30%	12.94%
Self-Insured	4,292	695	4,522	717	230	22	5.36%	3.17%
TOTAL ALL PLANS	5,127	847	5,295	859	168	12	3.28%	1.42%
% Managed Care	24.71%	27.98%	24.49%	27.71%				
% Self-Insured Managed Care	8.43%	10.04%	9.90%	11.18%				
% Self-Insured	83.71%	82.05%	85.40%	83.47%				

FY12 MEMBERSHIP REPORT
TOTAL Members and Dependents

Health Carrier	4/29/2011		7/29/2011		Net Change		Percent Change	
	Members	Dependents	Members	Dependents	Members	Dependents	Members	Dependents
1 PPO Health Plan	117,708	46,834	118,214	46,860	506	26	0.4%	0.1%
2 Health Alliance HMO	45,100	44,676	39,497	40,191	-5,603	-4,485	-12.4%	-10.0%
3 Health Alliance Illinois	4,745	4,883	3,759	4,049	-986	-834	-20.8%	-17.1%
4 HMO Illinois	30,735	31,194	31,973	33,023	1,238	1,829	4.0%	5.9%
5 Blue Advantage	6,561	1,287	7,826	2,366	1,265	1,079	100.0%	100.0%
6 Humana HealthPlans	7,398	6,718	0	0	-7,398	-6,718	-100.0%	-100.0%
7 Humana Winnebago	780	778	0	0	-780	-778	-100.0%	-100.0%
8 Personal Care	16,036	14,363	8,413	7,076	-7,623	-7,287	-47.5%	-50.7%
9 PersonalCare OAP	0	0	10,660	10,616	10,660	10,616	100.0%	100.0%
10 HealthLink OAP	30,375	25,829	39,319	35,022	8,944	9,193	29.4%	35.6%
Managed Care Total	141,730	129,728	141,447	132,343	-283	2,615	-0.2%	2.0%
Self-Insured Managed Care	35,900	31,490	53,738	49,687	17,838	18,197	49.7%	57.8%
Self-Insured	153,608	78,324	171,952	96,547	18,344	18,223	11.9%	23.3%
TOTAL ALL PLANS	259,438	176,562	259,661	179,203	223	2,641	0.1%	1.5%
% Managed Care	54.63%	73.47%	54.47%	73.85%				
% Self-Insured Managed Care	13.84%	17.84%	20.70%	27.73%				
% Self-Insured	59.21%	44.36%	66.22%	53.88%				