

PRISMHealth **Program Budget Policy**

Program Goals for the PRISMHealth Program include the following:

Short Term Goals

- Increase Program communication of products and services
- Increase Member participation in committee meetings
- Monitor carrier and vendor performance
- Continue to present health care cost containment strategies
- Conduct more online Healthcare related webinars
- Leverage Data Analytics and Reporting
- Conduct Annual Member Stakeholder Meetings
- Establish Healthcare Chat on PRISM website
- Evaluate program requirements in consideration of withdrawing from SISC
- Create and implement robust communication strategy for Digbi Health and Navitus

Long Term Goals

- Expansion of Enhanced Care Programs (Carrum, , Hinge, etc.)
- Maintain appropriate funding levels and stable pricing within the Program
- Increase member specific, benefits related information on the PRISM website
- Evaluate Retiree Solutions to include Medicare education and review of plan options
- Growth of Navigator and Dynamic Copay solutions
- Value proposition for “jumbo” prospects
- Audit of high-cost claims

Budget Policies for the PRISMHealth Program include the following:

Revenues

- The transferred risk premiums for PRISMHealth insurance is based on the benefit level selected by each member and their actual claims experience. A per employee, per month rate is established for each member.
- PRISMHealth Committee has established additional services and associated rates necessary to manage the PRISMHealth Program. These services pertain to the administration of the PRISMHealth Program. The services and rates are outlined below and included in the following addendum, they will also be updated annually by service and the amount of the fixed cost.

- Claim administration and eligibility fees are based on a per employee, per month rate. The rates may vary based on group size and/or products purchased by the member.
 - Broker fees are based on a per employee, per month rate with the exception of pharmacy, which is based on a per member, per month rate. The fee paid by the member varies based on the size of each member.
 - TPA and vendor fees are based on a per employee, per month rate.
 - PRISM Administration rates are based on a per employee, per month rate.
- PRISMHealth Committee has establish a Claim Fluctuation Reserve in order to build reserves for the consideration of withdrawal from the SISC risk sharing arrangement. The CFM will become a line item on the PRISMHealth revenue and expense budget worksheet and be added to the PRISM investment portfolio.
 - PRISMHealth has establish a Member Subsidy fund in the amount of \$5k per member. This fund is available to members in the payment of unexpected fees charged by the program benefits administrators that are not covered under the PRISM contract.

Expenses

- The health insurance premiums transferred to the PRISMHealth Program partner, Self Insured Schools of California (SISC), equals the per employee, per month premium referred to in the section below. Risk for member healthcare cost have been transferred to SISC.
- Other PRISMHealth Program revenues that pass through as an expense include:
 - Claims Administration and TPA Fees
 - Broker Fee Expense
 - Eligibility Administration Expense (fixed costs are outlined on page 3)
 - ACA Compliance (PCORI and RxDc reporting)
- The PRISMHealth Symposium expense provides for the operating cost of seminars conducted to update members on current health industry issues. The cost includes reimbursements of travel costs incurred by members to attend the seminar.
- The PRISMHealth Program workshops/webinars are designed to train and update program members on services available through the PRISMHealth Program.
- Other program administration costs include legal expenses and actuary expenses. An expense budget of \$25,000 has been delegated to the PRISMHealth



Committee for any unforeseen budget expenses. The PRISMHealth Committee may allocate these funds to any expense line item with a two-thirds vote of the Committee.

Transfers

- Transfers out to the general administration program are used to pay for PRISM staff and all other administrative costs. These administration costs are allocated to all PRISM programs based on a three-year average of staff time.
- Investment Fees are charged on the average daily balance of program funds invested.

PRISMHealth 2025 Fixed Administrative Costs:

| Carrier/Vendor | Scope of Services | Fee | |
|--|--|--|--|
| Alliant | Broker Consultant Program Management | Non-Kaiser Plans | Kaiser Plans |
| | | Jumbo (2,000+): \$3.50 PEPM Large (1,000-1,999): \$8.00 PEPM Mid-Market (250-999) \$14.00 PEPM Small Group: \$3.50 PEPM <i>Maximum 1.0% of Aggregate Premium</i> | Jumbo (2,000+): \$3.50 PEPM Large (1,000-1,999): \$8.00 PEPM Mid-Market (250-999) \$14.00 PEPM Small Group: \$3.50 PEPM |
| Alliant Pharmacy Consultation | RX Consultant | \$0.85 PMPM | |
| Alliant Underwriting | Program Underwriting | \$5.00 PEPM <i>(Maximum 0.50% of Aggregate Premium)</i> | |
| Accolade | Healthcare Navigator | \$18.45 PEPM | |
| Anthem | Provider Network Claims Administration | \$48.39 to \$51.69 PEPM | |
| Benefit Coordinators Corporation (BCC) | Benefits Administration – TPA | \$7.00 PEPM | |
| BIND | Dynamic Copay | \$59.20 PEPM | |
| Blue Shield of California | Provider Network Claims Administration | \$48.29 PEPM | |
| BRMS | Benefits Administration – TPA | \$7.50 PEPM | |
| Businessolver | Benefits Administration – TPA | \$7.43 PEPM | |
| Carrum Health | Surgical Benefit | \$0.75 PEPM | |
| Deerwalk | Program Data Analytics | \$0.35 PEPM | |
| Pinnacle Claims Management | MexicoSelect Network | \$3.53 to \$11.81 PEPM | |
| PRISM | Pool Administration Governance | \$3.00 PEPM | |
| SISC | Pool Access and Administration | \$2.75 PEPM | |
| UMR | TPA | \$25.49 PEPM | |
| Workterra | Benefits Administration – TPA | \$7.00 PEPM | |

PEPM: Per Employee, Per Month; PMPM: Per Member, Per Month



Adopted: April 20, 2011
Last Amended: February 26, 2025

PRISMHealth 2025 Fee for Service Costs:

| Carrier/Vendor | Scope of Services | |
|-------------------|---------------------|--|
| Hinge Health | MSK Program | <ul style="list-style-type: none">• First billing event – \$250 once a patient enrolls and completes their first session• All subsequent billing events – \$50 for each treatment session after the initial charge• Individual Cap – \$2k per enrolled member per year• Program Cap – \$945 multiplied by all engaged participants per year |
| Livongo (Teledoc) | Diabetes Management | \$71.00 PPM |

PPPM: Per Participant, Per Month