

# Broome County Purchasing Alliance (BCPA)



#### **BCPA** Pioneering

- In 2019, Broome County qualified and received NY Shared Services matching funds in the amount of \$3.1 million. Through oversight and coordination by the Broome County Team, we were able to access a National Pharmacy Alliance and lower the county's Rx costs by \$3.1 million over an 8-month period, for a combined total savings of \$6.2 million.
- In 2021, Broome County and Statewide Purchasing Alliance of NY designed and pioneered a cooperative purchasing initiative for Medicare Advantage and Prescription Drug programs that generated \$9.1 million dollars in premium savings to Entity's participating in the BCPA.
- In addition, most retirees in Plans 1 & 2 will receive lower copayments and out of pocket expenses through UHC's improved Rx formulary All generics are in tier 1 at \$0 Copay. Our formulary also includes Bonus Drug list that includes drugs that are excluded by Medicare but commonly used by retirees.



#### **BCPA** - Overview

Broome County, through the formation of this cooperative purchasing alliance, pools the purchasing power with other municipalities to reduce costs, risks, and future rate instability for retiree health coverage by securing competitive coverage and rates for entities participating in the BCPA - Medicare Advantage and Prescription Drug (MAPD) program. This cooperative purchasing initiative is referred to as the "Broome County Purchasing Alliance" (BCPA or Alliance). Broome County, through a formal RFP, selected MAPD coverage options through United HealthCare. The Alliance achieved an average annual savings of 26% which includes multi-year rate guarantees and better-quality coverage and services for our retirees, now and in the future.



Success Stories
Projected 3-Year Savings

- Participating entities achieved 26% average annual savings
  - Broome County Saves \$840,294
  - Chemung County MAPD 3-Year Savings \$2,323,440
  - Shared Services Matching Funds at 95% \$772,179
  - Tioga County MAPD 3-Year Savings \$2,525,609
  - Shared Services Matching Funds at 95% \$816,078





Highest Quality Standards throughout the entire program including UHC's BCPA Dedicated Service Team - This program checks all the boxes.

- ✓ Offers one of UHC's Top Group Coverage Options in NY
- ✓ Most generous formulary offered in NY
- ✓ Pooling purchasing power--not risk
- ✓ Saved \$9.1 Million Power of the Collective
- ✓ Designed to qualify for CWSSI Matching Funds
- Successfully pioneered Purchasing Platform to benefit all NY Municipalities
- Successfully transitioned all entities without a retiree issue
- Professionally Coordinated Onboarding, Implementation, and Open Enrollment



- Minimum number of Medicare primary retirees is 25.
- Employer must have obligation to provide retiree coverage(ie.. Collective Bargaining Agreement) and contribute a minimum of 70% of premium costs.
- Employer may offer only one UHC plan to their retirees. Groups should submit the richest plan design offered in order to meet or exceed collective bargaining expectations. UHC requires complete take over of Medicare retirees and cannot be offered as option along side another carrier.





#### BCPA - Participation Requirements -cont-

- Employer must pass a resolution by their governing board to participate in the BCPA Program effective 1/01/23. (Sample resolutions can be found on BCPA Website)
- Each Entity must submit a copy of the passed resolution, census of covered Medicare retiree population (Date of Birth, Gender, Zip Code), and current Summary Plan Description for their current plan design through the <u>BCPA</u> <u>portal within the 8/01/22 deadline.</u>



- BCPA provides 3 MAPD Plan Designs to choose from.
- Plans Designs were customized to meet or exceed existing coverage.
- Provider Network
  - > National Passive PPO Network or Open Network
    - In Network Any Doctor that Accepts Medicare and/or belongs to National Network
- Pharmacy Formularies
  - Most extensive carrier formulary and specifically designed to meet and/or exceed current coverage



#### BCPA – Additional Benefits

- The benefits gained by smaller groups include a multiple-year rate guarantee, lower premiums, more competitive options, bonus coverages and provisions, only available to large groups. It is "The Best Practices in Purchasing" approach to securing quality retiree health coverage. The Alliance handles the entire process which may reduce your staff time. May also lower GASB Liability.
- The requirements to participate in this Alliance are designed to comply with CWSSI for eligibility in shared services matching grants if available. For 2022, the match will be 95% of first year savings.
- **UHC** provides dedicated service teams to handle Onboarding, Implementation, Retiree Meetings and Open Enrollment.



### CWSSI - Eligibility

- Each County submits Shared Services Initiative.
- The Panel members from each County must approve and submit CWSSI paperwork by December 31st.
- Entities on the Panel can Opt Out of project--not required to participate on Medicare Advantage initiative.
- Towns, villages and cities are typically automatically included in Shared Services initiatives.
- Schools usually need be invited to participate on the Panel by the County Leader.
- Panel for each county determines how matching funds are to be distributed.
- For additional guidance, forms, and resources on the CWSSIgo to: https://www.ny.gov/shared-services-initiative/forms-guidance-resources



- Resolutions and Data Submission Deadline 8/01/22°
- BCPA/UHC Account Registration Deadline 8/01/22
- Communications and Onboarding 8/15/22
- BCPA and UHC Dedicated Service Team Meetings 9/01/22
- Retiree Meetings (Virtual and On-site) 9/01/22 12/15/22
- Open Enrollment Meetings 10/01/22 12/01/22



➢ Plan 1

**National Passive PPO** 

\$0 Copay Medical

\$0 - Generic, \$5 Brand, \$20 Specialty & Non-Preferred Brand

All Generics \$0 Copay

2 Copays for 90 Day Supply - Retail Pharmacy

1 Copay for 90 Day Supply – Mail Order

\$260 Monthly Premium





> Plan 2

National Passive PPO \$10 Copay Medical 80%/20% on DME \$0 - Generic, \$10 Brand, \$20 Specialty & Non-Preferred Brand All Generics \$0 Copay 2 Copays for 90 Day Supply - Retail Pharmacy 1 Copay for 90 Day Supply - Mail Order \$240 Monthly Premium





## BCPA Program Highlights – cont.-

Plan 3

**National Passive PPO** 

\$0 Copay Medical

\$10 - Generic, \$20 - Brand, \$35 - Specialty & Non-Preferred Brand

3 Copays for 90 Day Supply - Retail Pharmacy

1 Copay for 90 Day Supply - Mail Order

\$227 Monthly Premium





**BCPA** 

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