



The CareFirst BlueCross BlueShield
family of health care plans.

Savings Report Summary 1/1/2020 – 12/31/2020

UFCW Unions and Participating Employers Health & Welfare Fund



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March 18, 2021

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Executive Summary- **UFCW Unions & Participating Employers Health & Welfare** 1/1/2020 – 12/31/2020

I. Provider and Facility Summary (See pages 6 - 7)

➤ Claims Volume:

	2019 Claims Volume	2020 Claims Volume	% Change (2019 to 2020)
Provider	28,698	20,567	-28.33%
Facility	2,556	1,889	-26.10%
Total	31,254	22,456	-28.15%

- In 2020, there was an average of 1,442 eligible subscribers. In 2019, there was an average of 1,667 eligible subscribers (a 13.50% decrease).

➤ Claims per Eligible Subscriber:

	2019 Claims per Eligible Subscriber	2020 Claims per Eligible Subscriber	% Change (2019 to 2020)
Provider	17.22	14.26	-17.19%
Facility	1.53	1.31	-14.38%
Total	18.74	15.57	-16.96%

➤ Billed Amount:

	2019 Billed Amount	2020 Billed Amount	% Change (2019 to 2020)
Provider	\$15,380,261	\$11,000,773	-28.47%
Facility	\$17,817,677	\$15,368,610	-13.75%
Total Billed	\$33,197,938	\$26,369,383	-20.57%

Executive Summary- **UFCW Unions & Participating Employers Health & Welfare** 1/1/2020 – 12/31/2020

I. Provider and Facility Summary *(Continued)*

➤ Total Savings:

	2019 Savings	2020 Savings	% Change (2019 – 2020)
Provider	\$9,354,265	\$6,482,620	-30.70%
Facility	\$8,620,245	\$7,122,195	-17.38%
Total	\$17,974,510	\$13,605,189	-24.31%

➤ Savings as a % of Billed Charges:

	2019 Savings as a % of Billed Charges	2020 Savings as a % of Billed Charges
Provider	60.82%	58.93%
Facility	48.38%	46.34%
Total	54.14%	50.59%

II. Top 10 Provider Specialties and Top 10 Facilities *(See pages 8 – 12)*

- Top 10 Provider Billing Specialties for Local NetLease and FlexLink represent \$6,177,959 in Billed Charges (56.16% of all Provider Billed Charges).
- In 2020 and 2019, Independent Laboratory Services was the highest Local NetLease provider specialty (in terms of billed charges).
 - In 2020, Oncology was the highest FlexLink provider specialty (in terms of billed charges).
 - In 2019, Internal Medicine was the highest FlexLink provider specialty (in terms of billed charges).
- Top 10 Facilities with the highest Billed Charges for Local NetLease and FlexLink represent a billed amount of \$8,526,397 (55.48% of all Facility Charges)
- In 2020, BMA of Fairfax Arlington was the highest Local NetLease facility in terms of billed charges.
 - In 2019, Coral Hills Dialysis was the highest Local NetLease facility in terms of billed charges.
 - In 2020 and 2019, Inova Health Systems had the highest FlexLink billed charges.

Executive Summary- **UFCW Unions & Participating Employers Health & Welfare** 1/1/2020 – 12/31/2020

III. CareFirst Administrative Charges *(See pages 14 – 16)*

- In 2020, total CareFirst Admin charges were \$115,188. In 2019, they were \$132,280 (**a 12.92% decrease**).
 - In 2020, Local NetLease Admin charges represented 59.99% of total CareFirst Admin costs, while FlexLink fees represented 40.01%. In 2019, Local NetLease Admin charges represented 58.53% of total CareFirst Admin costs, while FlexLink fees represented 41.47%.
- In 2020, aggregate cost on a per eligible employee per month (pepm) basis was \$6.66. In 2019, aggregate cost on a pepm basis was \$6.61.
- In 2020, CareFirst Administrative Charges represented 0.85% of Gross Annual Savings. In 2019, CareFirst Administrative Charges represented 0.74% of Gross Annual Savings.

IV. Savings Analysis *(See pages 17 – 19)*

- Savings net of CareFirst Administrative Charges in 2020 was \$13,489,627. In 2019, it was \$17,842,230 (**a 24.39% decrease**).
- In 2020, Total Net Savings per Dollar of CareFirst Administrative Fee was \$117.11. In 2019, Total Net Savings per Dollar of Administrative Fee was \$134.88 (**a 13.18% decrease**).
- In 2020, Net Savings per Eligible Subscriber was \$9,434,94. In 2019, Net Savings per Eligible Subscriber was \$10,702.93 (**a 12.55% decrease**).

Provider Savings Summary- **UFCW Unions & Participating Employers Health & Welfare Fund**

2020

	# of Claims	Billed Amount*	Savings off of Billed Amount*	Savings %
Local NetLease-Provider	17,843	\$9,588,787	\$5,610,146	58.51%
FlexLink- Provider	2,724	\$1,411,986	\$872,848	61.82%
Summary-Provider	20,567	\$11,000,773	\$6,482,994	58.93%

2019

	# of Claims	Billed Amount*	Savings off of Billed Amount*	Savings %
Local NetLease-Provider	24,379	\$12,288,908	\$7,340,775	59.73%
FlexLink- Provider	4,319	\$3,091,353	\$2,013,490	65.12%
Summary-Provider	28,698	\$15,380,261	\$9,354,265	60.82%

*Rounded to the Nearest Dollar

Facility Savings Summary- **UFCW Unions & Participating Employers Health & Welfare Fund**

2020

	# of Claims	Billed Amount*	Savings off of Billed Amount*	Savings %
Local NetLease-Facility	1,579	\$13,729,632	\$6,554,068	47.74%
FlexLink- Facility	310	\$1,638,978	\$568,127	34.67%
Summary-Facility	1,889	\$15,368,610	\$7,122,195	50.59%

2019

	# of Claims	Billed Amount*	Savings off of Billed Amount*	Savings %
Local NetLease-Facility	2,096	\$14,143,632	\$7,000,638	49.50%
FlexLink- Facility	460	\$3,674,046	\$1,620,116 (\$1,619,607)	44.10% (40.08%)
Summary-Facility	2,556	\$17,817,677	\$8,619,754 (\$8,620,245)	48.38%

*Rounded to the Nearest Dollar

Top 10 Local Network Lease Provider Specialties (by Billed Amount Volume)

2020

	# of Claims	Billed Amount*	Amount Saved off of Billed Amount*	Savings %
INDEPENDENT LABORATORY	2,100	\$902,852	\$729,741	80.83%
INTERNAL MEDICINE	2,628	\$764,942	\$369,490	48.30%
ANESTHESIOLOGY	389	\$695,244	\$458,703	65.98%
RADIOLOGY	960	\$497,716	\$310,652	62.42%
EMERGENCY MEDICINE	520	\$456,196	\$330,798	72.51%
ONCOLOGY	204	\$436,183	\$249,846	57.28%
ORTHOPEDIC SURGERY	612	\$428,495	\$237,632	55.46%
GENERAL SURGERY	225	\$340,977	\$203,296	59.62%
FAMILY PRACTICE	1,171	\$285,866	\$119,254	41.72%
OB-GYNECOLOGY	488	\$285,619	\$137,791	48.24%

2019

	# of Claims	Billed Amount*	Amount Saved off of Billed Amount*	Savings %
INDEPENDENT LABORATORY	3,393	\$1,440,718	\$1,165,159	80.87%
INTERNAL MEDICINE	3,457	\$999,299	\$477,516	47.79%
RADIOLOGY	1,380	\$623,673	\$364,994	58.52%
ANESTHESIOLOGY	392	\$620,301	\$426,648	68.78%
ORTHOPEDIC SURGERY	764	\$612,906	\$339,723	55.43%
EMERGENCY MEDICINE	723	\$576,618	\$414,781	71.93%
CARDIOVASCULAR DISEASE	1,135	\$414,468	\$205,539	49.59%
FAMILY PRACTICE	1,592	\$408,101	\$171,549	42.04%
OB-GYNECOLOGY	723	\$358,165	\$176,420	49.26%
RADIOLOGY	1,380	\$623,673	\$188,383	55.63%

*Rounded to the Nearest Dollar

Top 10 FlexLink Provider Specialties (by Billed Amount Volume)

2020

	# of Claims	Billed Amount*	Amount Saved off of Billed Amount*	Savings %
ONCOLOGY	67	\$318,500	\$187,643	58.9%
RADIOLOGY	288	\$163,402	\$96,444	59.0%
LABORATORY INDEPENDENT	392	\$128,352	\$104,943	81.8%
INTERNAL MEDICINE	467	\$101,954	\$45,685	44.8%
ANESTHESIOLOGY	77	\$96,326	\$68,113	70.7%
FAMILY PRACTICE	285	\$82,691	\$42,530	51.4%
EMERGENCY MEDICINE	72	\$69,202	\$54,974	79.4%
SURGERY GENERAL	23	\$44,051	\$35,877	81.4%
SURGERY ORTHOPEDIC	76	\$43,052	\$27,635	64.2%
CARDIOVASCULAR DISEASE	99	\$36,339	\$19,685	54.2%

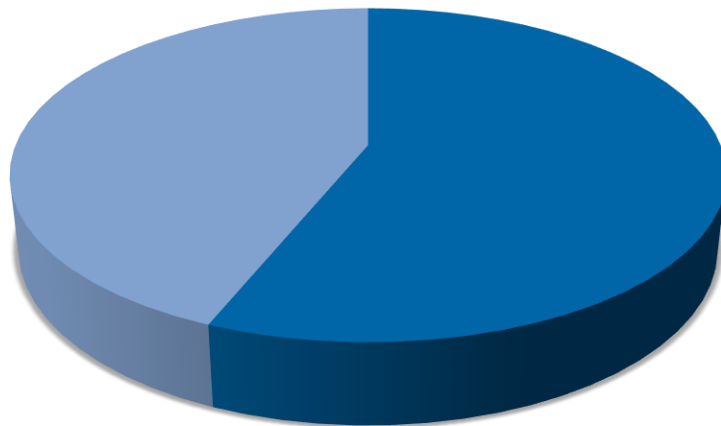
2019

	# of Claims	Billed Amount*	Amount Saved off of Billed Amount*	Savings %
INTERNAL MEDICINE	709	\$503,657	\$284,058	56.40%
SURGERY PLASTIC	7	\$356,880	\$307,421	86.14%
ONCOLOGY	137	\$252,139	\$123,973	49.17%
SURGERY ORTHOPEDIC	101	\$247,593	\$205,486	82.99%
RADIOLOGY	483	\$243,134	\$169,538	69.73%
ANESTHESIOLOGY	142	\$213,465	\$148,573	69.60%
LABORATORY INDEPENDENT	507	\$180,085	\$146,968	81.61%
EMERGENCY MEDICINE	120	\$101,083	\$77,865	77.03%
SURGERY GENERAL	57	\$99,853	\$68,678	68.78%
FAMILY PRACTICE	401	\$92,846	\$40,919	44.07%

*Rounded to the Nearest Dollar

Top 10 Provider Specialties (as a % of Total Billed)

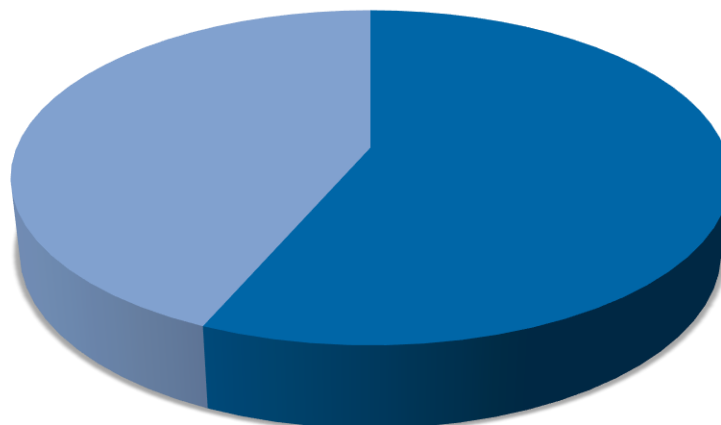
2020



- Top 10 Provider Specialties
- All Other Provider Specialties

*Top 10 Provider Specialties represent
56.16% of all Provider Billed Charges
*All Other Provider Specialties represent
43.84% of all Provider Billed Charges

2019



- Top 10 Provider Specialties
- All Other Provider Specialties

*Top 10 Provider Specialties represent
56.46% of all Provider Billed Charges
*All Other Provider Specialties represent
43.54% of all Provider Billed Charges

Top 10 Local Network Lease Facilities (by Billed Amount Volume)

2020

	# of Claims	Billed Amount*	Amount Saved off of Billed Amount*	Savings %
BMA OF FAIRFAX ARLINGTON	59	\$1,683,105	\$1,596,173	94.84%
CORAL HILLS DIALYSIS	11	\$1,355,000	\$1,243,196	91.75%
LANDOVER DIALYSIS	19	\$964,419	\$882,556	91.51%
INOVA MT VERNON HOSPITAL	51	\$725,974	\$221,671	30.53%
INOVA FAIRFAX HOSPITAL	53	\$518,514	\$160,216	30.90%
SENTARA NORTH VA MEDICAL CENTER	28	\$473,761	\$251,842	53.16%
WASHINGTON HOSPITAL CENTER	67	\$404,950	\$165,081	40.77%
GEORGETOWN UNIVERSITY HOSPITAL	13	\$375,238	\$190,320	50.72%
JOHNS HOPKINS HOSPITAL	86	\$351,743	\$3,517	1.00%
SINAI HOSPITAL BALTIMORE	82	\$350,739	\$3,507	1.00%

2019

	# of Claims	Billed Amount*	Amount Saved off of Billed Amount*	Savings %
CORAL HILLS DIALYSIS	13	\$1,773,026	\$1,634,121	92.17%
BMA OF FAIRFAX ARLINGTON	49	\$1,410,612	\$1,338,904	94.92%
GEORGE WASHINGTON UNIVERSITY HOSPITAL	13	\$1,218,064	\$852,645	70.00%
WASHINGTON HOSPITAL CENTER	108	\$665,804	\$285,468	42.88%
INOVA FAIRFAX HOSPITAL	57	\$504,052	\$155,918	30.93%
SINAI HOSPITAL BALTIMORE	68	\$363,763	\$3,638	1.00%
DOCTORS COMMUNITY HOSPITAL	77	\$349,020	\$3,490	1.00%
VIRGINIA HOSPITAL CENTER	34	\$310,070	\$165,325	53.32%
PRINCE GEORGES HOSPITAL CENTER	31	\$263,861	\$2,639	1.00%
GEORGETOWN UNIVERSITY HOSPITAL	11	\$261,123	\$136,332	52.21%

*Rounded to the Nearest Dollar

Top 10 FlexLink Facilities (by Billed Amount Volume)

2020

	# of Claims	Billed Amount*	Amount Saved off of Billed Amount*	Savings %
INOVA HEALTH SYSTEM HOSPITALS	39	\$703,433	\$165,848	23.6%
SENTARA NORTHERN VIRGINIA	17	\$114,373	\$83,957	73.4%
MARY WASHINGTON HOSPITAL INC	15	\$87,219	\$43,373	49.7%
NOVANT HEALTH UVA HEALTH	19	\$81,628	\$27,964	34.3%
BAYHEALTH HOSPITAL - SUSSEX CAMPUS	1	\$80,060	\$31,791	39.7%
NORTHERN VIRGINIA COMMUNITY HOSPITAL	1	\$69,238	\$48,135	69.5%
HENRICO DOCTORS HOSPITAL	3	\$55,881	\$33,173	59.4%
PRINCE WILLIAM HOSPITAL	17	\$55,332	\$39,776	71.9%
STAFFORD HOSPITAL CENTER	12	\$39,346	\$11,637	29.6%
NOVANT HEALTH UVA HAYMARK	14	\$36,445	\$12,479	34.2%

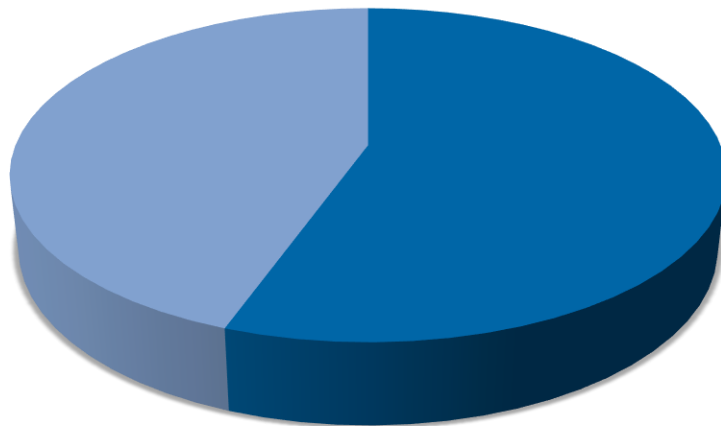
2019

	# of Claims	Billed Amount*	Amount Saved off of Billed Amount*	Savings %
INOVA HEALTH SYSTEM HOSPITALS	49	\$670,995	\$188,446	28.08%
WINCHESTER MEDICAL CENTER INC	6	\$308,121	(\$46,823)	-15.20%
MARY WASHINGTON HOSPITAL INC	21	\$477,428	\$263,617	55.22%
STAFFORD HOSPITAL CENTER	34	\$412,941	\$247,041	59.82%
PRINCE WILLIAM HOSPITAL	33	\$286,959	\$187,719	65.42%
PRINCE WILLIAM HOSPITAL	31	\$166,275	\$79,450	47.78%
POTOMAC HOSPITAL OF PRINCE WILLIAM	19	\$199,658	\$117,754	58.98%
UPMC PINNACLE HOSPITALS	2	\$67,674	\$6,676	9.86%
YORK HOSPITAL	16	\$57,120	\$5,186	9.08%
RESTON HOSPITAL CENTER	10	\$101,558	\$60,618	59.69%

*Rounded to the Nearest Dollar

Top 10 Facilities (as a % of Total Billed)

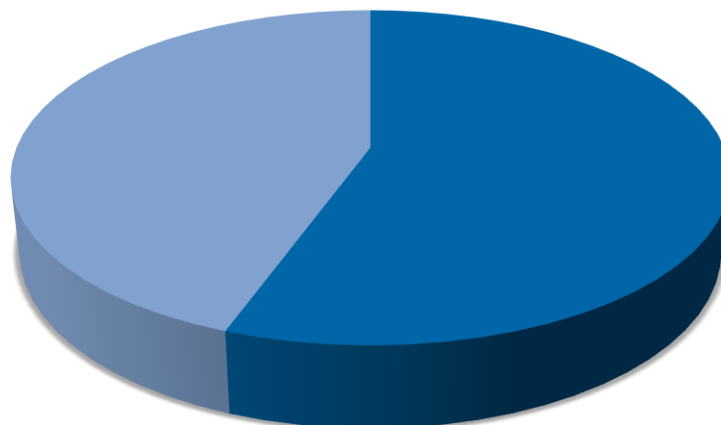
2020



- Top 10 Facilities
- All Other Facilities

*Top 10 Facilities represent
55.48% of all Facility Billed Charges
*All Other Facilities represent
44.52% of all Facility Billed Charges

2019



- Top 10 Facilities
- All Other Facilities

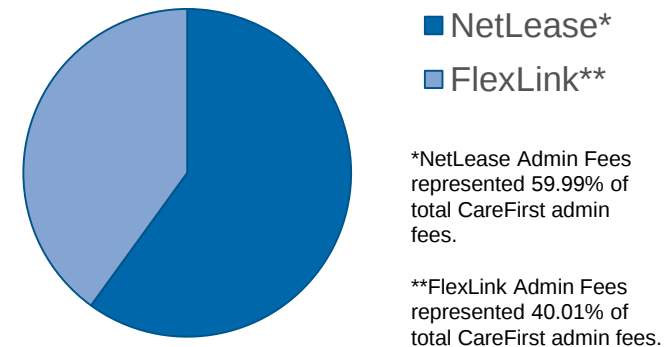
*Top 10 Facilities represent
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*All Other Facilities represent
44.47% of all Facility Billed Charges

Local Network Lease Administrative Fees- **UFCW Unions & Participating Employers Health & Welfare**

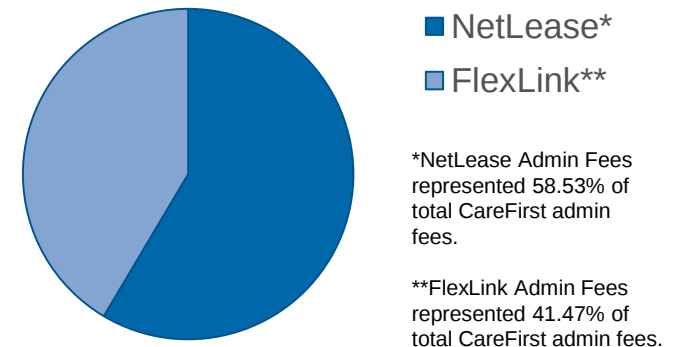
❖ 2020 Local NetLease Admin Charges:

- ◆ \$4.52 per subscriber per month from Jan. 1, 2020 – Dec. 31, 2020
- ◆ Average number of Local NetLease subscribers in 2020 was 1,274. *(In 2019, it was 1,463).* 2020 was a **12.92 decrease** from the previous year.
- ◆ Total average monthly CareFirst Administrative Cost for Local NetLease in 2020 was \$5,758. *(In 2019, it was \$6,452).*
- ◆ Total CareFirst Administrative Cost for Local NetLease to UFCW Unions and Participating Employers Health and Welfare Fund in 2020 was **\$69,201**. *(In 2019, it was \$77,422).* 2019 was a **10.75% decrease** from the previous year.

2020 CareFirst Administrative Fees



2019 CareFirst Administrative Fees

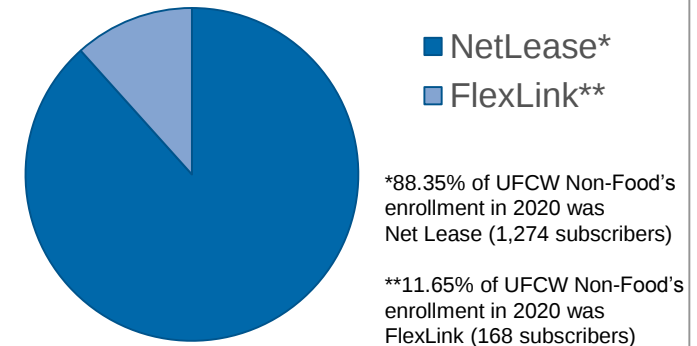


FlexLink Administrative Fees- **UFCW Unions & Participating Employers Health & Welfare Fund**

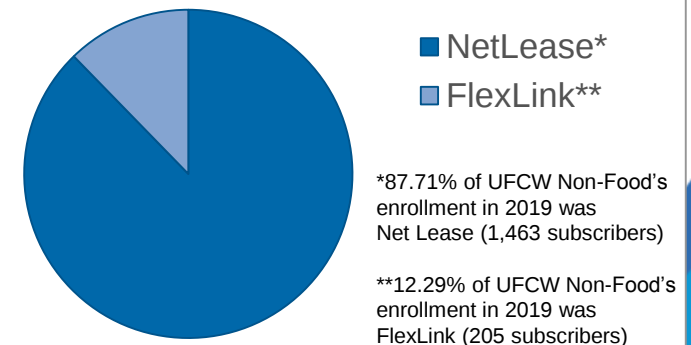
❖ 2020 FlexLink Admin Charges:

- ◆ \$22.86 per subscriber per month from Jan. 1, 2020 – Dec. 31, 2020
- ◆ Average number of FlexLink subscribers in 2020 was 168. *(In 2019, it was 205).* 2020 was a **18.05% decrease** from the previous year.
- ◆ Total average monthly CareFirst Administrative Cost for FlexLink in 2020 was \$3,840. *(In 2019, it was \$4,572).*
- ◆ Total CareFirst Administrative Cost for Local NetLease to UFCW Unions and Participating Employers Health and Welfare Fund in 2020 was **\$46,080**. *(In 2019, it was \$54,864).* 2020 was a **16.01% decrease** from the previous year.

2020 Enrollment



2019 Enrollment



Aggregate Pricing- **UFCW Unions & Participating Employers Health & Welfare Fund**

- NetLease: \$5,758 per month
- FlexLink: \$3,840 per month

\$9,598 per month / 1,442 total UFCW Non-Food subscribers =

\$6.66

per subscriber per month Aggregate Cost
to UFCW Unions and Participating Employers Health & Welfare Fund

In 2019, Aggregate cost to UFCW Non-Food was **\$6.61** per subscriber per month

Savings Net of Administrative Charges- **UFCW Unions & Participating Employers Health and Welfare Fund**

\$13,604,815

(\$69,102

(\$46,086)

\$13,489,727*

Gross Annual Provider and Facility Savings

(Less: Local NetLease Charges)

(Less: FlexLink Charges)

Savings Net of CareFirst Administrative Charges

*CareFirst Administrative Charges in this exhibit represent 0.85% of Gross Annual Savings.

In 2019, CareFirst admin charges represented **0.74%** of Gross Annual Savings.

Net Savings per Dollar of CareFirst Administrative Fee

- Net Savings for UFCW Non-Food in 2020 was \$13,489,627
- CareFirst Administrative cost in 2020 was \$115,188

Total Net Savings Per Dollar of CareFirst Administrative Fee:

\$117.11

(For every \$1.00 that was spent in Administrative Fees,
\$117.11 was saved in Total Billed Charges)

In 2019, Total Net Savings Per Dollar of CareFirst Administrative Fee was \$134.88.
2020 was a 13.18 decrease over the previous year.

Net Savings per Eligible Subscribers- **UFCW Unions & Participating Employers Health & Welfare Fund**

- Total Net Savings for UFCW Non-Food for 2020 was **\$13,489,627**
- UFCW Non-Food had **1,442** subscribers (contracts) in 2020

**Total Net Savings Per Eligible
UFCW Non-Food Subscriber:**

\$9,354.80

In 2019, Total Net Savings per Eligible Subscriber was \$10,696.78.
2020 was an 12.55% decrease over the previous year.

5 Year Savings Recap- **UFCW Unions and Participating Employers Health & Welfare Fund**

	2016	2017	2018	2019	2020
Local Network Lease-Provider Savings	59.6%	59.79%	57.67%	59.73%	58.51%
FlexLink-Provider Savings	58.84%	58.65%	60.69%	65.12%	61.82%
Local Network Lease-Facility Savings	29.61%	20.44%	35.17%	49.50%	47.74%
FlexLink-Facility Savings	44.92%	53.86%	50.24%	44.10%	34.67%