



Annual Report Fiscal Year 2010

Commonwealth of Virginia Health Benefits Program



Virginia Department of Human Resource Management

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Introduction

State Health Care Costs Fall

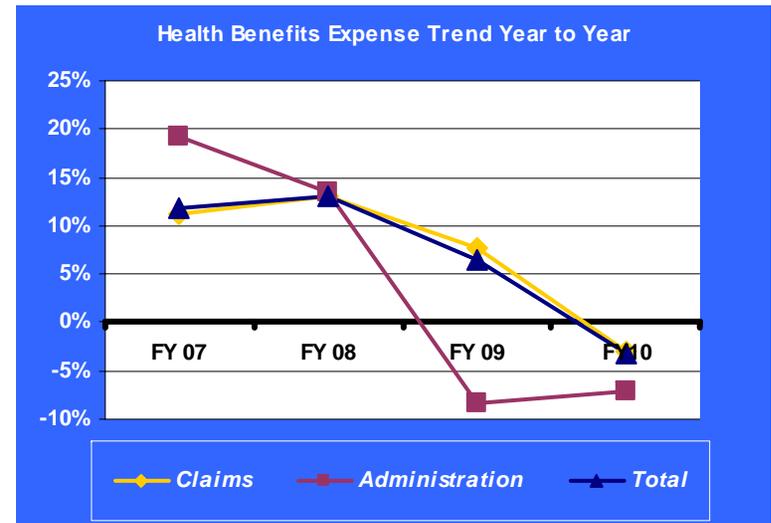
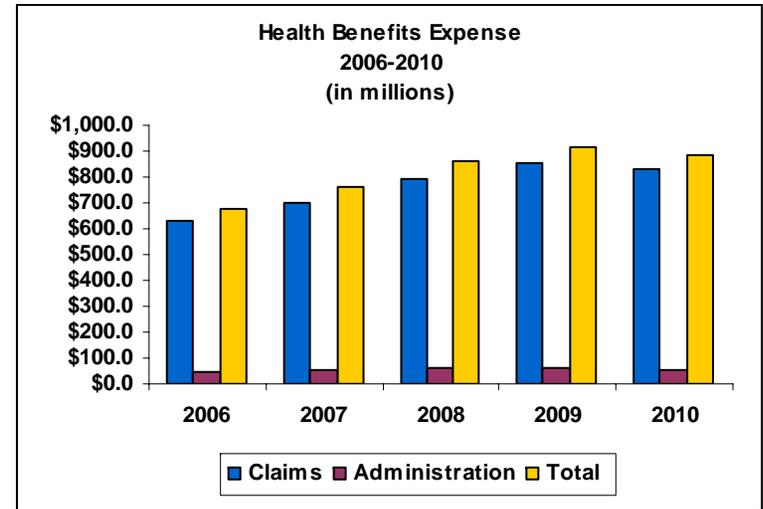
Operating expenses for the state health benefits program **were down 3.2 percent in fiscal year 2010** for the first time in a decade. Decreased expenses were due primarily to greater individual responsibility for health care. Administrative expenses dropped 7.1 percent from the prior year, the plan's total claims costs per employee decreased 2.4 percent, and total claims costs were down 3.0 percent.

To reduce medical expenses, the program has focused on wellness and preventive care, financial incentives, weight management and helping members to better control lifestyle-related and chronic illnesses. The program also has implemented higher copayments for expensive specialty prescription drugs, and has required physician approval for dispensing many high cost brand name drugs.

In response to a Public Private Education Act (PPEA) proposal, the Department of Human Resource Management introduced the COVA Connect plan in Hampton Roads in FY 2010 as a pilot program to improve member health outcomes and reduce overall health care costs. Results for this plan are highlighted throughout the report. The COVA HDHP (High Deductible Health Plan) was introduced in FY 2007 as another plan option to help stem rising health care costs among state employees. This plan type enables members to set up a portable Health Savings Account and to use the tax-deductible contributions to help pay for medical expenses.

This report presents a financial overview of the state's self-insured health benefits plans, and where indicated, the regional, fully insured Kaiser Permanente HMO plan offered only in Northern Virginia. Unless otherwise indicated, this report is based on the experience of health plan members, including the active employee and non-Medicare eligible retiree group, during fiscal year 2010 from July 1, 2009 through June 30, 2010.

COVA Care medical benefits were administered by Anthem Blue Cross and Blue Shield; dental benefits by Delta Dental of Virginia; prescription drug benefits by Medco Health Solutions, Inc.; and behavioral health benefits and employee assistance program services by ValueOptions, Inc. All COVA HDHP benefits were administered by Anthem. For COVA Connect, medical, prescription drug and behavioral health benefits were administered by Optima Health; while dental benefits were administered by Delta Dental. For all plans, flexible benefits were administered by Fringe Benefits Management Company (FBMC).



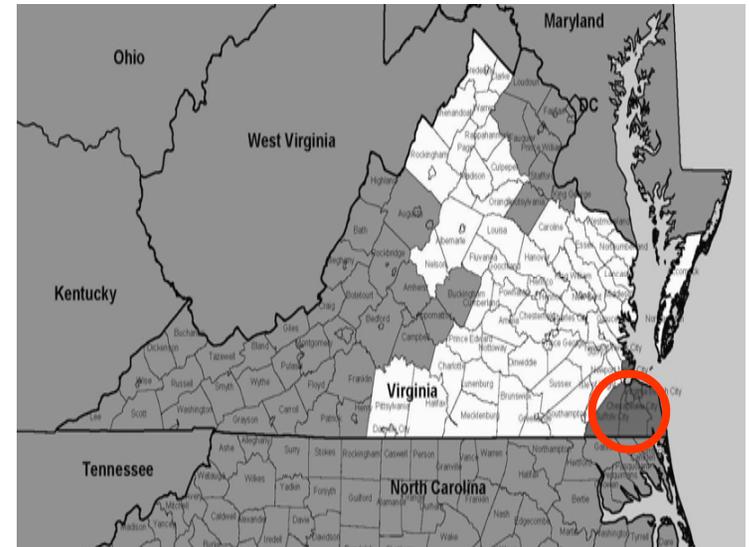
New in Fiscal Year 2010

Public Private Education Act (PPEA) Partnership

The COVA Connect plan, a pilot program under the General Assembly-approved Public Private Education Act (PPEA), was introduced in Hampton Roads to help improve health outcomes among members and reduce the overall cost of health care. Administered by Optima Health and Delta Dental, the plan uses state of the art technology, one-touch customer service and health coaches to encourage members to take charge of their own health. It will take an estimated two years, or until fiscal year 2012, to gauge the program's effectiveness. FY 2010 PPEA information is on page 19, and COVA Connect plan financial data may be found throughout this report. The pilot area is circled in red.

National Health Reform Introduced

In March 2010, federal health care reform legislation passed Congress and was signed by President Obama. This legislation applies to the state health plan beginning July 1, 2011. In 2011, the plan will implement the provisions relating to additional free preventive care services, a revised appeals process, and eligibility for dependents up to the age of 26. Health coverage in state plans currently ends on the last day of the year in which a dependent reaches 23 years of age.



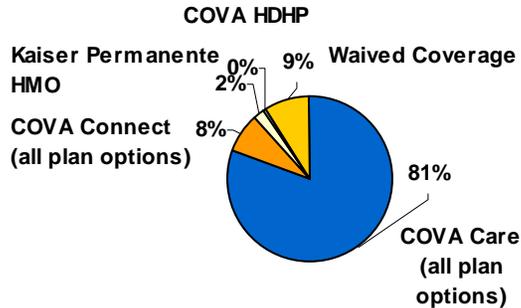
Pre-Gastric Bypass Surgery Education Program Launched

Obesity is a significant state and national issue. According to the *Trust for America's Health*, Virginia ranks 32 among the states in obesity, with 25.5 percent of its population diagnosed as obese (body mass index of 30 or more). Some are considering gastric bypass surgery. In 2009, the Department of Human Resource Management responded to a request by the General Assembly to develop an obesity education program as an alternative to eliminating coverage for bariatric surgery. As a result, COVA Care and COVA Connect plan members contemplating bariatric or lap band surgery are now required to participate in a 12-month education program before having the surgery. The program was introduced in February 2010 and first year results will be available in 2011. More details may be found on page 20.

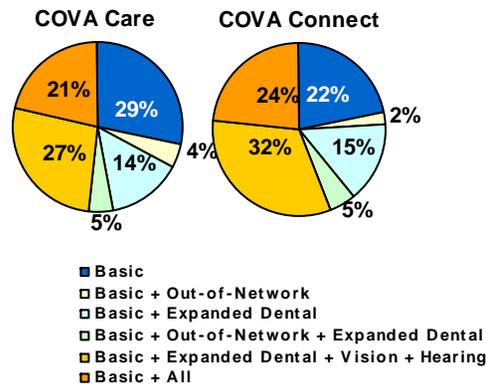
Plan Enrollment and Premiums

Health Plan Enrollment FY 2010

Total Eligible = 101,974



Health Plan Enrollment By Plan

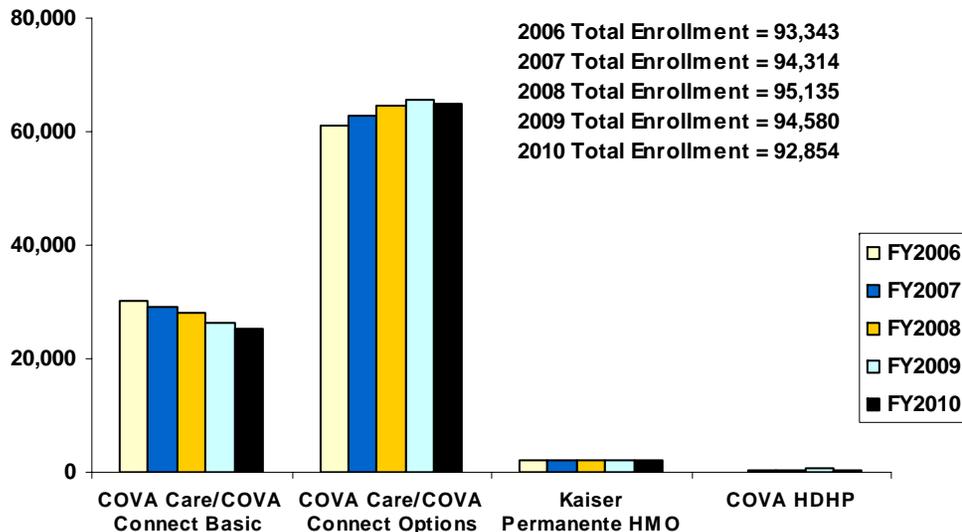


Total enrollment in state plans, including the Kaiser Permanente HMO, decreased almost 2 percent in fiscal year 2010, due in large part to state budget workforce reductions. Eighty-one (81) percent of members were enrolled in COVA Care, followed by the COVA Connect plan with 8 percent. About 9,100 or 9 percent of members waived coverage in the program. Additional coverage options were popular, with 44 percent of employees opting for the two buy-ups with the most coverage. Kaiser Permanente HMO enrollment grew about 1 percent from 2009.

The plan pays a monthly premium per employee to fund the cost of program claims expense and administration. On average, the state pays 88 percent of the cost for state employee health care premiums, while the employee pays 12 percent. Employees pay the basic premium and may purchase additional coverage options. In 2009 and 2010, the state implemented an employee premium increase credit (EPIC) because of tight budget years. From 2006 to 2008, revenue exceeded total operating expenses.

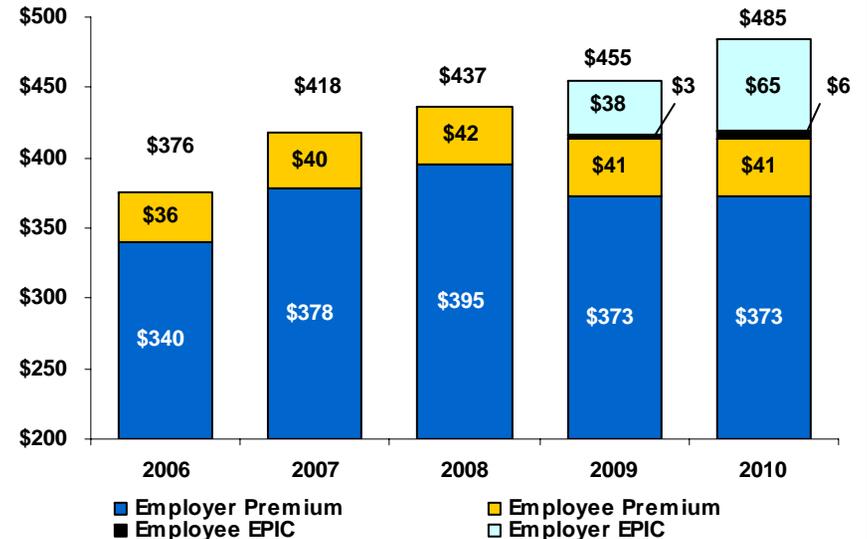
Health Plan Enrollment

FY 2006 - 2010

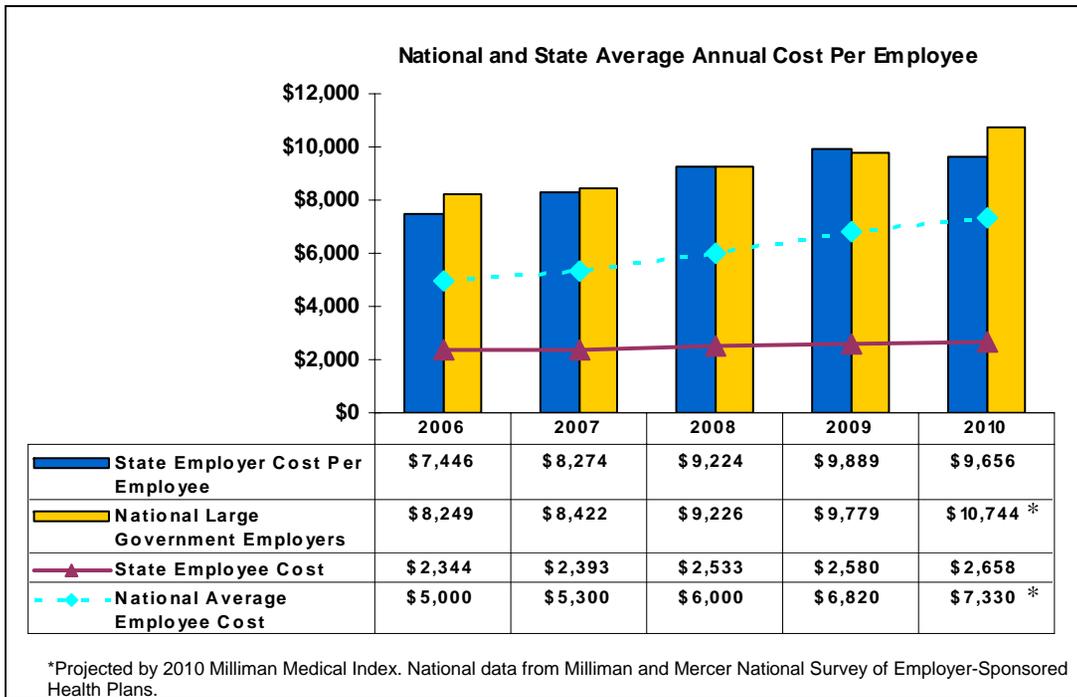


Employee and Employer Share of Total Premium

Monthly COVA Care and COVA Connect Basic Single Coverage

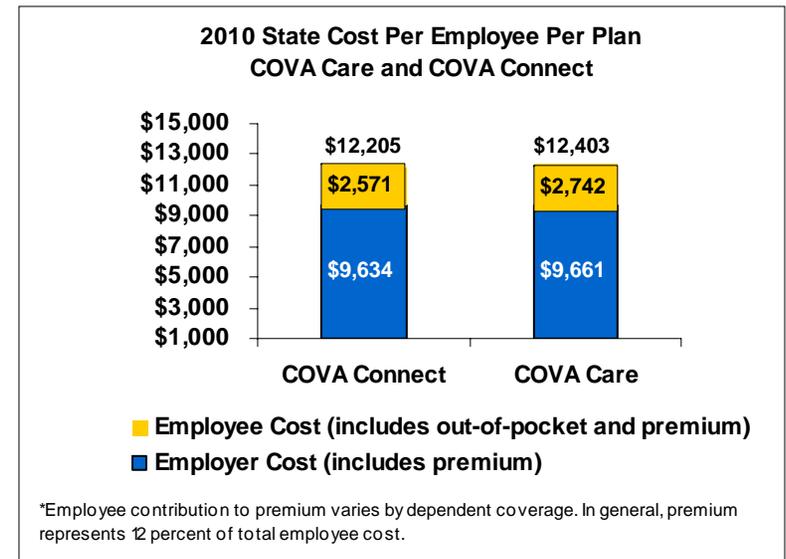
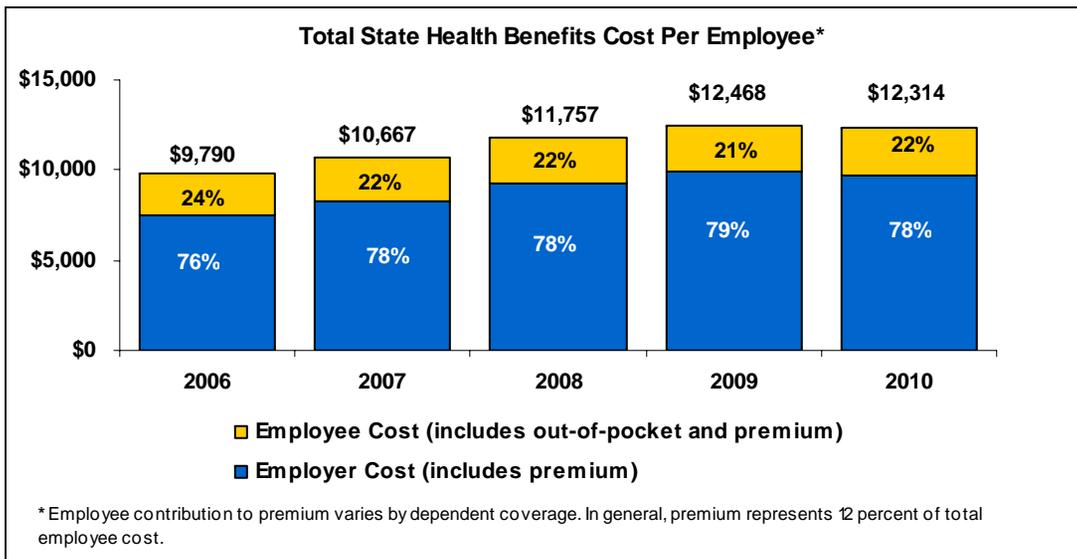


Cost of Coverage



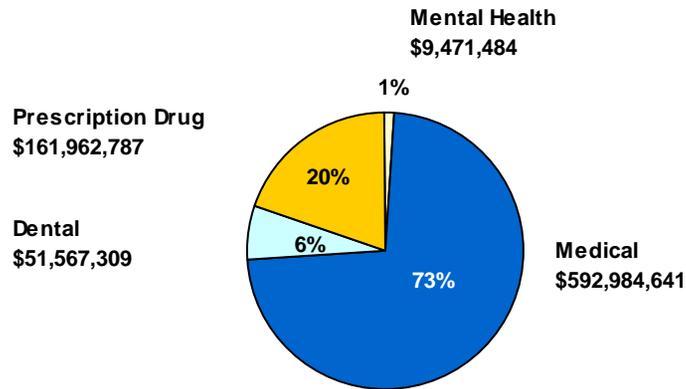
For the first time ever, the national average cost per employee for all employers providing health coverage is projected by Milliman Medical Index to rise above \$10,000 in calendar year 2010. The state health benefits program's annual employer cost per employee in fiscal year 2010 bucked the national trend, coming in at 2.4 percent lower than in 2009. COVA Connect's cost per employee was \$9,634, which was almost 3 percent lower than the total state cost the year before.

Lower medical inpatient and outpatient costs, and a decline in prescription drug expenses, were significant factors in the overall decrease. The program has benefited from an emphasis on wellness and preventive care, financial incentives, weight management, higher drug copayments, limitations on the use of very high cost specialty drugs and renegotiated contracts. Administrative expenses are also less. The plan paid 1 percent less of the annual total health benefits cost, 78 percent, and the employee 1 percent more of the cost, 22 percent, than in 2009. Employees' share of the cost increased with the introduction of higher deductibles, copayments and coinsurance for some medical services and a fourth copayment tier for specialty drugs.



Claims Expense

Fiscal Year 2010
State Health Plans Claims Expense
Claims Paid
Total = \$815,986,221

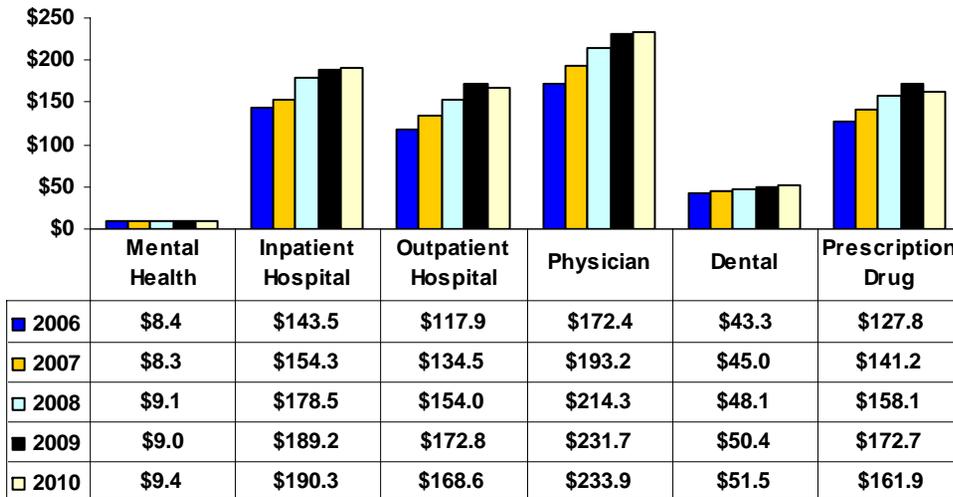


More than 6.6 million claims were processed for the self-insured state plans in FY 2010, down 1.2 percent from the previous year. There were 76,700 fewer medical claims processed than in 2009. Even so, the majority of claims were medical, including 190,600 claims for routine wellness and preventive screening services. Medical claims accounted for 73 percent of total plan claims expense.

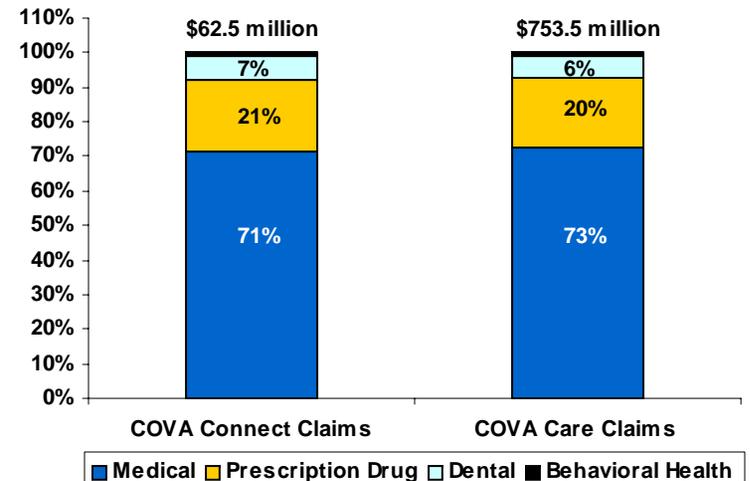
Anthem, Medco, Delta Dental and ValueOptions processed 6.2 million claims in FY 2010 for COVA Care. An average of 83,500 employees and early retirees used the plan. Medical expenses were 73 percent and prescription drugs were one-fifth of total claims costs.

Optima Health processed 359,000 claims for the COVA Connect plan in FY 2010. An average of 8,200 employees and early retirees used the plan during the year. Medical expense represented 71 percent and prescription drugs claims accounted for about one fifth of total claims expense.

State Health Plan Claims Paid
FY 2005 - 2010

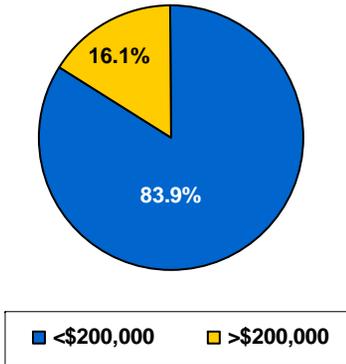


2010 Claims Expense Per Plan
COVA Care and COVA Connect



Medical

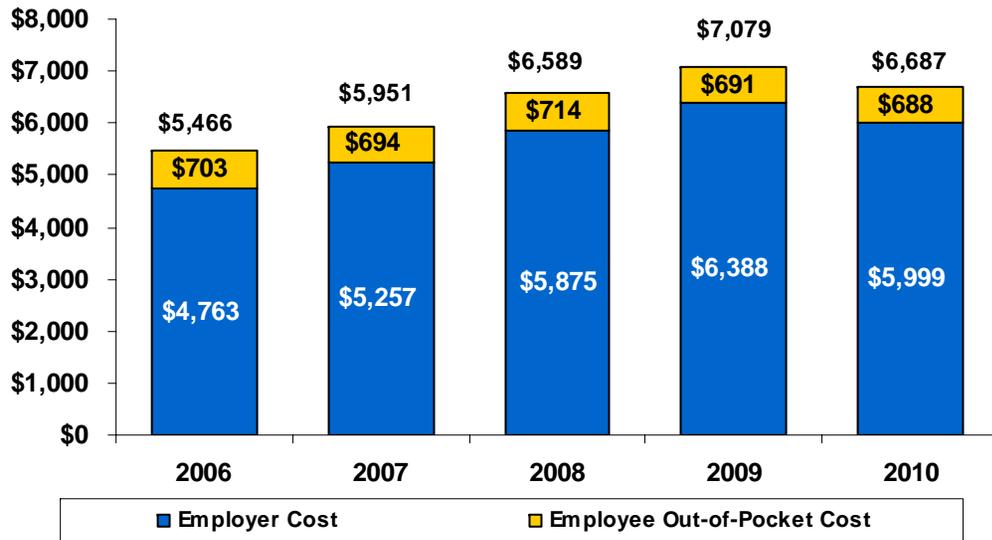
2010 High Cost Claims Expense
Total = \$57.7 Million



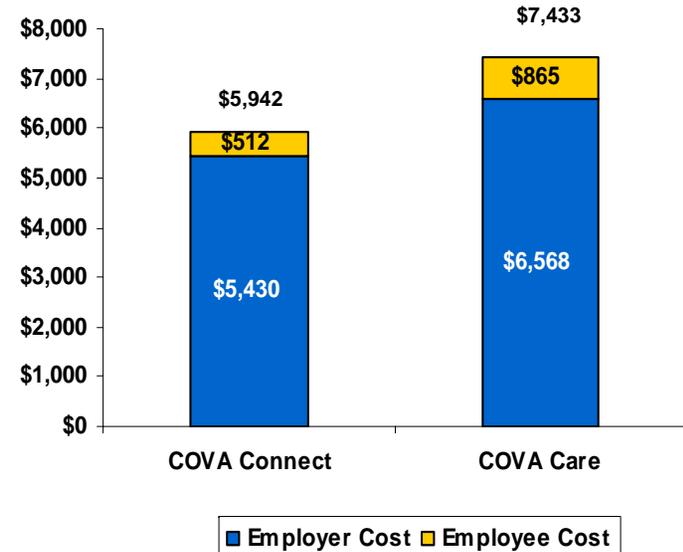
Total medical inpatient and outpatient facility and physician costs decreased less than 1 percent in 2010 compared to the previous year, to \$592.9 million from \$593.7 million. Medical outpatient physician and inpatient hospital costs were the primary drivers of medical costs, yet increased less than 1 percent during the year, from \$420.9 million to \$424.2 million.

Outpatient visits numbered 1,102 per thousand members, 5 percent higher than the 1,049 per thousand of other employers with Anthem and Optima Health medical coverage. Catastrophic claims, or claims greater than \$200,000, were up more than 20 percent on top of a 25 percent increase from 2008 to 2009. The state plan paid approximately 90 percent of total medical benefits cost in 2010, about the same as in 2009. Employees continued to pay 10 percent of the cost.

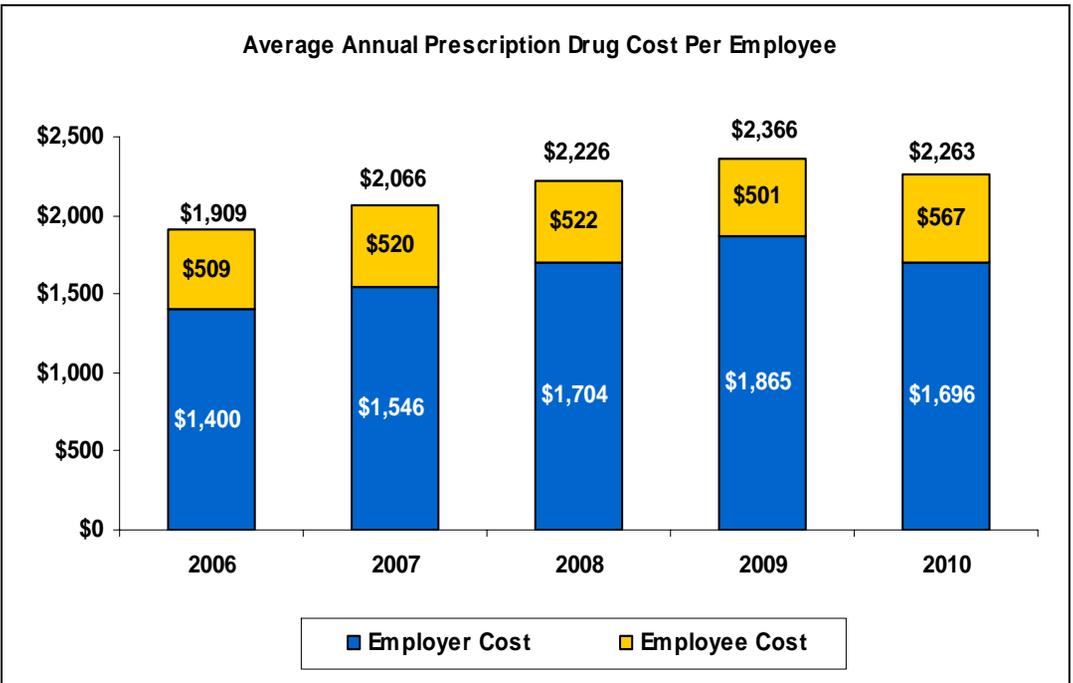
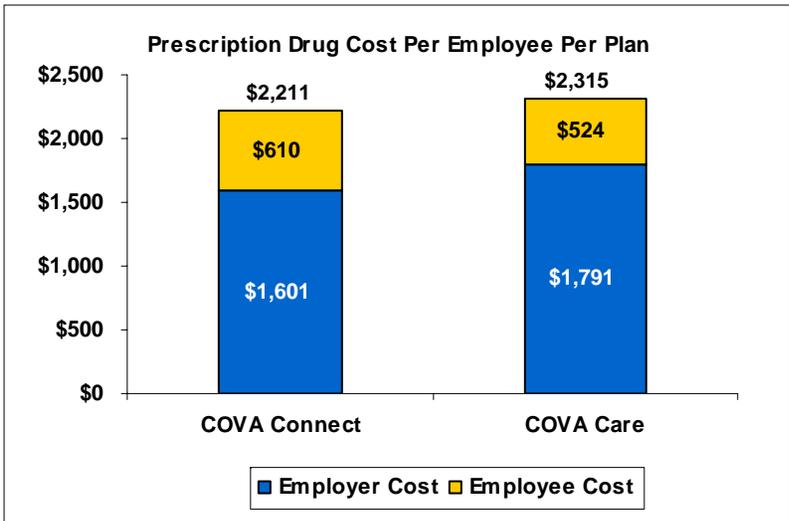
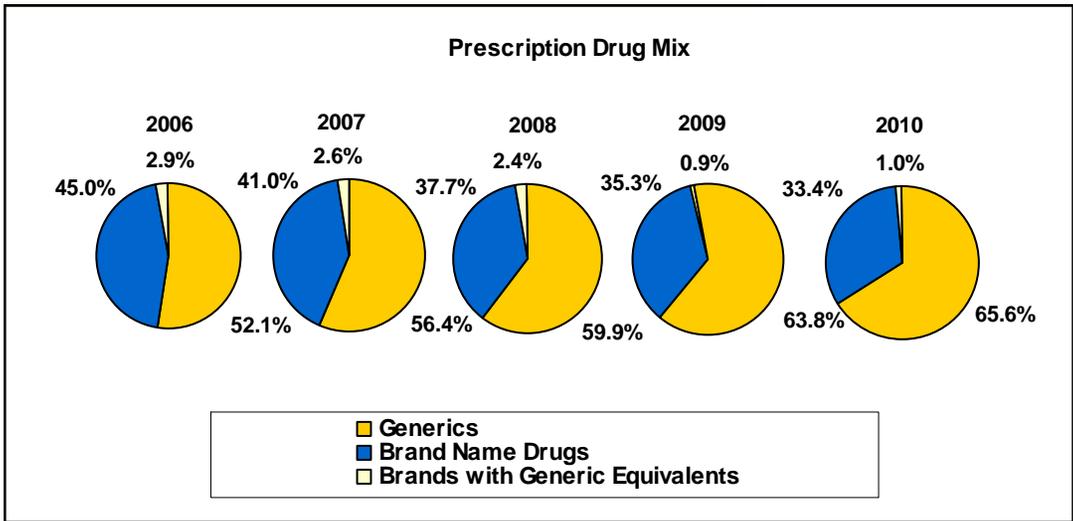
Total Medical Benefits Cost Per Employee



2010 Medical Expense Per Plan
COVA Care and COVA Connect



Prescription Drugs

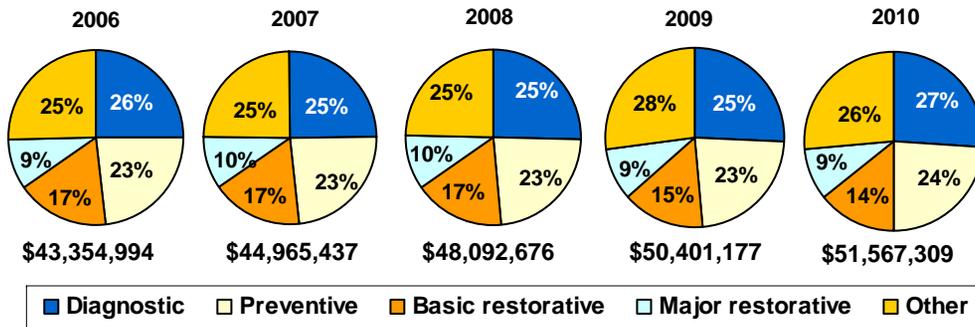


Total prescription drug costs for the state program decreased 6.2 percent from 2009 to 2010. Three factors contributed to the decline in expenses. These were an increase in the dispensing of generic drugs, the addition of a fourth drug copayment tier for high-cost specialty drugs, and measures to help stem drug costs such as prior authorization and step therapy. Inflation on brand drugs continued to be the larger cost driver, along with greater utilization by members.

The state program worked to increase the generic drug mix, which was up 2.8 percent in 2010 over the prior year, to 65.5 percent. Drug patents continued to expire on many highly utilized brand name drugs, which helped to drive up the generic drug utilization rate. More than 8,200 prescriptions were filled for very high-cost specialty drugs, representing 16 percent of the state plan's drug cost for 2010, up 1 percent from 2009. Health plan members' share of total annual prescription drug costs rose 4 percent, to 25 percent from 21 percent the previous year.

Dental

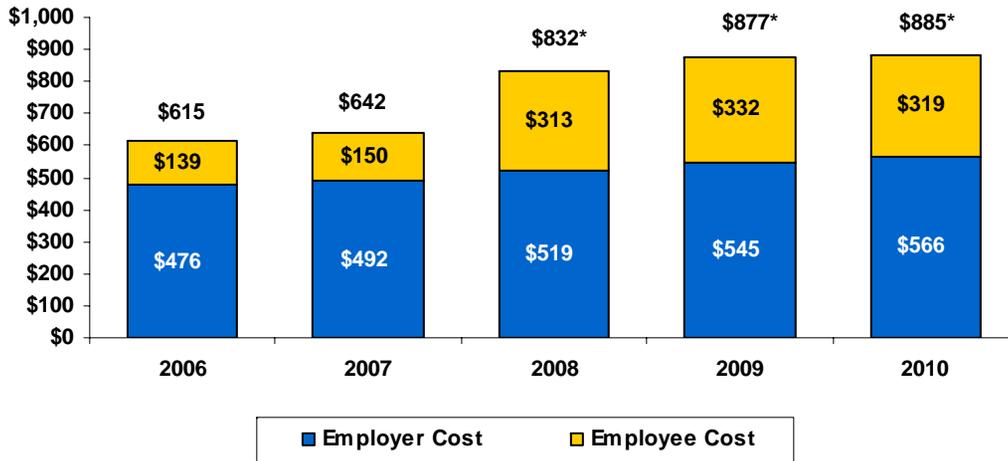
Dental Expense by Category



Dental claims costs were up 2.2 percent for the state program in 2010. Dental benefits continue to represent only 6 percent of total claims expense and are provided at a moderate cost to employees. About 377,000 dental claims were processed in 2010, up less than 1 percent from the almost 376,000 the year before. Utilization continued to be stable. The plan pays 100 percent for preventive and diagnostic services, which accounted in 2010 for about half of total plan dental claims expense.

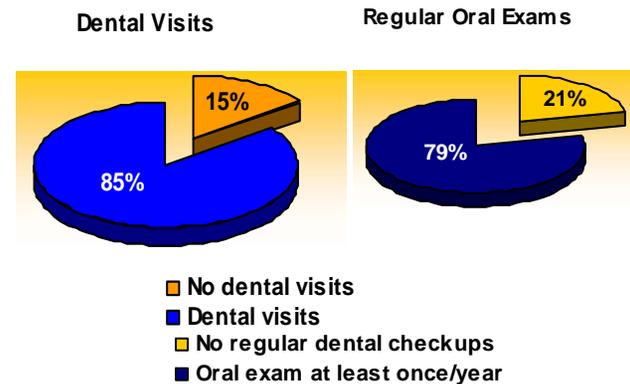
A utilization report by Delta Dental of Virginia, the dental benefits administrator, indicates that about 15 percent of plan members are not visiting the dentist at all and 21 percent do not have regular dental check-ups. Regular dental check-ups prevent major dental problems and reduce dental expense. It costs \$245 less for each member who has at least one preventive oral exam each year.

Annual Dental Cost Per Employee

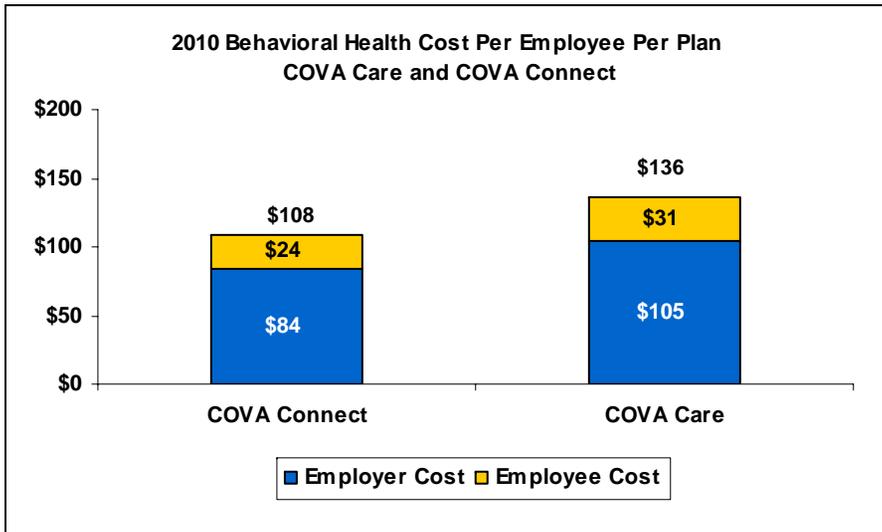
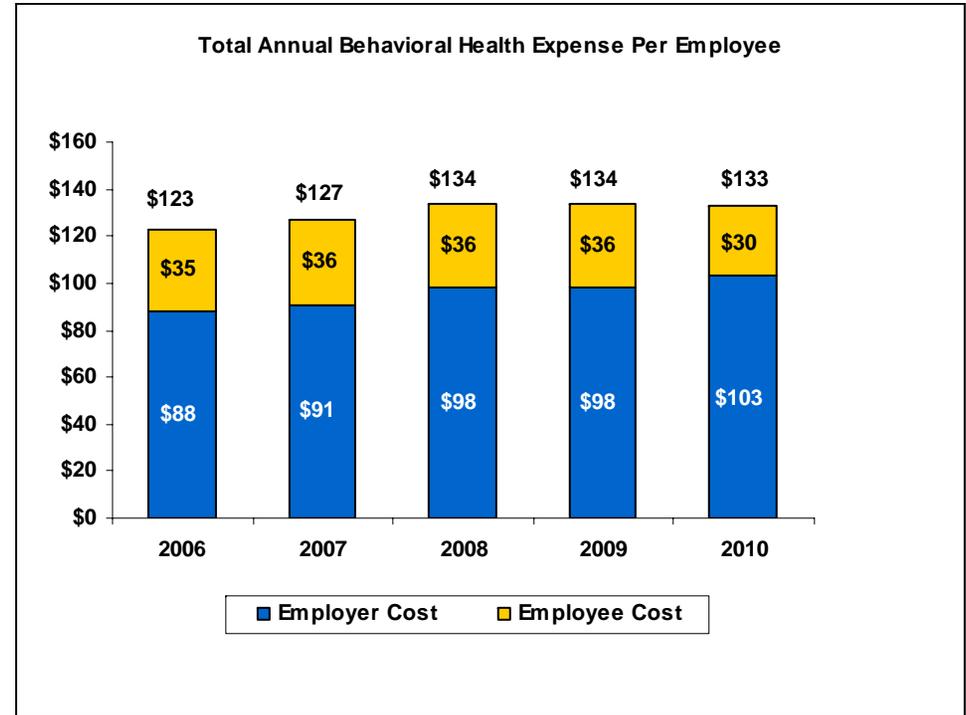
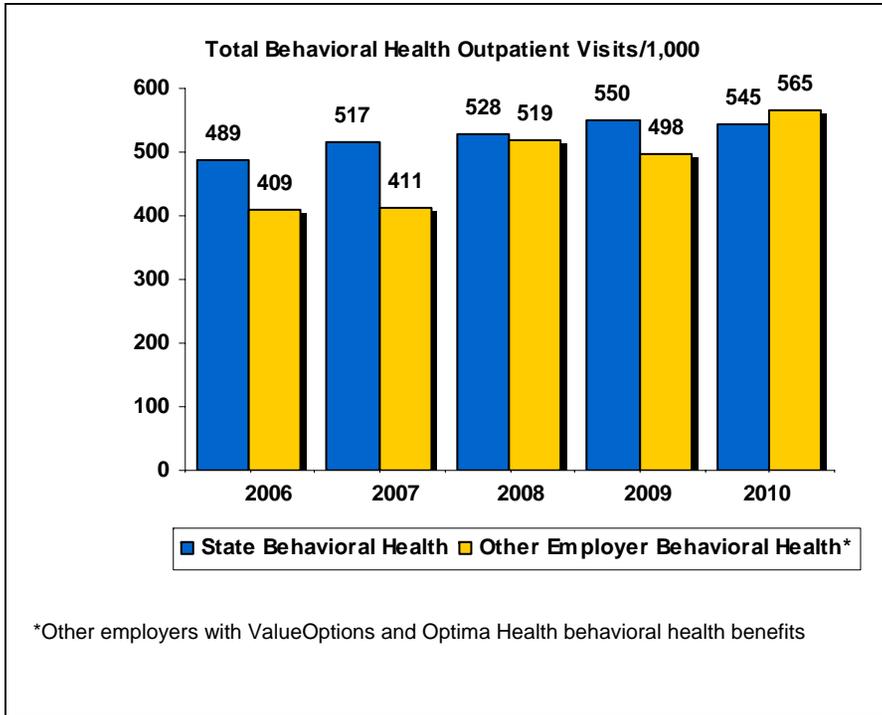


*Includes dental deductible introduced in FY 2008. Delta Dental administers dental benefits for COVACare and COVA Connect.

2010 Dental Care State Plan Members



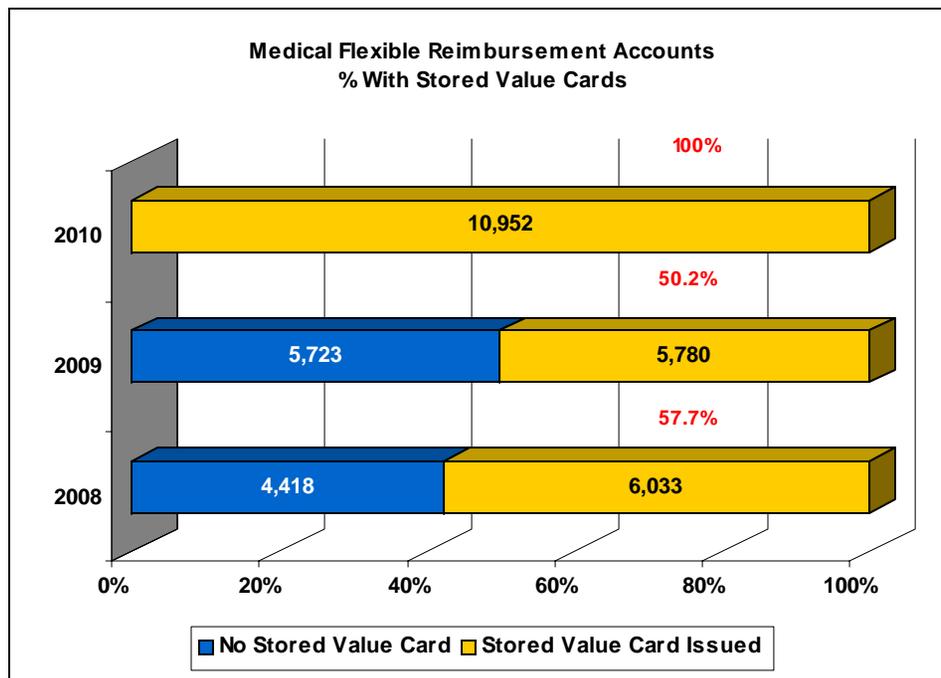
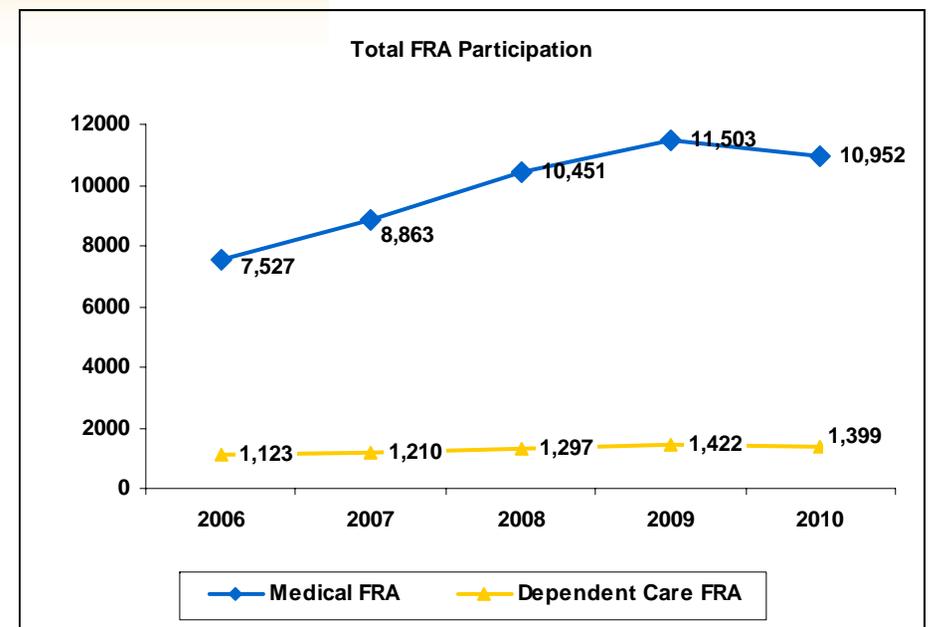
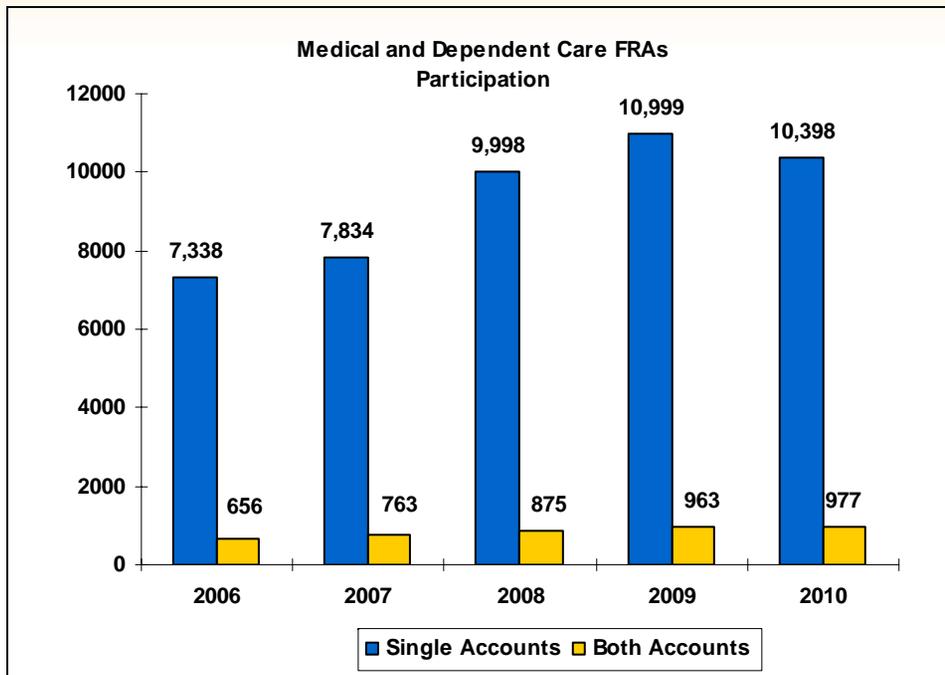
Behavioral Health



About 7 percent of those enrolled in the health plan used the behavioral health benefit during 2010. Seventy (70) percent of those employee claims related to mood and adjustment disorders, such as depression, anxiety and stress; the remainder were for substance abuse, anxiety and schizophrenia. Total claims cost increased 4.4 percent to \$9.4 million in 2010 from \$9.0 million in 2009. Fifty-three percent of claims expense was for outpatient services, 38 percent for inpatient treatment, and 9 percent for alternative levels of care.

The Employee Assistance Program (EAP) handled more than 4,600 total cases in 2010, up 9 percent from 4,200 cases in 2009. Depression was the top issue at 19 percent, followed by marital relationships at 18 percent. The economy also is having an impact, as debt management represented 17 of 102, or 17 percent of financial issues in 2010, compared to 10 of 109, or 9 percent of financial issues in 2009. The annual average 3.7 percent utilization rate in 2010 was comparable to the 3 percent national rate.

Flexible Reimbursement Accounts



A flexible reimbursement account (FRA) allows employees to set aside part of their income before taxes to pay for certain non-covered health, day or elder care expenses. Medical FRAs may be used for eligible health care expenses not covered by the plan, while Dependent Care FRAs may be used to pay eligible costs for day or elder care. Participation in Medical flexible reimbursement accounts grew 10 percent from 2008 to 2009, yet decreased by 5 percent in 2010 from the prior year. Dependent Care accounts experienced a decline of 1.6 percent during the same period. The decline in use of both accounts was due in part to an administrative fee reinstated during 2010 to make up for elimination of other program funds.

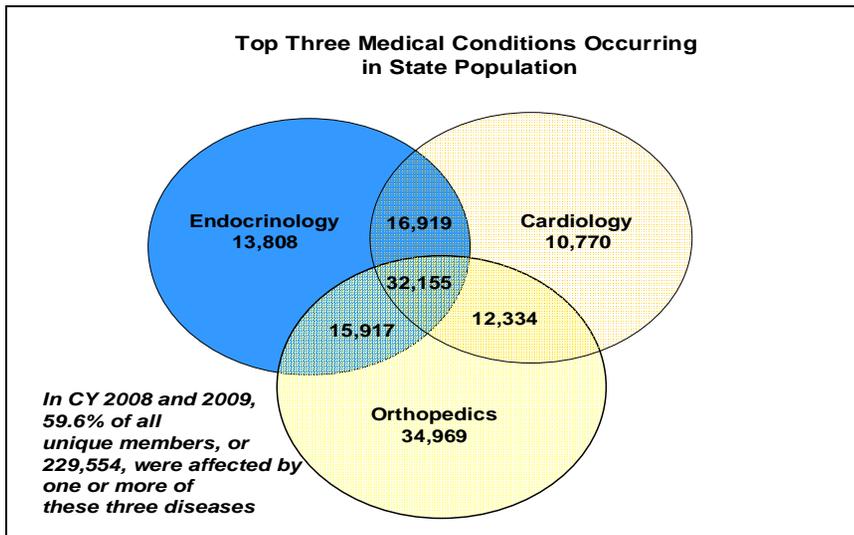
Since 2008, Medical FRA participants have had the option of using a stored value card, similar to a debit card, to pay for eligible expenses at the point of service. Less money is forfeited at the end of the plan year when participants use these cards, and forfeitures had been used in previous years to pay for the program. Almost 58 percent of accounts applied for cards in the first year, and over 50 percent in the second year. For 2010, stored value cards were issued to all Medical FRA accounts, giving participants the choice of whether or not to activate their cards.

Cost Drivers: The Health Plan “Top Ten”

Use of expensive procedures, chronic conditions and drugs had a major impact on the program during 2010. So did employee lifestyle, including smoking, physical activity and weight. Another factor was the average state employee age, which continues to be higher than the norm for other employers.

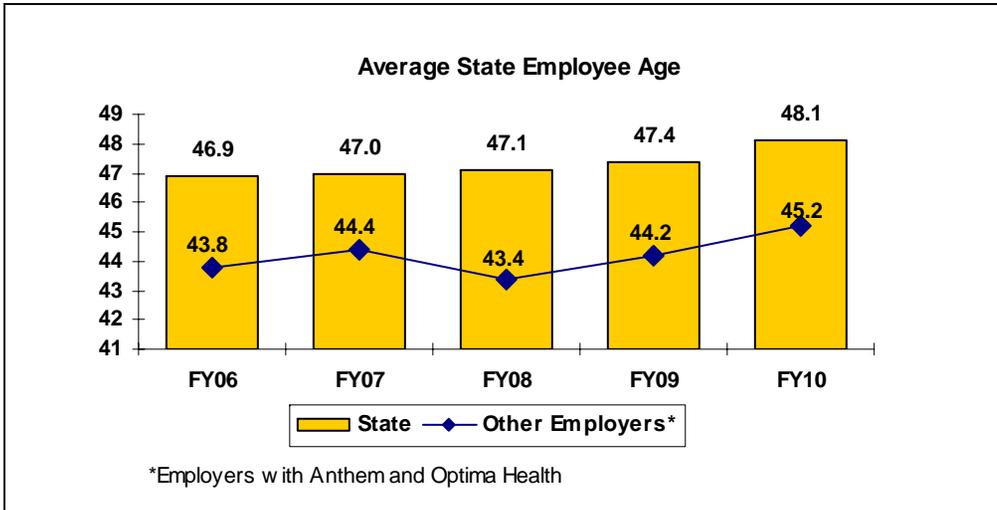
About \$582 million, or 71 percent, of state plan expenses during 2010 came from claims for the top ten medical procedures, chronic conditions and prescription drugs. Total expense in these areas was up 2.6 percent from the previous year. High in the top 10 were conditions that correlate with heart attack and stroke, like cerebrovascular and coronary artery disease, circulatory disorders and hypertension. The category of obesity made the list for the first time due to improved methods for capturing this condition. Many of these conditions are also identified with being overweight: diabetes, coronary artery disease, hypertension, musculoskeletal and digestive disorders.

Lifestyle also impacts the top three medical conditions occurring in the state population. The areas of endocrinology, cardiology and orthopedics cost the state program more than \$199 million in 2010.

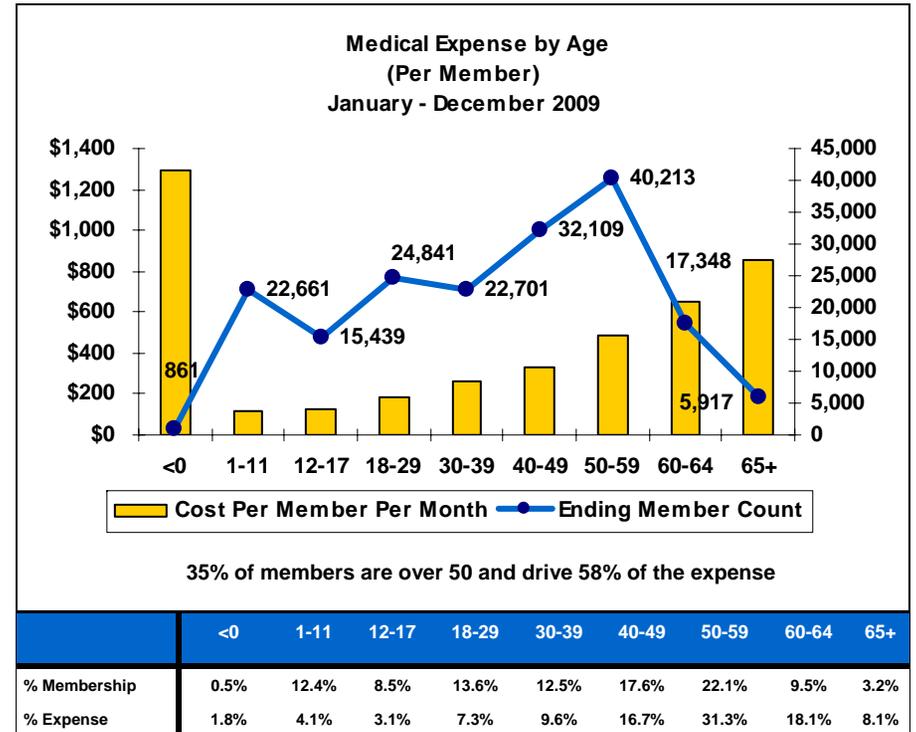
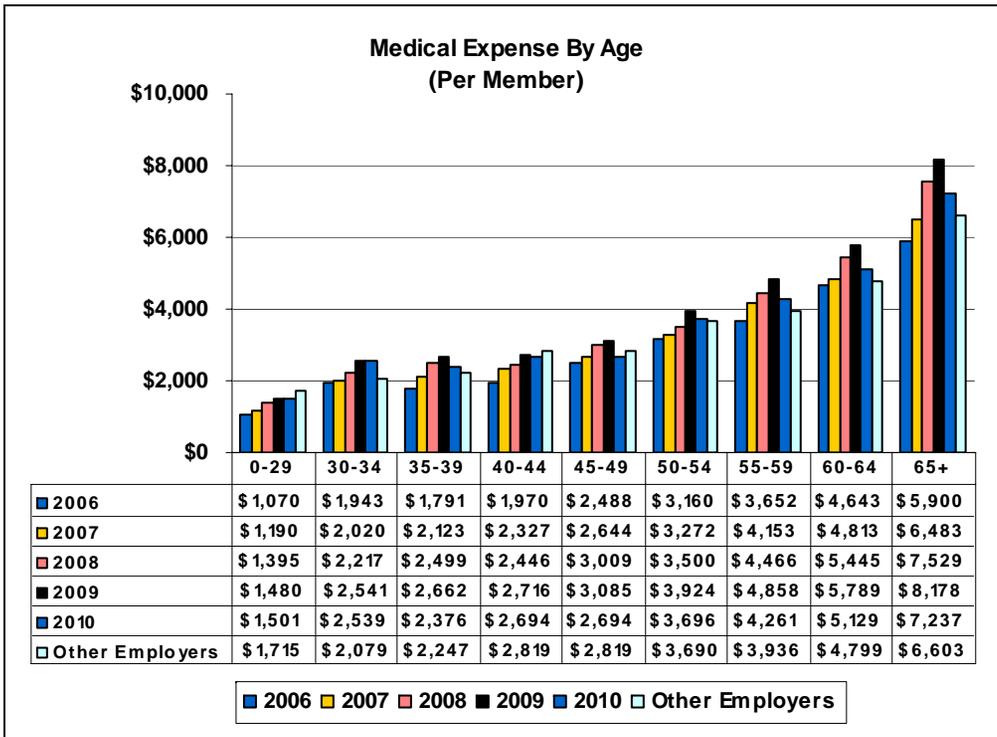


“Top Ten” Claims Expense		
Medical Procedures	Chronic Conditions	Prescription Drugs
1. Musculoskeletal	1. Coronary artery disease	1. <i>Nexium</i> (stomach acid)
2. Neoplasms (tumors)	2. Breast cancer	2. <i>Lipitor</i> (high cholesterol)
3. V-Codes (health services not classified as disease or injury)	3. Cerebrovascular disease	3. <i>Enbrel</i> (rheumatoid arthritis)
4. Circulatory	4. Diabetes	4. <i>Humira</i> (rheumatoid arthritis)
5. Ill-defined symptoms (undetermined causes)	5. Hypertension	5. <i>Singulair</i> (lung conditions)
6. Digestive	6. Lung cancer	6. <i>Crestor</i> (high cholesterol)
7. Genitourinary	7. Skin cancer	7. <i>Effexor XR</i> (depression)
8. Accidental injury	8. Obesity	8. <i>Actos</i> (diabetes)
9. Respiratory	9. Oral cancer	9. <i>Advair Diskus</i> (lung conditions)
10. Nervous system/sense organs	10. Substance abuse	10. <i>Avonex</i> (multiple sclerosis)
57.9% of All Claims Expense	8.6% of All Claims Expense	4.8% of All Claims Expense

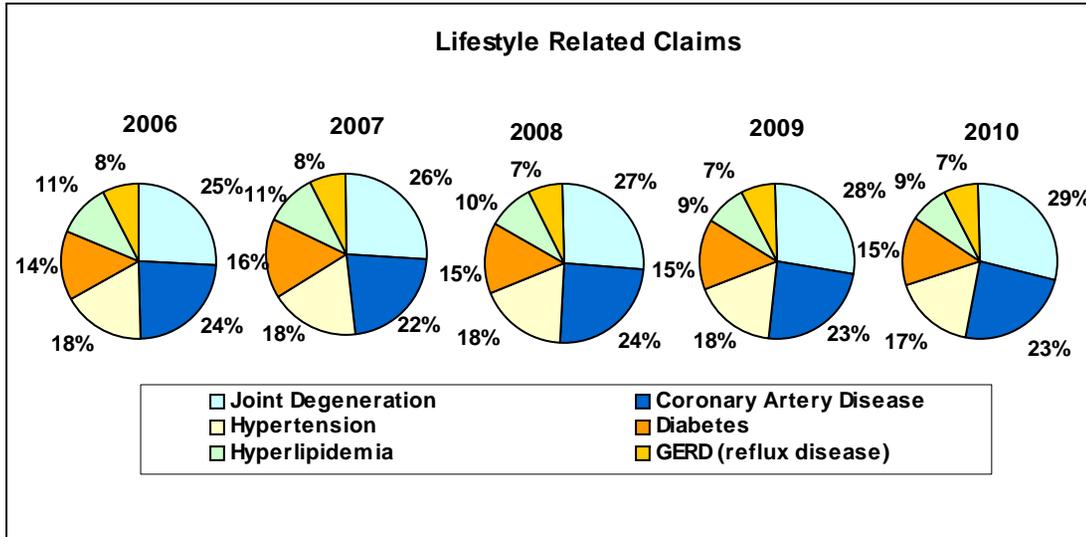
Cost Drivers: An Aging Population



The average age of state employees continues to increase. According to the American Medical Association, many diseases correlate with an aging population. As people age, they are more likely to develop chronic conditions such as high cholesterol, high blood pressure, heart disease and diabetes. The age gap continued in 2010 between the state workforce enrolled in the health benefits program, with an average age of 48.1, and employees at other employers, whose average age was 45.2. Employees in COVA Connect had an average age of 48.6, or 1 year older than those in COVA Care, at 47.6. Those over the age of 50 represented 35 percent of state health plan members in 2010, and were responsible for 58 percent of total medical expenses. While older members had a higher percentage of expenses, the 0-29 age group experienced a 1.4 percent increase in medical expense per member. The rise in expense for this age range is due in part to costs associated with premature births and neonatal intensive care.

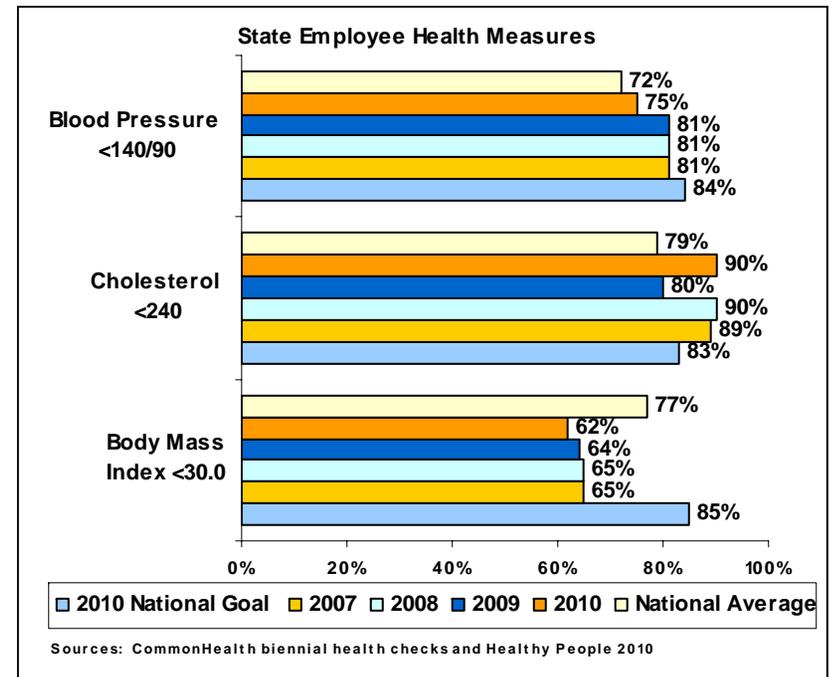
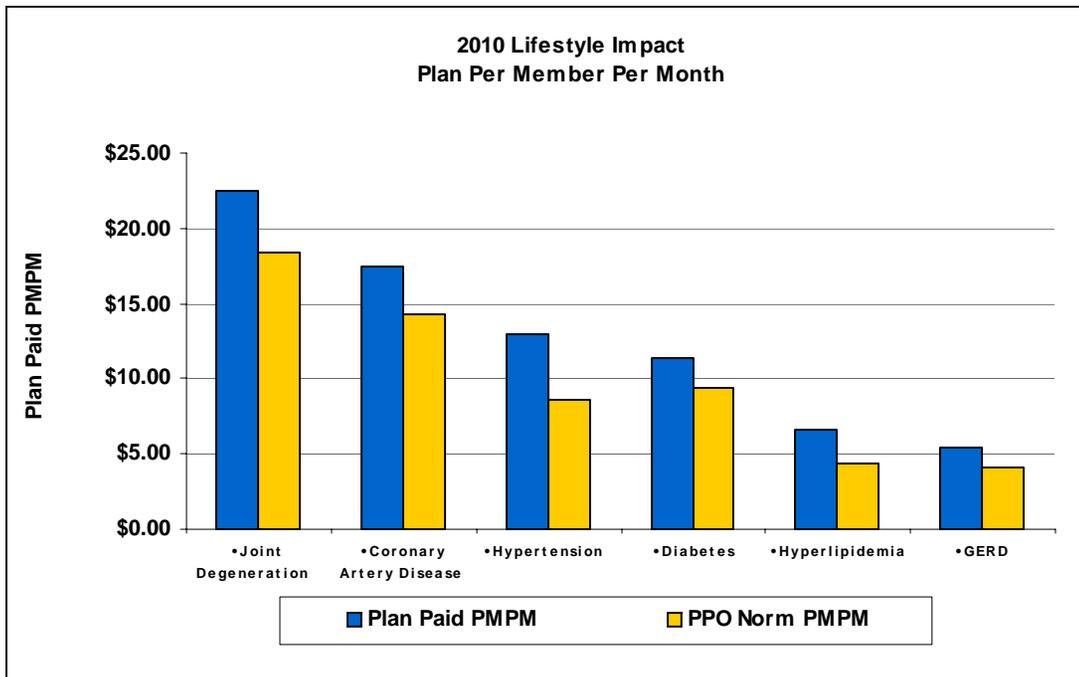


Lifestyle Influences



According to the National Institutes of Health, one in three adults nationwide is obese and one in five children is overweight. Six conditions that correlate with overweight represented about \$159 million, or 26.8 percent, of the state plans' total medical expense in 2010.

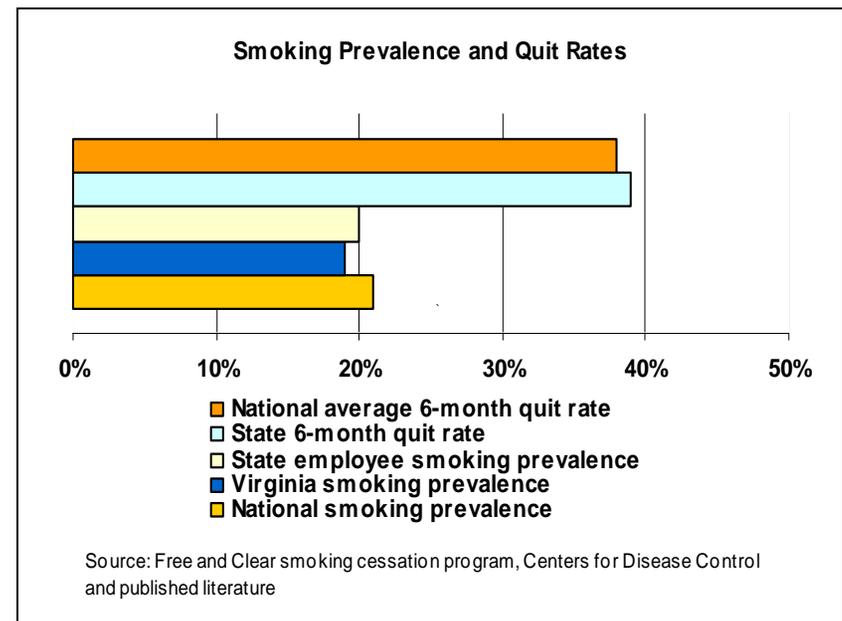
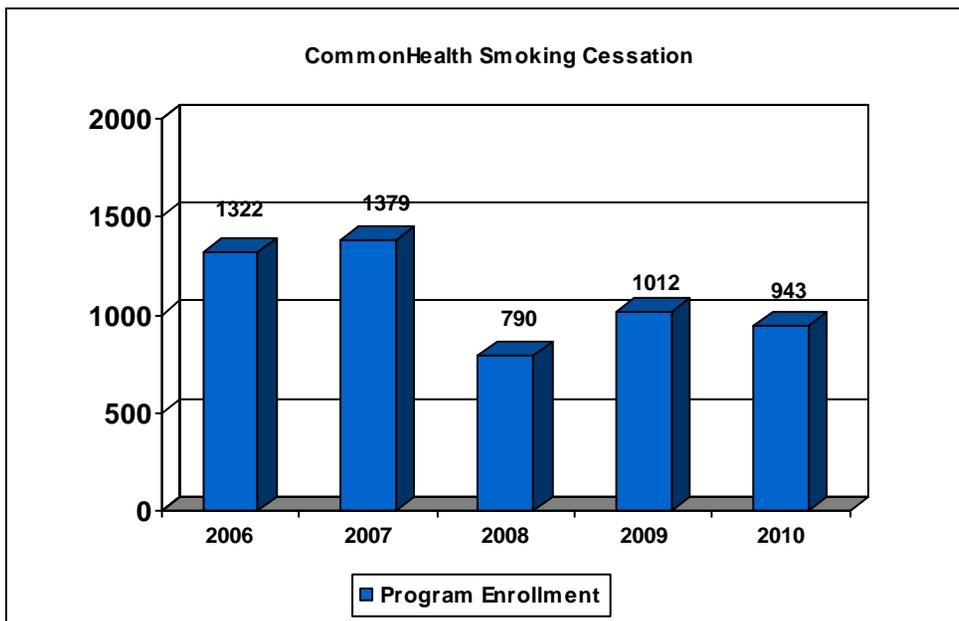
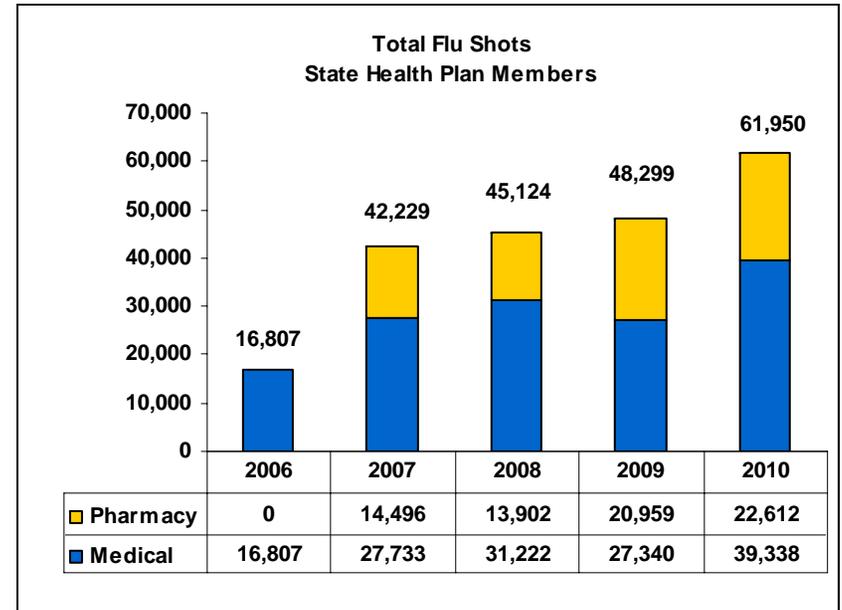
About 6,852 employees in 2009 and 7,114 in 2010 took part in health screenings through the CommonHealth wellness program. While the group was above the national average in normal cholesterol and blood pressure levels, it ranked 15 percent above average in body mass index of 30 or more, which is considered obese.



Employee Wellness

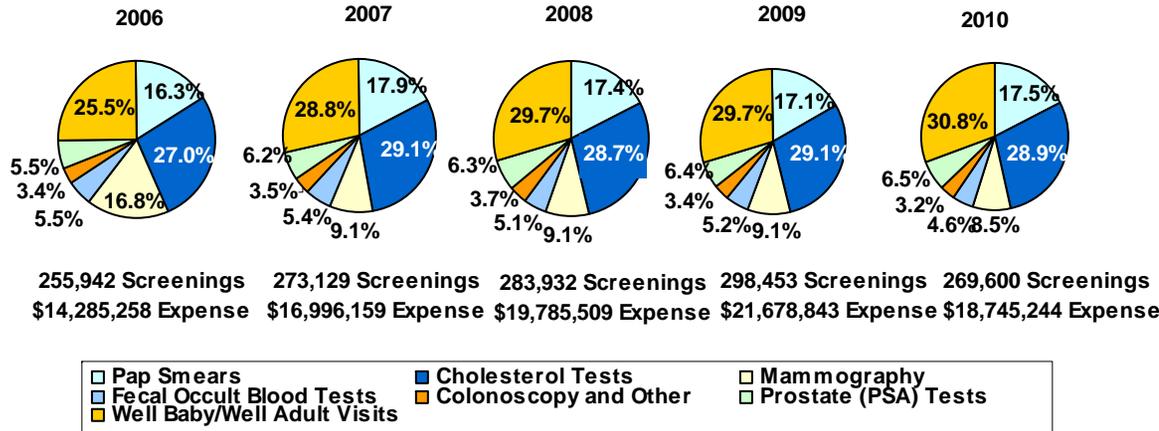
The Commonwealth is committed to helping employees lead healthier lives, and the *CommonHealth* employee wellness program is a major part of that pledge. The program promotes healthy employee lifestyles and encourages integration of health and physical activity into the work culture. Administration of CommonHealth changed in 2008 from a vendor to employee direction within the Department of Human Resource Management, saving the state \$4 million in a tight budget environment. During 2010, state executive agencies continued to report employee participation in *CommonHealth* as a measure on the Governor's Management Scorecard, with total participation at 19 percent. The program focused during the year on living and eating "green," fitting fitness into daily routines, cutting calories and dental hygiene's relationship to good health.

Having a flu shot is one of the best ways for employees to stay healthy. Participation in the state health plan's free flu shot program has grown 47 percent since its launch in 2007. Enrollment in the "Quit for Life" smoking cessation program was 7 percent less in 2010 than in the prior year. In addition, 1,484 prescriptions for smoking cessation drugs were filled through the state health plan.

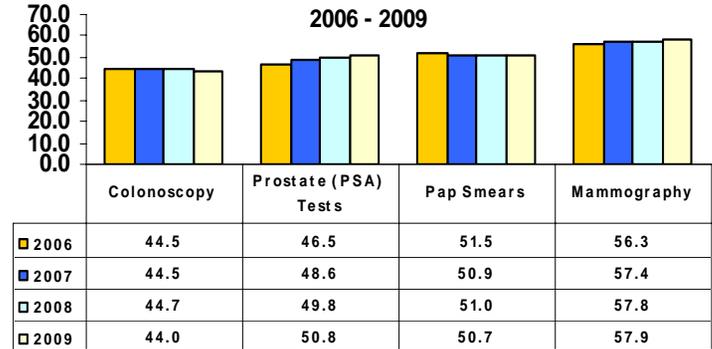


Preventive Care

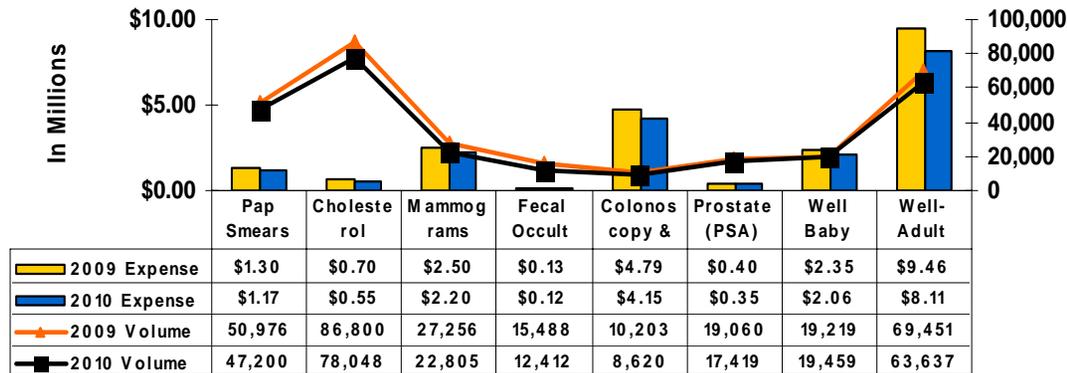
Preventive Screenings



Average Compliance Rates (Percentages)
Selected Preventive Screenings 2006 - 2009



Preventive Screenings 2009 and 2010



In 2010, the Commonwealth continued to provide annual wellness visits and preventive care screenings at no cost to members. Annual physicals, mammograms, and prostate (PSA) tests are examples of services in these categories. Outpatient wellness visits and preventive screenings in 2010 were 3.4 percent of total medical expenses, in line with statistics for the previous year. Baby and adult wellness checkups and cholesterol tests represented 60 percent of total screening volume, compared to 59 percent in 2009. For both years, about one-third of preventive care screenings were pap smears, mammograms and PSA tests.

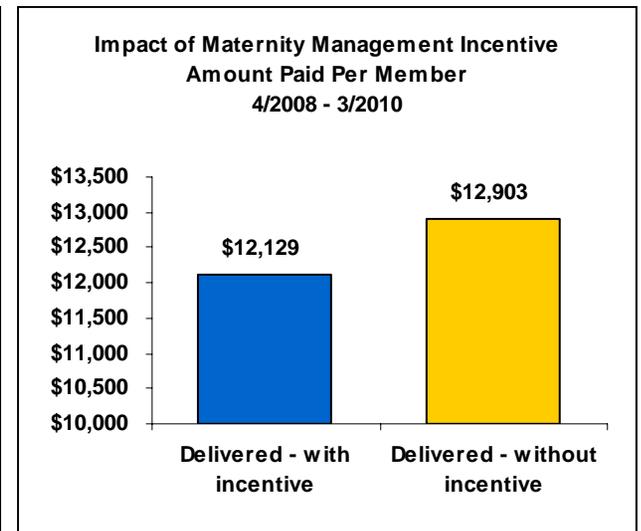
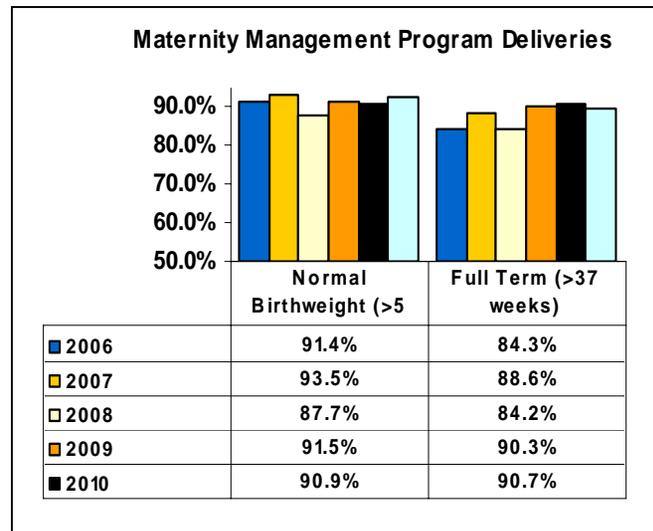
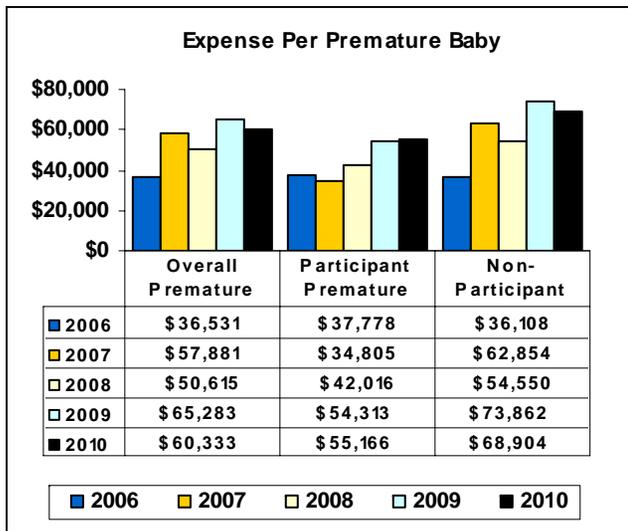
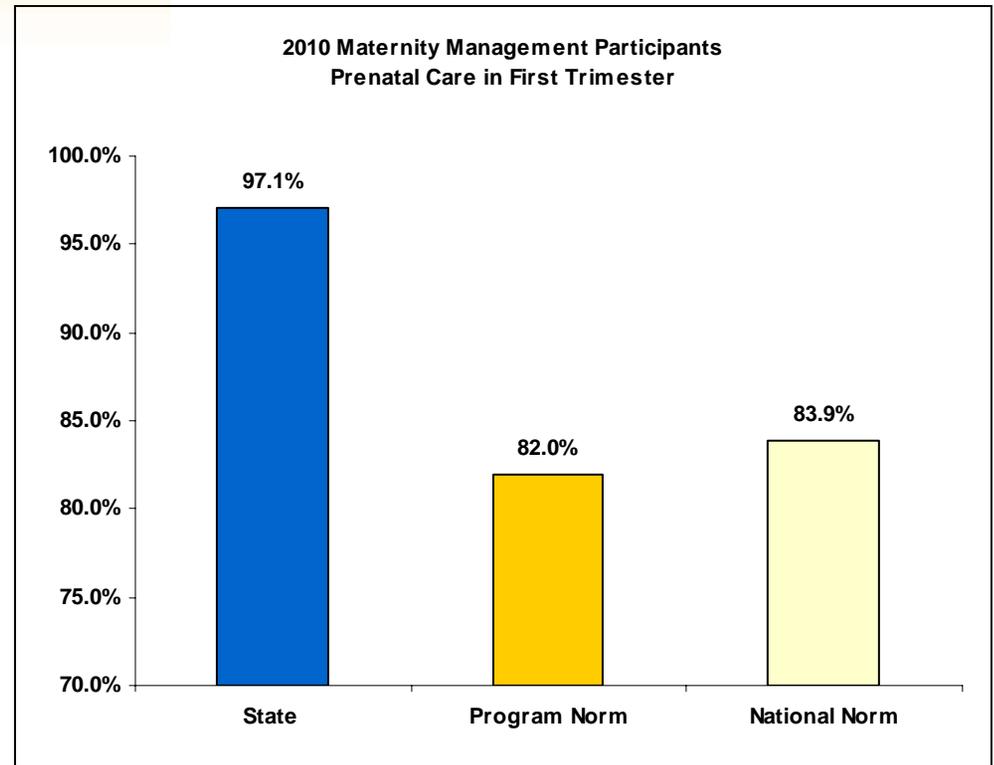
The average screening compliance rate over the past few years has been highest for mammography, at approximately 57 percent of women in the applicable population.

Maternity Management

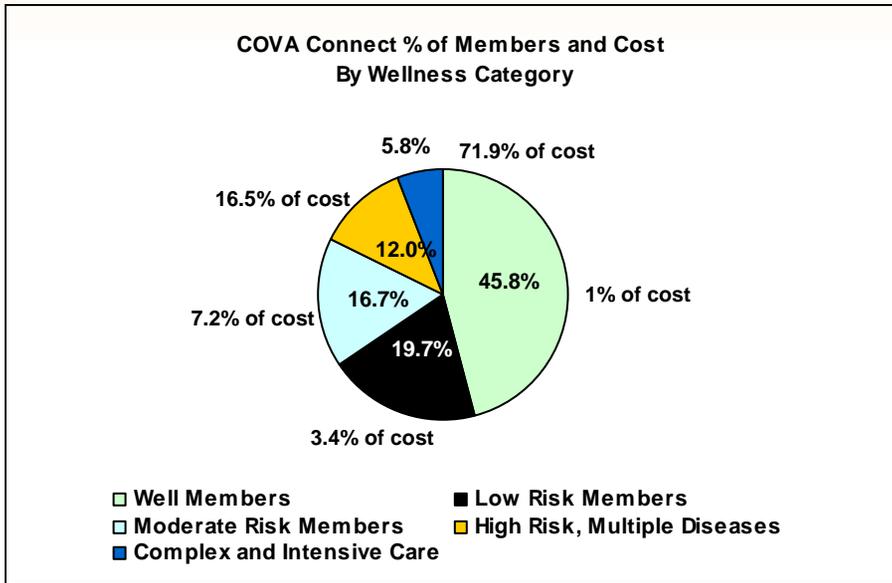
A maternity management program offered at no cost to members helps expectant mothers deliver healthy babies. The earlier in pregnancy that a woman receives special prenatal care to assess and manage health risks, the more opportunity for education and intervention to prevent premature delivery. About 97 percent of pregnant women enrolled in the state maternity management program received prenatal care in the first trimester, which was significantly higher than both the national program and the overall national norm.

In general, birth weight plays a major role in a child's overall lifetime health. Premature babies require expensive medical care at birth and over their lifetimes. There were 89 premature births among plan members in 2010, down 36 percent from 139 in 2009. These babies cost the state program more than \$4.5 million in claims, about half the cost of the \$9 million in 2009. Fifty-six, or 63 percent, of those infants were born to mothers enrolled in the maternity management program.

Five premature babies cost \$2 million, including the cost of neonatal intensive care. Three of these cases involved a maternity program participant. Of the 1,300 pregnant members covered in 2010, about half participated in the program. About 91 percent of babies born to women in the program in 2010 had normal birth weight. Program participation increased 47 percent over the previous year. The growth in participation can be tied to an incentive introduced in 2008 waiving the maternity inpatient copayment for participants who completed special program requirements. Program participation has more than doubled, from 16 to 37 percent, since the incentive began. Fifty-point-eight (50.8) percent of total deliveries involved program participants, up from 42.5 percent in 2009.

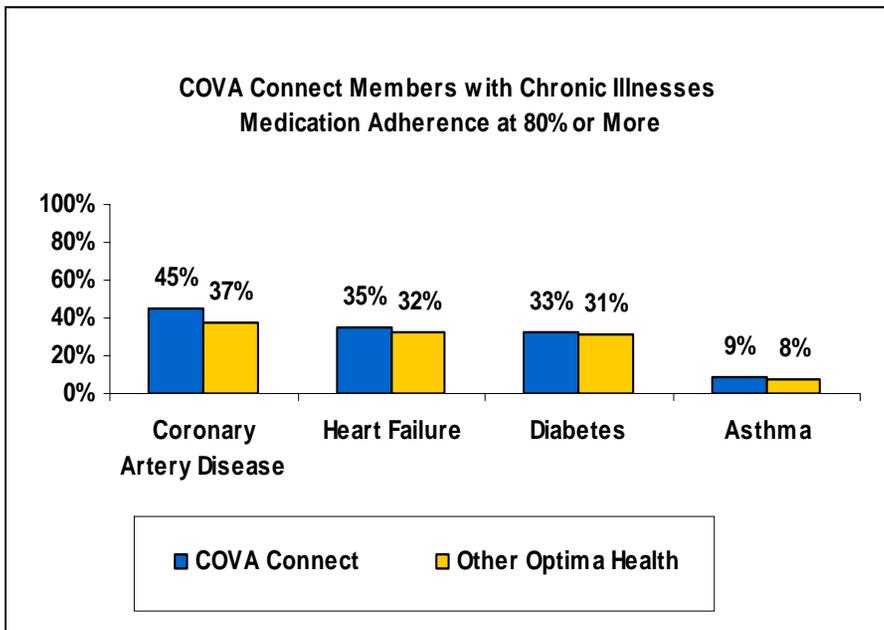


Public Private Education Act (PPEA) Partnership



The Public Private Education Act (PPEA) was passed by the General Assembly eight years ago to encourage public-private partnerships in order to increase government efficiency. In response to a PPEA proposal, the Department of Human Resource Management launched the COVA Connect pilot program in 2010. The program is aimed at developing a healthier state workforce by integrating multiple aspects of health care management, such as the latest technology, health advocacy and one-stop customer service. Committee representatives from three Cabinet secretariats and five agencies examined 10 proposals for the demonstration project and selected Optima Health in Hampton Roads to administer it. A successful pilot required participation by at least 10 percent of the plan member population. To this end, plan members in Chesapeake, Hampton, Norfolk, Poquoson, Portsmouth, Suffolk and Virginia Beach zip codes were selected for the pilot.

As part of the PPEA, a COVA Connect group health profile was created in FY 2010. Well members were 46 percent of the COVA Connect population, 7 percent higher than for Optima Health's book of business. The members at the greatest risk for illness, or the complex population, made up 72 percent of COVA Connect's costs, 2 percent higher than Optima's book of business. Of the 5.8 percent of members in the complex category, 65.6 percent were actively engaged with a health coach in 2010 to assist them with health improvement, such as exercise, nutrition and smoking cessation.



The overall engagement rate is defined as at least two successful contacts with the member. It was 23.6 percent for COVA Connect in 2010, or more than 3,600 members, and over 2 percent higher than for Optima Health's book of business. Over 8,100 members were identified as having at least one chronic condition. All were contacted by a clinical advocate to help them manage their health care. For all those identified with chronic conditions, the percentage of compliance with medication standards was higher than for other Optima business, and the highest was for coronary artery disease at 45 percent. A financial incentive pilot program has been launched to encourage COVA Connect members to take a health risk assessment and participate in programs to better manage chronic illness.

Change management issues were evident during the introduction of the pilot program. Challenges created included member feelings of lack of choice, concerns about the provider network, a perceived difference in pharmacy costs compared to COVA Care and a compressed timeline to initially educate employees about the program. These issues had negative implications that were reflected in the customer satisfaction survey. Only 51 percent of members surveyed were satisfied with the overall health plan, and the pharmacy satisfaction rating was 48 percent.

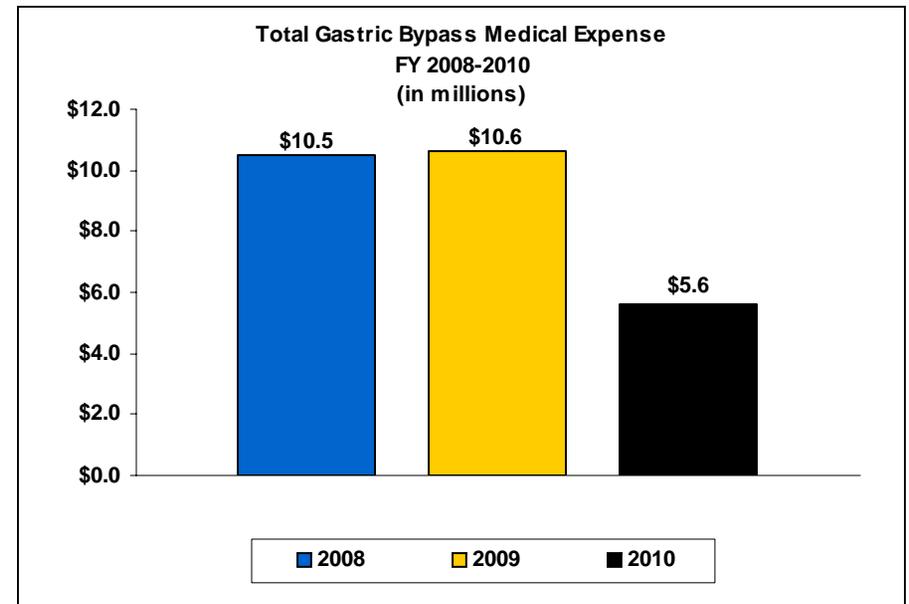
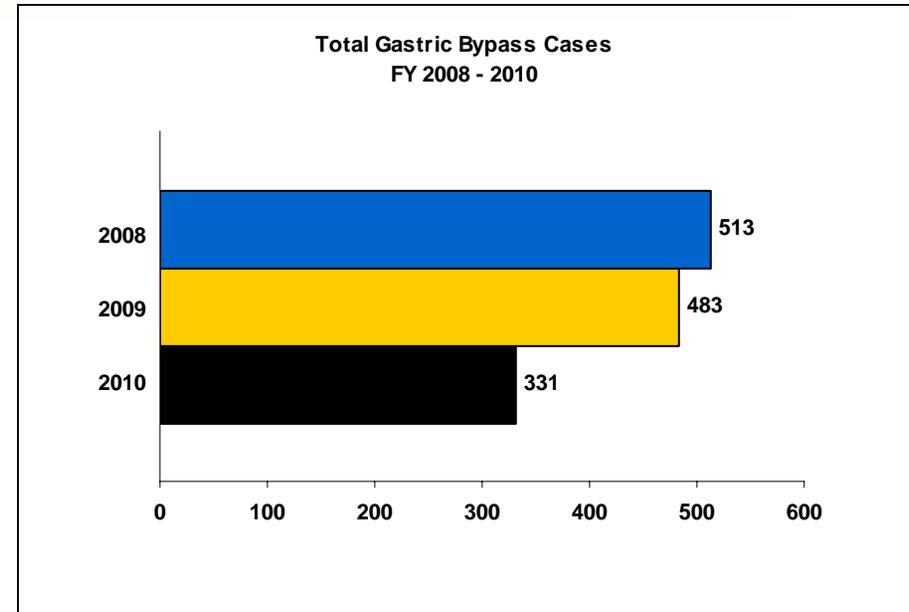
Pre-Gastric Bypass Surgery Pilot Program

As part of plan funding issues, a proposal was made during the 2009 legislative session to eliminate coverage for gastric bypass surgery. As an alternative, the General Assembly requested a new 12-month pre-surgery pilot program that was launched in February 2010. Claims expense for this type of surgery, including traditional bariatric surgical procedures and lap band surgery, had grown to \$10.6 million by FY 2009. Costs were projected at \$12 million by the end of the 2011 plan year. The pilot's goals were to improve these patients' chances for successful surgery and to prepare them for the lifestyle changes associated with having the procedure.

The pilot addresses the challenges that some patients face of losing weight and then gaining it back, and for the health plan in increased cost for potentially ineffective surgery. It includes medical prior authorization for the surgery and participation in a disease management program. In addition, weight management, nutrition counseling, and personalized coaching and support services are provided through the behavioral health benefit. If surgery is approved, the program offers continued support after surgery to ensure the best possible health outcomes. As a bonus, members who participate in after care for 12 months receive a refund of half of their inpatient hospital copayment for the surgery. They receive a full refund for participating another 12 months.

In FY 2008 and 2009, there were nearly 1,000 gastric bypass cases. By June of 2010, 58 plan members were participating in the pilot program. After one month, about half had lost weight, a quarter had maintained their weight loss and those who gained put on less than five pounds. All were in programs facilitated by a weight management coach which addressed topics such as behavior change, healthy eating and movement. There were 31.5 percent fewer cases in FY 2010 than the year before, 331 compared to 483. The number was down 35.5 percent from FY 2008, when there were 513 cases.

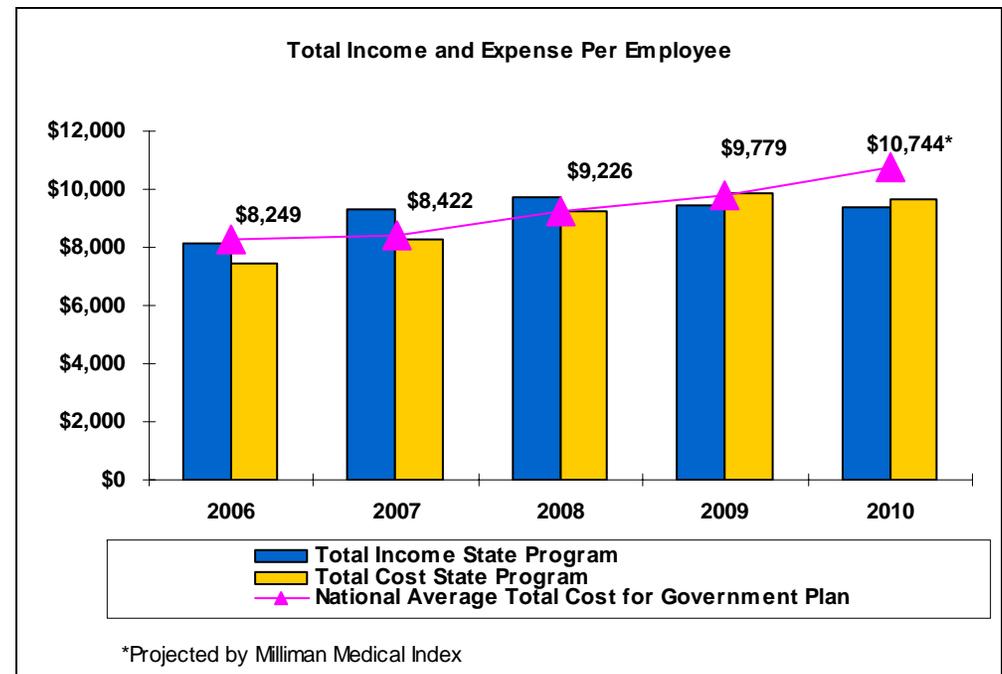
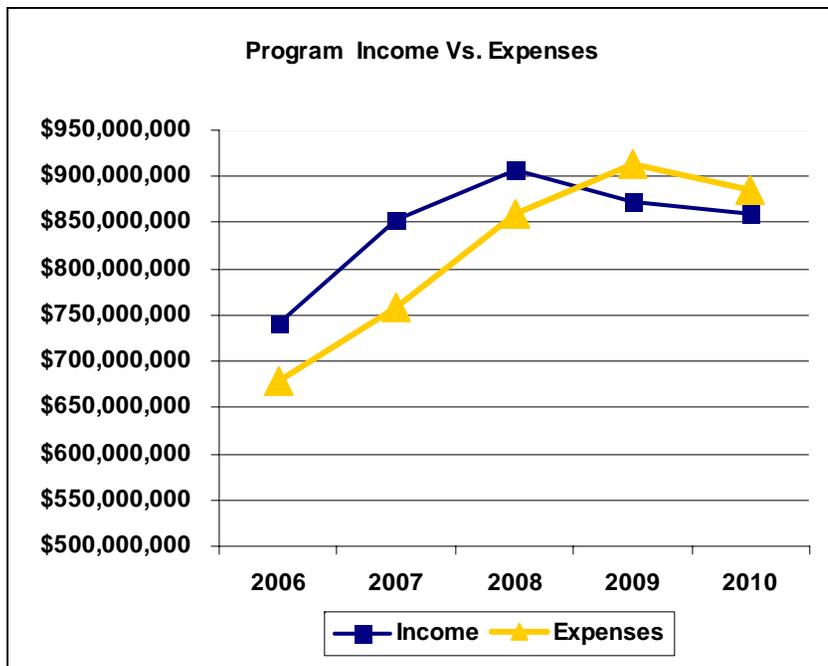
An analysis of gastric bypass surgery claims and claims cost from FY 2008 through FY 2010 shows that the initiation of the pilot resulted in a 46.7 percent decrease in expense, from \$10.5 million in 2008 to \$5.6 million in 2010.



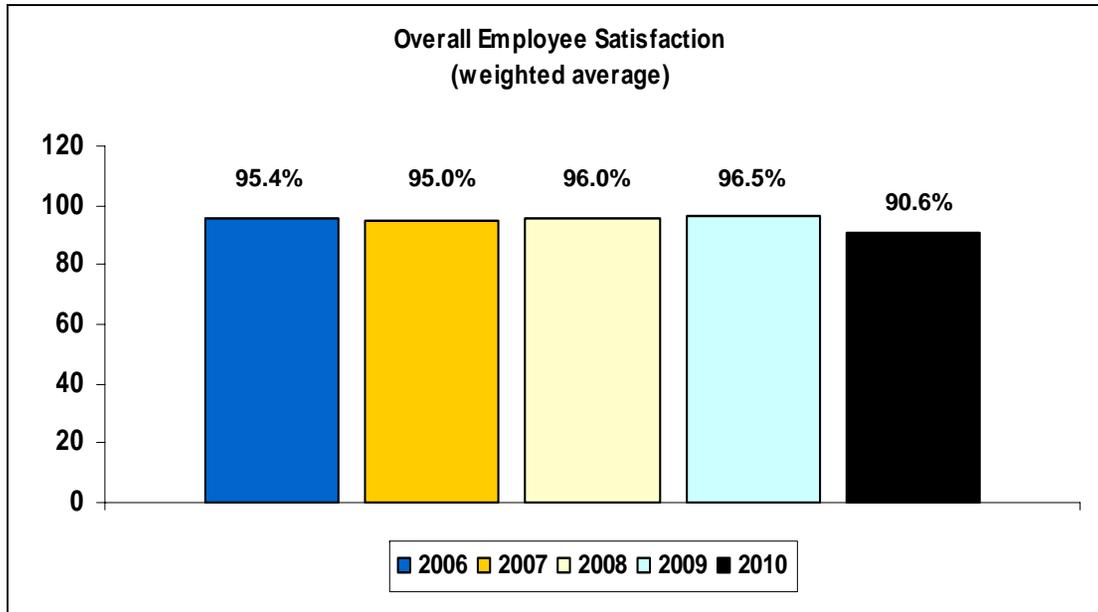
Operating Statement

PROGRAM TOTAL	FISCAL YEAR 2006	FISCAL YEAR 2007	FISCAL YEAR 2008	FISCAL YEAR 2009	FISCAL YEAR 2010
Annual Income <i>(Premiums, Interest, Other)</i>	\$741,926,480	\$852,955,127	\$906,826,957	\$871,914,528	\$860,279,484
Annual Expenses <i>(Claims, Contract Administration, Other)</i>	\$678,797,543	\$759,038,420	\$858,812,728	\$914,296,899	\$885,109,068
Income Less Expenses	\$63,128,937	\$93,916,707	\$48,014,229	(\$42,382,371)	(\$24,829,584)

Premiums provide 98 percent of the health program's income, and claims payments represent 94 percent of expenses. The statewide COVA Care plan was introduced in 2004 to help better balance premiums and out-of-pocket costs. Despite the new single plan, the program ran a deficit that year due in part to higher costs for prescription drugs, inpatient and outpatient facility and the aging of plan members. Cost containment measures combined with a slower rate nationally of health care increases led to program surpluses from 2005-08. In 2009 and 2010, deficits resulted from the use of program reserves to fund an employee premium increase credit (EPIC) during tight budget years.



Employee Satisfaction



Input from employees is vital for the health benefits program to measure its progress in improving both the quality and the covered services provided. Employees' level of satisfaction is measured through periodic surveys. State employees rate specific aspects of their health care. The medical plan satisfaction results are from the standard HEDIS® 2005 CAHPS 3.0H Adult Commercial Survey done in cooperation with the National Committee for Quality Assurance. Other measurements are from the administrator surveys for dental, prescription drug, behavioral health and employee assistance program services.

Overall satisfaction with the health plan was down 5.9 percent, from 96.5 percent in 2009 to 90.6 percent in 2010, primarily due to surveyed employees' dissatisfaction with the new COVA Connect plan's medical and pharmacy benefits. The state plans' dental and behavioral health benefits received the highest rating in 2010, with the behavioral health rating 6 percent higher than in 2009.

