

January 20, 2023, Member Alert



State Health Plan Update Regarding

Third-Party Administrator Switch in 2025

As members know, State Treasurer Dale R. Folwell, CPA, and the State Health Plan (Plan) recently announced the award of the Third-Party Administrative (TPA) Services Contract to Aetna. This award was unanimously approved by your Board of Trustees that also sets premiums, copays and deductibles – **not the TPA**.

Aetna has over twice the number of employees as Blue Cross and Blue Shield has in North Carolina. Right now, Aetna currently has 600 employees assigned to working with the State Health Plan. In addition, Aetna is the TPA for both Duke University and the City of Durham – two of the largest employers in Durham County.

We followed all legal requirements to put a contract out for a bid in an effort to have better access, a higher quality and lower cost plan.

For that reason, the Plan wanted to share with you, our members, basic details so you will have the most accurate, up-to-date information.

THIS DOES NOT IMPACT THE NEARLY 140,000 RETIREES ENROLLED IN THE HUMANA GROUP MEDICARE ADVANTAGE PLANS. This impacts members in the Base PPO Plan (70/30) and the Enhanced PPO Plan (80/20).

Are my medical and pharmacy benefits changing?

- Plan options, including the Base PPO Plan (70/30) and the Enhanced PPO Plan (80/20) will remain in place and will continue to be offered. Copays, deductibles and premiums are **not** impacted by this change.
- Your pharmacy benefit administrator, or PBM, is **NOT** changing, so this change **does not** affect your pharmacy benefits.

What is a TPA?

- A Third-Party Administrator, or TPA, provides a comprehensive network of health care providers – including doctors and specialists – and processes claims for the Plan. The Plan has always had a TPA.
- Taxpayers like you pay the claims, **not** the TPA.
- The Plan's Board of Trustees sets Plan benefits and premiums, **not** the TPA.

When is this happening?

- Aetna will become the Plan's new TPA on Jan. 1, 2025. Over the next two years, the Plan and Aetna will work to create a smooth process and make the transition as seamless as possible for our members.
- During the 2025 Open Enrollment period, which will take place in the fall of 2024, members will begin to receive additional information.

Can I continue to keep seeing my providers?

- Aetna has a national network. Aetna has already begun a robust effort to recruit even more providers, which will only continue over the next two years.

- Providers don't have to wait to make sure that they're going to continue to serve Plan members if they're not already in-network with Aetna. They can sign up now if they choose.

Should I do anything now?

- Be aware of misinformation.
- A group called affordablecarenc.com is collecting email addresses of Plan members and promising to provide information on the TPA transition. That is **not an official source of information** and appears to be associated with a vendor that lost the Plan's business in the procurement process that wishes to distribute misinformation.
- There are also targeted advertising efforts taking place across the state that are not from the State Health Plan. These efforts are deliberately meant to confuse you, so please do not take any action as a result of these advertisements.



Dale R. Folwell, CPA
STATE TREASURER OF NORTH CAROLINA
DALE R. FOLWELL, CPA