

# THE BRS VALUE-BASED HRA

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## Overview

Employers now have the option of offering an *innovative program* designed to both *reduce the costs of healthcare and improve the health of employees* by offering an enhanced TVHP plan design that promotes preventive and chronic care services with reimbursement through a Health Reimbursement Arrangement (HRA).

## BRS Program Partners

- Blue Cross & Blue Shield of Vermont (TVHP)
- Vermont Managed Care (VMC)
- Northeast Benefits Management (NBM)

## How It Works

In addition to the standard reimbursements of the TVHP Plan K or the TVHP 2500/5000 Plan (HRA), employers commit to funding an HRA to reduce employee exposure and to cover certain preventive and chronic care services.

## Benefits

- Increased access for employees to clinically-proven cost-effective preventive and chronic care services
- Employees' out-of-pocket exposures are capped
- An HRA, so savings stay with the employer
- Potential reduction in long-term employer & employee healthcare costs
- Improvement in employee health and/or health risk

## The Methodology

Based on clinical-value-based prioritization<sup>1</sup>, VMC has identified Preventive and Chronic Care services which provide the highest-value in patient results and outcomes. These “Tier 1” services will be covered first dollar at 100% with no co-pay or deductible. The goal is to steer health care dollars and patient participation towards high-value care.

## Start-Up Logistics

- BRS employers fill out necessary paperwork to enroll in Plan K or the TVHP 2500/5000 Plan (HRA); they then choose a funding option for the Health Reimbursement Account.
- Employer facilitates necessary HRA paperwork to establish employee participation with NBM.
- Employer fills out necessary paperwork and provides funding for plan to NBM.

## The Life of a Claim

- Employees access providers the same as any other TVHP plan.
- TVHP provides standard reimbursements and EOB reporting.
- If there are any additional reimbursements due the employee, the employee submits a claim to NBM, the HRA administrator
- NBM adjudicates claims monthly and reimburses qualified claims to employees via direct deposit or check.

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<sup>1</sup> A group of independent medical directors in different U.S. regions located throughout the country were consulted about the appropriateness of the code assignments and their input was incorporated into the final decision.