

HEALTH INSURANCE DEPARTMENT

UPDATE REPORT

APRIL 1, 2016 – MARCH 31, 2017



GOVERNMENT OF BERMUDA
Ministry of Health

Health Insurance Department

Welcome to the Health Insurance Department's 2016 / 2017 Update Report for policyholders of FutureCare and the Health Insurance Plan ("HIP").

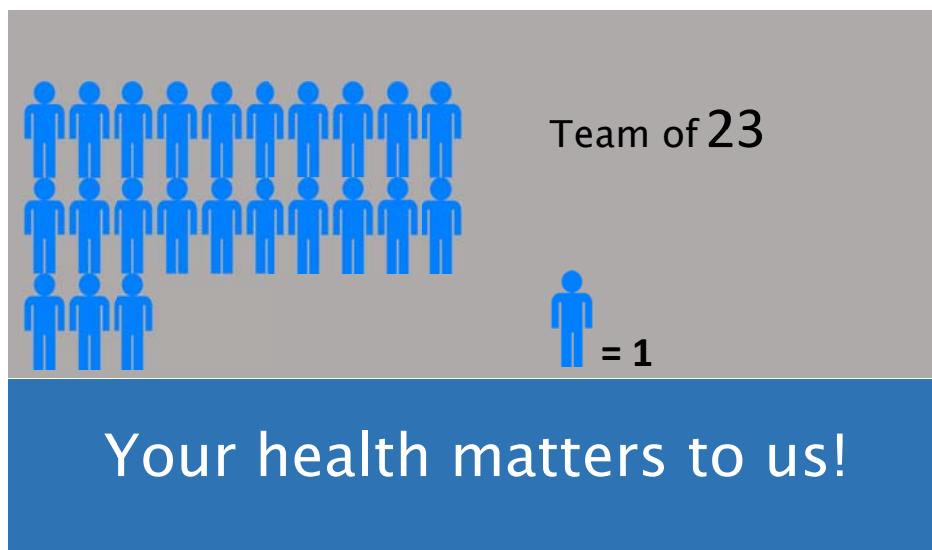
MISSION STATEMENT:

We will deliver health benefit products with: participant focus, consistency, stakeholder collaboration, coordination of affordable benefits, prudent fiscal and operational management.

WHAT WE DO:

The Health Insurance Department provides access to affordable health insurance to residents of Bermuda. The Department is responsible for developing and administering the Government's health insurance products offered to the public, namely:

- Health Insurance Plan (HIP)
- FutureCare Plan (FutureCare)
- Mutual Reinsurance Fund (MRF) – the MRF is a fund to which all insured people in Bermuda contribute to and the money is used to fund various elements of healthcare.
- The Government Subsidy Fund (Subsidy), provides relief towards health care expenses for youth, indigent and residents over age 65 in Bermuda.



2016 / 2017 Highlights

Provided health insurance to:

3,166 HIP policy holders

3,969 FutureCare seniors



Monthly Premiums

\$433.31 Adult HIP

\$190.00 HIP Youth

\$504.21 FutureCare



Investment of

\$4.5 million

The Government subsidized more than 50% of the premium.

Paid

73,032

HIP claims, costing
\$29.9 million or
\$9,442 per
policy holder

Paid

231,556

FutureCare claims, costing
\$28.6 million or
\$7,204 per
policy holder



Paid **\$104,909,000**

for **245,439** subsidy claims for
Hospital care of **34,620** youth,
indigent and residents over age 65.



Paid accurate claims, on average,
in 14 days with **99%** accuracy.

INCIDENCE OF THE BIG 3 IN BERMUDA



The three chronic diseases often referred to as “**The Big 3**” are diabetes, hypertension, and obesity. These can be linked together, and in fact many people not only have one of the big 3 but they can have 2 or all 3. There are some small changes a person can make to decrease their risk of developing one of these chronic diseases. If you have any questions please call the Health Insurance Department’s Nurse Case Manager team at 295–9210 or hidcasemanagers@gov.bm

DIABETES

- 13% of residents have been diagnosed with diabetes.

Prevention Strategies:

- Maintain a healthy weight.
- Regular physical activity 20 – 30 minutes a day.
- Make healthy food choices.
- Manage blood pressure.
- Quit smoking.
- Get your blood sugar checked.

HYPERTENSION (High Blood Pressure)

- 33% of residents report having a diagnosis of high blood pressure.

Prevention Strategies:

- Decrease salt intake.
- Increase physical activity, 20 – 30 minutes a day.
- Limit alcohol intake.
- Get your blood pressure checked for early detection.

OBESITY (Overweight)

- 75% of residents are classified as overweight or obese.

Prevention Strategies:

- Increase physical activity.
- Cut down on consuming sugary and fatty foods.
- Be mindful of portion sizes.
- Following a healthy eating plan.
- Monitor your weight regularly.



DID YOU KNOW?

Risk Factors for Diabetes

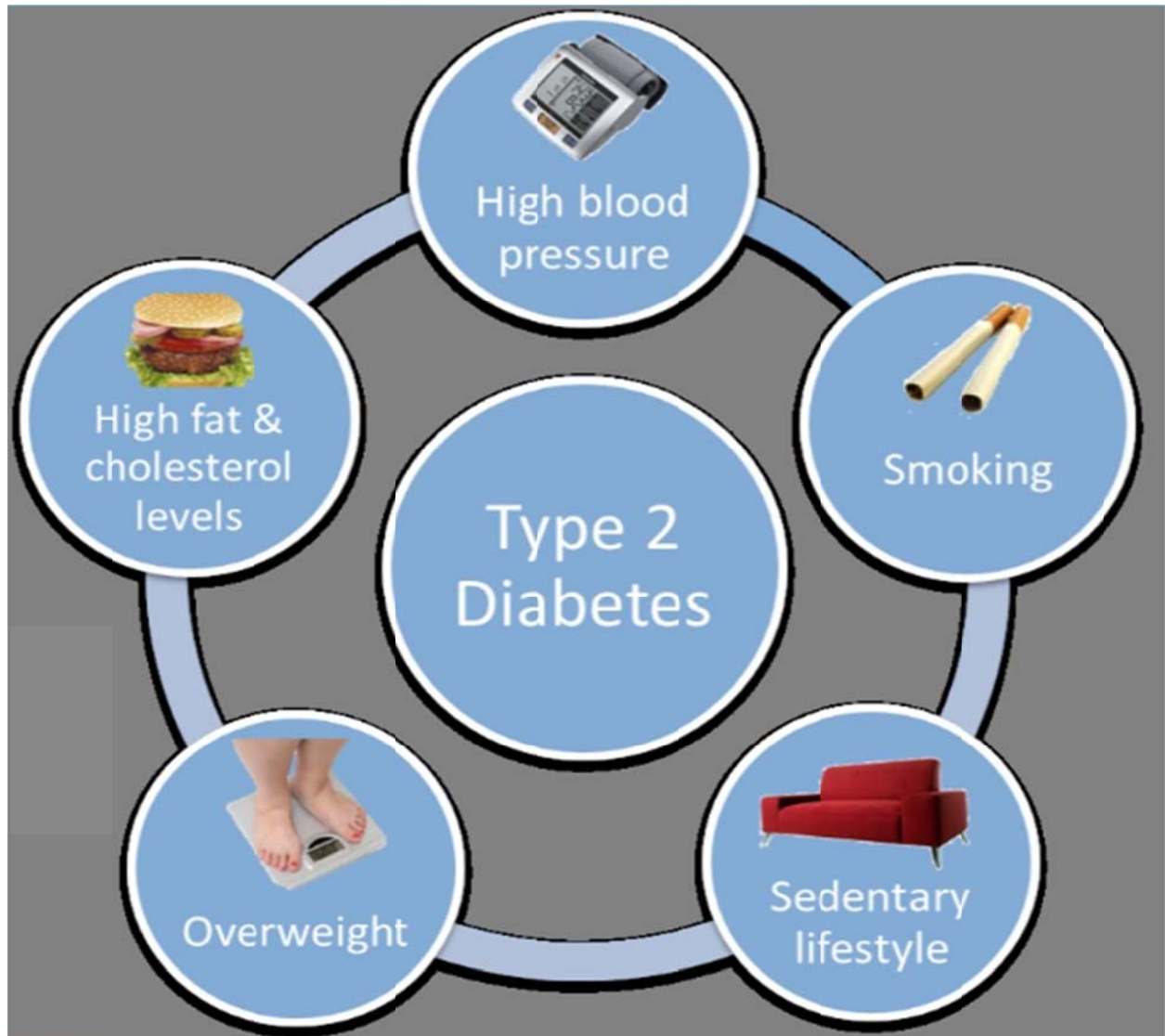


Image Source: Neohealthnews.com

DID YOU KNOW?



**79% OF MEN
AND
70% OF WOMEN
IN BERMUDA
ARE
OVERWEIGHT
OR OBESE**

Image Source: Department of Communication and Information

13 cancers are associated with overweight and obesity

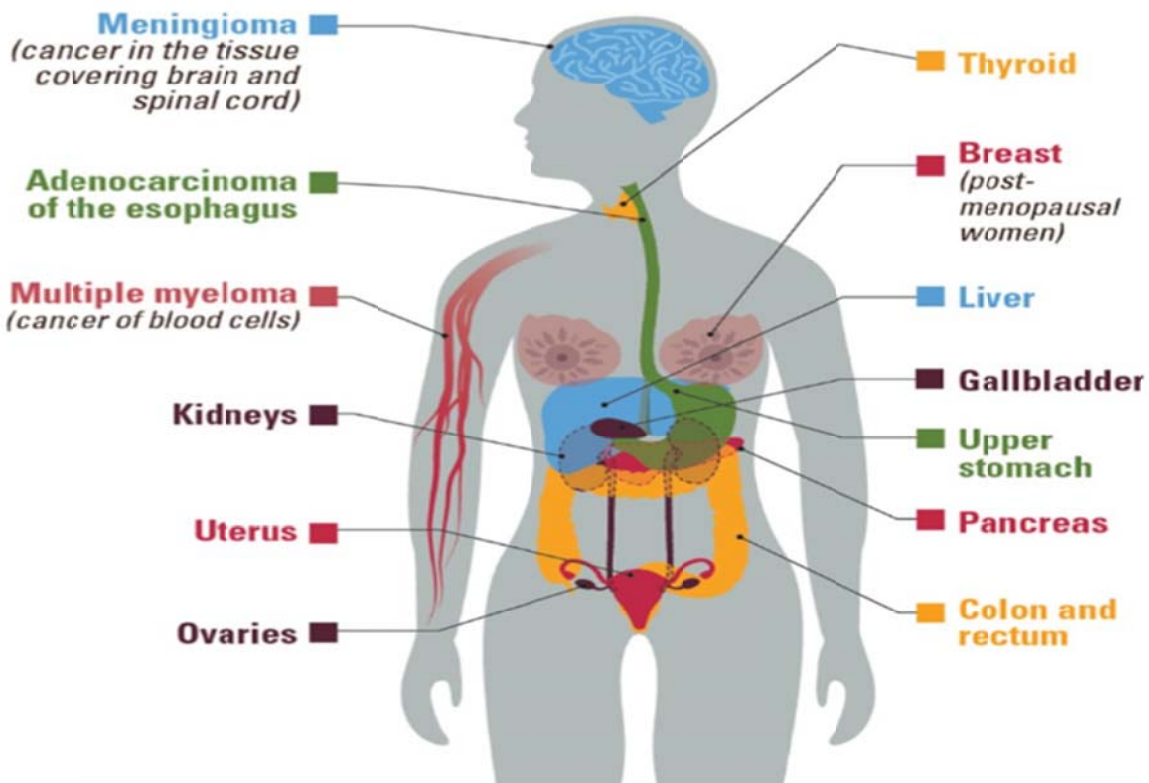


Image Source: Centers for Disease Control and Prevention

IT'S IMPORTANT TO TAKE AN ACTIVE ROLE IN YOUR HEALTHCARE

If you need to seek advice or treatment from a health professional, there are some things you should do or think about in advance. Here are some examples:

- Review your FutureCare or HIP benefits so you know exactly what's covered and what's not. For example, visits to certain specialists (with the exception of BHB-employed specialists) are only covered when referred by a general practitioner. If you can't find your benefits booklet, go to the Government website at <https://www.gov.bm/hip-and-futurecare-benefits> for details on your coverage.
- It's a good idea to compare costs between providers. There is a limit as to how much your health insurance plan will cover. A bit of "comparison shopping" can help keep your out-of-pocket expenses to a minimum.
- Make the most of your time with your health professional by:
 - Writing down your questions beforehand;
 - Openly sharing your health and medical information;
 - Listening carefully and taking notes if necessary; and
 - Asking clarifying questions during your visit to ensure you understand any diagnoses, recommended tests or treatments, and their associated risks.
- Directory of Helping Services is an Online Database of Bermuda's Support Agencies. Find the support you need to live well at <http://helpingservices.bm/>



QUESTIONS?

We're here to help.

If you have any questions on your FutureCare or HIP benefits, please call 441-295-9210

FINANCIAL STATEMENTS



MANAGEMENT DISCUSSION OF FINANCIAL STATEMENTS

The Health Insurance Department (HID) manages the Health Insurance Fund (HIF), FutureCare Fund (FCF) and Mutual Re-Insurance Fund (MRF). Management is responsible for maintaining a comprehensive system of accounting records, internal controls, policies and management practices, designed to provide reasonable assurance that transactions are properly authorized and in compliance with legislation, assets are safeguarded, and reliable financial information is available on a timely basis.

The Health Insurance Committee (the “Committee”) is responsible for ensuring that management fulfills its responsibility for financial reporting and internal controls. The Committee meets periodically with management to discuss matters relating to financial reporting, internal control and audits. The Committee also reviews the financial statements before their approval.

The Department has been involved in a data clean-up associated with the undertaking of a massive automation project, which resulted in audit denials for the department for approximately seven years due to prior records (before automation) being un-auditable. The data clean-up and automation project has also led to delays in the submission of the department’s financial statements. Correspondingly, the automation undertaking has equally enabled HID to clean up records and procedures to meet international audit standards.

Consequently, the Health Insurance Department’s latest audited financial statements are for the year ended March 31, 2015. It should be noted that the audits for all three Funds are done concurrently for efficiency and effectiveness since they are related entities. Audits are conducted by the Offices of the Auditor General (OAG), and in HID’s case it was three separate very complex audits, which progressed from consecutive denials of opinion to a qualified opinion. This was very time-intensive, lengthy work by the HID and OAG’s teams.

The audited financial statements for the year ended March 31, 2015 are available on the web pages of the Health Insurance Department at gov.bm. The Department is currently preparing financial statements for the year ended March 31, 2016 for submission to the OAG. It should be noted that upon completion the audited financial statements for the year ended March 31, 2017 will form a part of this update report for the period April 1, 2016 to March 31, 2017.



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Street Address

Sofia House, 2nd Floor, 48 Church Street, Hamilton HM 12

Mailing Address

P.O. Box HM 2160, Hamilton HMJX Bermuda

Phone: (441) 295-9210

Fax: (441) 295-9213

E-mail: hip@gov.bm

Website: <https://www.gov.bm/health-insurance>