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HEALTH INSURANCE DEPARTMENT  
**YEAR END REVIEW**

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**01/04/17  
TO  
31/03/18**



HEALTH INSURANCE DEPARTMENT



GOVERNMENT OF BERMUDA  
Ministry of Health  
**Health Insurance Department**







## YEAR END REVIEW 2017/2018

### CONTACT US:

If you would like any further information about the Health Insurance Department Year End Review 2017/2018, we look forward to hearing from you.

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

### Authors:

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**Waynette Smith**, Administrative Assistant, Health Insurance Department

### Reference as:

Health Insurance Department, Year End Review,  
1 April 2017 to 31 March 2018

HEALTH INSURANCE DEPARTMENT

## WHAT WE DO



The Health Insurance Department (HID) provides affordable health insurance coverage for residents of Bermuda to assist with access to healthcare.

HID offers two health insurance plans, FutureCare (FC) and the Health Insurance Plan (HIP). Both are open to individuals and groups.

Group plans are available for employers. All employers are required to provide health insurance coverage for their employees and their employees' non-employed spouses under the Health Insurance Act 1970.

### MISSION STATEMENT:

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

In addition to administering the health insurance plans, HID is responsible for enrolling persons 65 and older who are eligible for a Government Aged Subsidy to assist in paying for the cost of health services primarily provided at the hospital. Those who are eligible will receive a Certificate of Entitlement (COE), which is granted based on Bermuda residency and how long you have been living in Bermuda before the date of application.

In addition to the above, HID is also responsible for managing the Mutual Reinsurance Fund, to which all insured people in Bermuda contribute, and the monies are used to fund various elements of healthcare. HID also processes the Government's subsidy claims which include Youth, Indigent and Aged. These programmes support HID's affordable health insurance plans.



# YOUR HEALTH MATTERS TO US!





## HEALTH INSURANCE COMMITTEE:

In compliance with Section 17 of the Health Insurance Act 1970, the primary responsibility of the Health Insurance Committee (HIC) is to manage the Health Insurance Fund, the FutureCare Fund, the Mutual Reinsurance Fund, the aged, indigent and youth subsidies and to advise the Minister of Health on policy issues for these entities. Meetings are held monthly to review the financial position of the Funds to ensure sustainability, and to discuss matters relating to governance, plan design, appeals, policy decisions and any other business that arises. The day-to-day operations of the HIC are the delegated responsibility of the Health Insurance Department (HID).

To promote transparency and align with PATI legislation, the HIC minutes can be found at <https://www.gov.bm/health-insurance>

Audited Financial Statements can be found at <https://www.gov.bm/department/health-insurance>

### COMMITTEE MEMBERS:

#### Legislated Voting Members:

**PS Health,**

Jennifer Attride-Stirling

**HID Director,**

Laquita Burrows

**PS Financial Assistance,**

Wayne Carey

**Financial Secretary,**

Stephen Gift (Designate)

**Chief Medical Officer,**

Cheryl Peek-Ball

**CEO Bermuda Health Council,**

Tawanna Wedderburn

**Medical Professional,**

Louise White

**Insurance Professional,**

Andrew Simons (*Term ended July 2017*)

#### Non-Voting Members:

Michael Ashton and Shivon Washington

## PERFORMANCE HIGHLIGHTS

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# 3,031

HIP policyholders



# 4,080

FutureCare policyholders

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## \$42,042,119

Premiums Earned

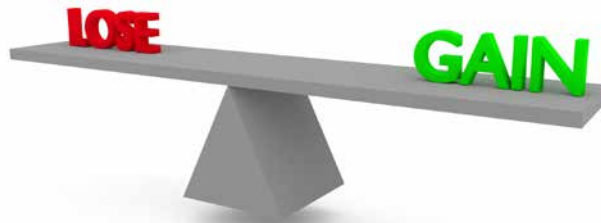
## \$61,805,906

Claims Paid

Combined Loss Ratios

**83%**  
HIP

**87%**  
Futurecare



The Government subsidized a large portion of the funds to support claims payments.

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# 14

DAYS

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

## BENEFIT CHANGES

Effective 1 June 2017, the following changes came into effect for HIP and FutureCare policyholders:

### NEW MONTHLY PREMIUMS

Policyholders experienced a reduction to monthly premiums due to the \$4.07 drop in the Standard Premium Rate. Premiums remain low due to the financial support provided by the Government and the Mutual Reinsurance Fund (MRF).	Plan	Premium	(non-subsidized)
	HIP	\$429.24	\$1,104.78
	HIP Youth	\$190.00	NA
	FutureCare	\$500.14	\$1,498.48

Standard Health Benefits (SHB) is the mandated basic health benefits package and forms the basis of all health insurance packages in Bermuda. Changes to the SHB benefits included:

1. **Palliative Care** was added as a new SHB benefit – This benefit provides comfort care in one’s own home at end of life. A Physician’s Certification is required.
2. **Artificial Limbs and Appliances** – The maximum life time benefit was increased to \$100,000. This benefit coverage was expanded to include surgical and non-surgical medical devices for daily body function. HID prior approval is required.
3. **Kidney Transplant** – The maximum life time benefit was increased to \$150,000 (\$100,000 covered under SHB and \$50,000 covered under HIP and FC supplement plans).

#### Process Change for HID – Policy Termination Lapse Period:

The lapse period for terminating HID policies was reduced from 90 days to 60 days. If the policyholder or employer lapses on their monthly premium payments, after 60 days from their last premium payment, their policy will be terminated. The termination date for their policy will be the last day of the last month they paid premium for. There are no claims paid after 30 days of non-payment of premium.





## HIP SPECIFIC BENEFIT CHANGES

**Maternity Benefit** – the eligibility criteria of maintaining an active policy for ten (10) months before the benefit becomes active has been removed. The maternity benefit will be active upon enrolment in HIP or for HIP policies that are already active. The 10 months coverage after policy termination is revoked except for policies cancelled prior to 1 June 2017. This is a legislated change applicable to all insurance providers.

## FUTURECARE SPECIFIC BENEFIT CHANGES

**Prescription Eyewear and Annual Eye Exam** – FutureCare policyholders have the choice of having their annual eye exam and their prescription eyewear purchased overseas or locally. The annual maximum for the eye exam remains \$50.00 and annual maximum for eyewear is \$200.00.



Effective 25 September 2017, HIP and FC policyholders were provided the ability to access Radiation Therapy treatments on Island at The Bermuda Cancer and Health Centre with no associated co-pay to policyholders for services rendered. This was a 2017 Government Throne Speech Initiative to ensure access to the latest on-island care.

# QUESTIONS?

We're here to help

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

## NURSES' CORNER

### Did you know that HID has nurse case managers?

The nursing care management team started in 2013. Nursing case management is a person centered holistic approach where the nurse works with you and your healthcare providers to better manage and achieve your optimum health. Nursing case management focuses on improving care coordination, quality of care, equitable access to best practice with cost-efficiency in mind to best meet the needs of the HID policyholders. HID nurses have been working to foster more collaborative efforts in the health system, and care coordination between the various care settings that our policyholders may experience.



Some of the initiatives the HID nurses worked on in 2107/18 include:

**Personal Home Care Benefit.** This benefit is keeping our nurses very busy. They are providing in home and in hospital nursing assessments to identify care needs and assist with care planning so that those in need of assistance with activities of daily living are able to return to or remain in their own home as much as safely possible.

**Health and Wellness Care.** Some of our policyholders may have noticed the start of free health measures such as weight and blood pressure offered by HID nursing in our reception area. We offer this free service when policyholders come in to pay their monthly premium at the beginning of the month.

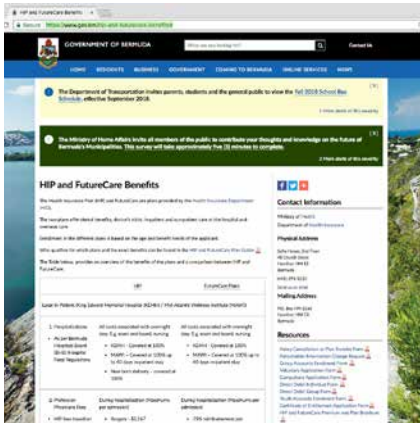
We also added some easy to read information sheets in our reception area for those interested in learning more about common health issues such as stroke, diabetes, hypertension, and healthy eating tips.

The nurses are very interested in assisting you with better health and wellness. The nurses may offer you guidance and advice about how to understand your health conditions or treatments, keeping yourself healthy, and how to make the best use of your health insurance benefits. If you have questions about your health conditions, or recommended treatment options and want to discuss your care with a nurse please contact us at email [hidcasemanagers@gov.bm](mailto:hidcasemanagers@gov.bm) or phone 295-9210.

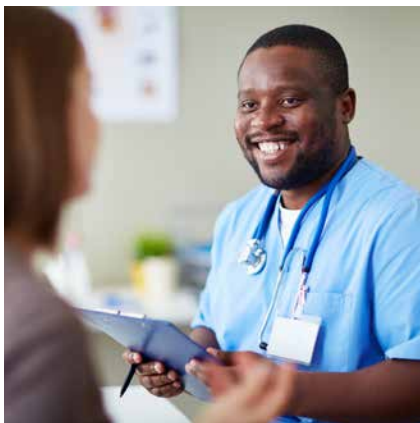
# TAKE AN ACTIVE ROLE IN YOUR HEALTHCARE



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. 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.
- Choose to use health care services wisely by asking the following questions:
  - Is the recommended test, care or treatment supported by evidence?
  - Is there duplication of testing or procedures I have already had?
  - Is the care, treatment, or medication truly necessary?
  - Is there any potential harm to me?
  - Will the treatment, procedure or care make a difference in my health?
- Learn about your health and recommended treatments by using reliable sources of information. Example: [www.choosingwisely.org](http://www.choosingwisely.org)
- 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/>

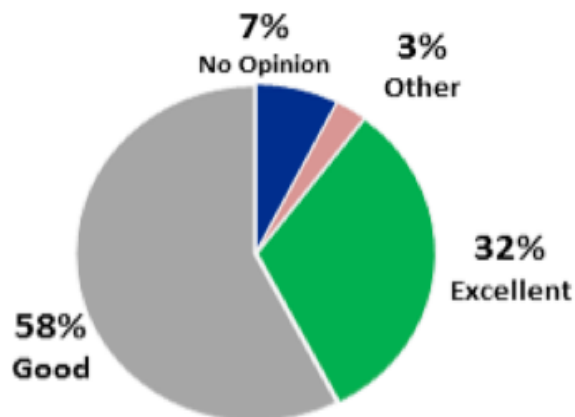




## 2018 CUSTOMER SERVICE SURVEY



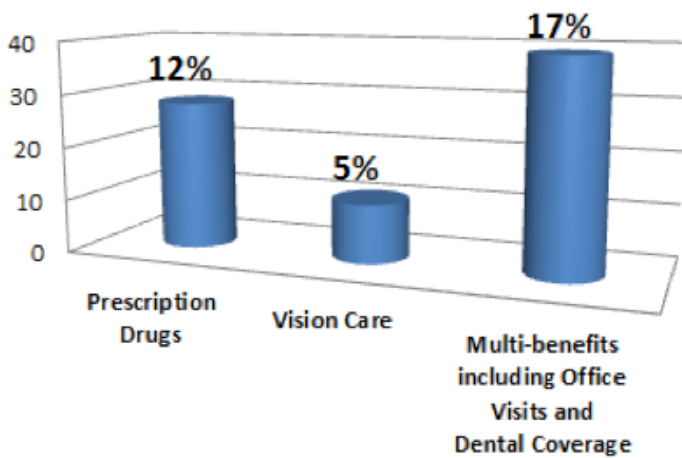
*Our Survey was completed by 8.8% (660) of the HIP and FutureCare combined headcount. Interest was found to be greater among FutureCare policyholders who represented 80.8% of the respondents as compared with 19.3% HIP respondents. The FutureCare 75+ age band was the largest represented and accounted for 50.4% of the total survey respondents. Customer feedback was generally good despite the small percentage of younger HIP participants. It is possible that the younger age bands may have improved the low 18% utilization of the HID web site.*



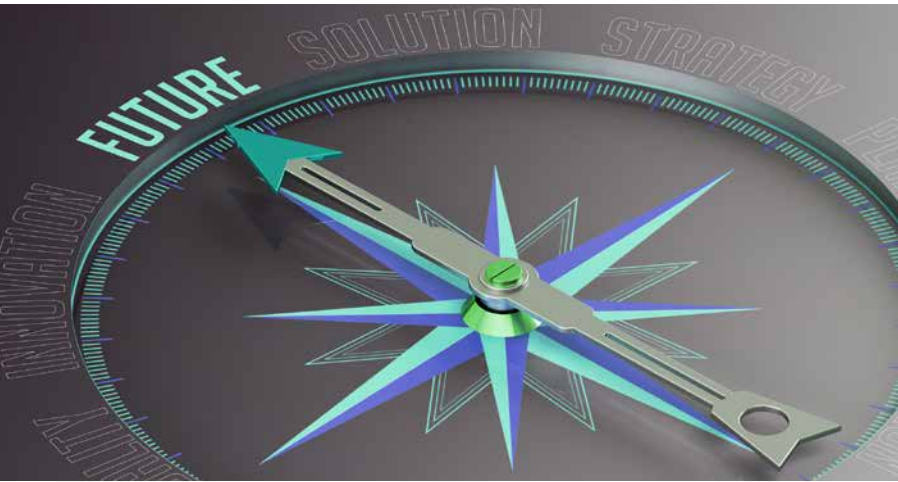
Nearly 60% of respondents described HID's overall customer service as being good with a further 32% that described our customer services as excellent. An overwhelming 84.5% indicated that they understood the HIP and FutureCare benefits and 80% said they had or would recommend HID products to friends.

**VALUE FOR MONEY -  
HOW MARKETABLE ARE OUR PRODUCTS?**

Respondents were asked to comment on the monthly HIP (\$429.24) and FutureCare (\$500.14) premiums. Seventy-one percent (71%) indicated that the HIP and FutureCare Plans offered them value for money while only 13.2% stated that premiums were too high. There were 39.7% who indicated they experienced no problems and had no complaints when they disclosed to service providers that HIP or FutureCare was their insurance carrier. A further 22% indicated that their experiences had in fact been positive.



All respondents did not comment or make suggestions. However 14% indicated that provider upfront payments may still be an industry problem. The Bermuda Health Council (BHeC) has been informed. Persons instructed to pay upfront for services should notify the BHeC in writing to have such matters handled according to Legislation. In cases where upfront payments were not requested, 7% indicated that HIP and FutureCare co-payments were too high. Others suggested that HIP and FutureCare could offer them greater value for money, mainly increased coverage for prescription drugs and vision care. There were also suggestions for multiple other benefits and/or increased benefits which included increased office visits and dental coverage. HID evaluates benefits annually and makes adjustments in relation to practicality and budgetary constraints.



### Enhanced Care Program (ECP) Pilot

HID has been running this trial program as a collaborative effort between HID, eligible policyholders and selected GP practice groups. The ECP Pilot is designed to identify ways to improve care for chronic disease management with cost efficiency for the health system. The program has offered increased access to care services, and nursing case management to policyholders to assist them with better managing their own chronic health conditions such as diabetes, hypertension, cardiovascular disease, obesity, and chronic lung diseases. The ECP Pilot is now closed to enrollment. The pilot will be completed by 31 March 2019. Further updates will follow.

### Effective 1 April 2018

1. The Health Insurance Fund and the FutureCare Fund were combined into one Fund to be called the Health Insurance Fund. In this format, both the Health Insurance Plan (HIP) and the FutureCare Plan continue to be offered to the public in their current form.
2. The following process changes are for Policyholders:
  - All premium payments made by cheque must be made payable to the Health Insurance Fund
3. The following process changes are for Providers:
  - a. The Explanation of Payment (EOP) statements will show combined insurance payments for both HIP and FutureCare (FC) policyholders.
  - b. Providers submitting claims using EDI/837 files, the resultant 835 file from HID will combine HIP and FC policyholders' claims reimbursements.
4. A new email inbox was created for Providers who submit claims via email [hidclaims@gov.bm](mailto:hidclaims@gov.bm)
  - Please use the new email address, rather than [hip@gov.bm](mailto:hip@gov.bm), when submitting claims by email.
5. A new email address was created for all email inquiries from Providers – [hidproviders@gov.bm](mailto:hidproviders@gov.bm)
  - This is a generic in-basket that will allow the HID Team to work on all Provider inquiries as they are received rather than being sent to personal email addresses and in-baskets.





# 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.

HID 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, HID's latest audited financial statements are for the year ended 31 March 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 31 March 2015 are available on the web pages of the Health Insurance Department at [www.gov.bm/department/health-insurance](http://www.gov.bm/department/health-insurance). HID is currently preparing financial statements for the year ended 31 March 2016 for submission to the OAG. It should be noted that upon completion the audited financial statements for the year ended 31 March 2018 will form a part of this year end review for the period 1 April 2017 to 31 March 2018.

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