



Division of State Group Insurance  
4050 Esplanade Way, Ste 215  
Tallahassee, FL 32399-0950

**Ron DeSantis, Governor**  
Pedro Allende, Secretary

January 12, 2024

The Honorable Ron DeSantis, Governor  
State of Florida  
PL05 The Capitol  
400 S. Monroe St.  
Tallahassee, FL 32399-0001

The Honorable Kathleen Passidomo, President  
Florida Senate  
409 The Capitol  
404 S. Monroe St.  
Tallahassee, FL 32399-1100

The Honorable Paul Renner, Speaker  
Florida House of Representatives  
420 The Capitol  
402 S. Monroe St.  
Tallahassee, FL 32399-1300

Dear Governor DeSantis, President Passidomo, and Speaker Renner:

The Florida Department of Management Services (DMS) is pleased to submit the Bundled Surgical Services End-of-Year Status Report for the 2023 Plan Year, as required by section 110.12303(2)(b), Florida Statutes.

If you have any questions concerning the contents of this report, please contact the Department's Legislative Affairs Office at 850-488-6285.

Sincerely,

Teela Sanders  
Director, Division of State Group Insurance

TS/jo\*

Enclosure

cc: Pedro Allende, DMS Secretary  
John Schrader, DMS Chief of Staff  
Katie Parrish, DMS Deputy Secretary of Workforce Operations  
Jeff Ivey, DMS Director of Legislative Affairs

2023

# BUNDLED SERVICES ANNUAL REPORT



*THE FLORIDA DEPARTMENT OF MANAGEMENT SERVICES*

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## Executive Summary

The Department of Management Services (DMS) Division of State Group Insurance (Division) is the health insurance plan administrator for 56 public employers. The State Group Insurance Program (Program) provides a comprehensive package of health insurance benefits for active and retired state employees and their dependents. The Program includes:

- Health insurance options.
- Flexible spending and health savings accounts.
- Life insurance.
- Dental, vision, and other supplemental insurance products.

In fiscal year 2022-2023, the State of Florida provided benefits to approximately 347,000 members and paid \$3.1 billion in claims.

The Division provides this report in compliance with section 110.12303(2)(b), Florida Statutes.

In accordance with Section 110.12303, Florida Statutes, in 2019, DMS implemented a bundled surgical services benefit providing pre-planned, non-emergency bundled surgical services for enrollees and their dependents at no cost to the member. Services are coordinated through a contracted vendor, currently SurgeryPlus, a solution from Employer Direct Healthcare. SurgeryPlus uses a separate network of providers to deliver the same covered surgical benefits as the Program while bundling them into a single negotiated payment rate. The single negotiated payment rate pays all individual providers participating in an individual’s surgical procedure generating savings to the state. A portion of the savings from using the benefit is credited to the member’s health reimbursement account (HRA), health savings account (HSA), limited purpose flexible savings account (LPFSA) or flexible savings account (FSA) which can be used on eligible future medical, dental, prescription drug, and vision expenses.

During the measurement period of Jan. 1, 2023 to Oct. 31, 2023, State Group Insurance members who used SurgeryPlus received 510 surgical procedures and earned rewards totaling \$1,162,441, generating a savings to the state of approximately \$7,105,776.

**Table 1 – Bundled Surgical Services Historical Savings and Rewards Data**

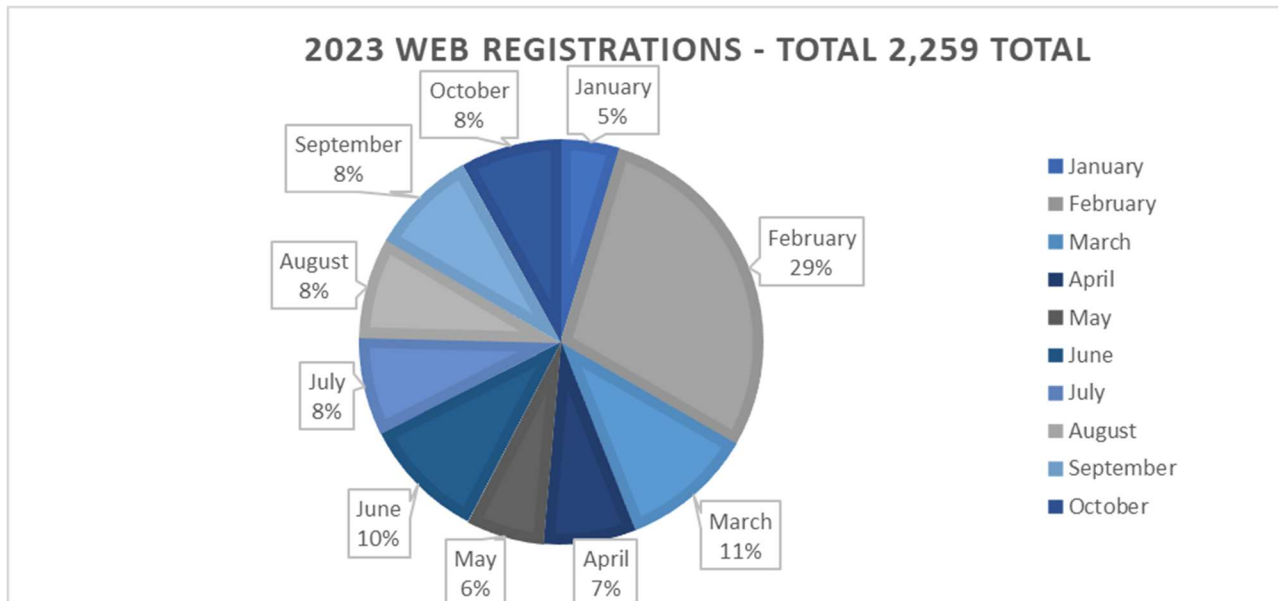
Calendar Year	Surgical Procedures	Employee Rewards	State of Florida Savings
2019	83	\$50,385	\$629,439
2020	246	\$315,487	\$3,392,682
2021	257	\$719,817	\$4,270,517
2022	434	\$1,140,762	\$5,999,677
2023 (Jan. to Oct.)	510	\$1,162,441	\$7,105,776

## Participation and Utilization

The Division receives regular claims reporting on SurgeryPlus. Data included in the following sections of this report represent the participation and utilization from Jan. 1, 2023, through Oct. 31, 2023.

Figure 1 shows the total number of individuals each month who have registered for the Bundled Surgical Services benefit through SurgeryPlus’ website during plan year 2023, year to date.

**Figure 1. Total Registration on SurgeryPlus Website**



**Table 2. Number of First-Time Callers and How Each Learned of the Bundled Surgical Services Benefit.**

2023 First-Time Call Referral Data													
Referral Reason	Jan	Feb	March	April	May	June	July	Aug	Sept	Oct	Total	% of Total	
Open Enrollment	11	21	15	7	8	12	8	9	5	13	109	3.10%	
Word of Mouth	88	399	240	158	193	170	201	150	134	175	1,908	53.70%	
Worksite Communication	32	74	45	31	39	61	71	33	57	70	513	14.40%	
Other Vendor Referral	-	1	-	1	-	2	-	1	-	-	5	0.10%	
Printed Materials & Communication	12	124	65	39	35	37	54	40	22	30	458	12.90%	
Carrier / TPA Referral	1	-	3	-	-	2	2	1	1	-	10	0.30%	
E-Communications	2	9	2	4	2	3	8	1	1	3	35	1.00%	
SurgeryPlus ID Card Mailer	25	178	73	39	45	35	43	24	21	31	514	14.50%	
<b>Total</b>	<b>171</b>	<b>806</b>	<b>443</b>	<b>279</b>	<b>322</b>	<b>322</b>	<b>387</b>	<b>259</b>	<b>241</b>	<b>322</b>	<b>3,552</b>	<b>100%</b>	
M-o-M Variance	-8.60%	371.30%	-45.00%	-37.00%	15.40%	-	20.20%	-33.10%	-6.90%	33.60%	N/A	N/A	

As seen in Table 2, most callers were referred by word of mouth. Word-of-mouth referral increased from 46.99% in 2022 to 53.70% in 2023.

Worksite communication decreased from 32.35% in 2022 to 14.40% in 2023. Over the 2023 plan year, the Division conducted webinar training with human resource officers and support staff at state agencies. SurgeryPlus and Division staff provided posters, emails, and other materials to agency human resource staff. Posters and fact sheets are available to post on state agency websites.

**Table 3. 2023 Demographics of Employees and Their Dependents Who Have Used the Bundled Surgical Services Benefit**

Data Sets	Employees	Employee + Dependent
% Male	41.30%	46.50%
Male Average Age	46	35
% Female	58.70%	53.50%
Female Average Age	46	36

## Bundled Surgical and Savings

Beginning Jan. 1, 2019, through Oct. 31, 2023, a total of \$3,388,892 in rewards have been distributed to Program members and the State of Florida has saved \$21,398,091. Approximately 45 to 60 days after a claim has been paid, rewards are deposited into an employee’s selected savings and spending accounts.

**Table 4 – Employee Procedures, Rewards, and State of Florida Savings**

Year	Surgical Procedures	Employee Rewards	State of Florida Savings
2019	83	\$50,385	\$629,439
2020	246	\$315,487	\$3,392,682
2021	257	\$719,817	\$4,270,517
2022	434	\$1,140,762	\$5,999,677
2023 (Jan. to Oct.)	510	\$1,162,441	\$7,105,776
<b>Total</b>	<b>1,530</b>	<b>\$3,388,892</b>	<b>\$21,398,091</b>

Table 5 details the savings and rewards generated under the bundled surgical services benefit contract since Jan. 1, 2023, for both the State of Florida and members. Final data is available to the Department approximately three months after a claim has been paid.

**Table 5 – SurgeryPlus Rewards and Savings for the Period of Jan. 1 to Oct. 31, 2023**

SurgeryPlus Rewards			
Month	Number of Medical Surgeries Per Month*	Reward Amount	Net Estimated State of Florida Savings
January	43	\$138,350	\$538,678
February	37	\$140,061	\$516,561
March	47	\$50,139	\$653,780
April	45	\$106,520	\$509,508
May	66	\$45,000	\$1,043,362
June	50	\$100,500	\$668,944
July	56	\$171,000	\$713,757
August	72	\$114,871	\$964,745

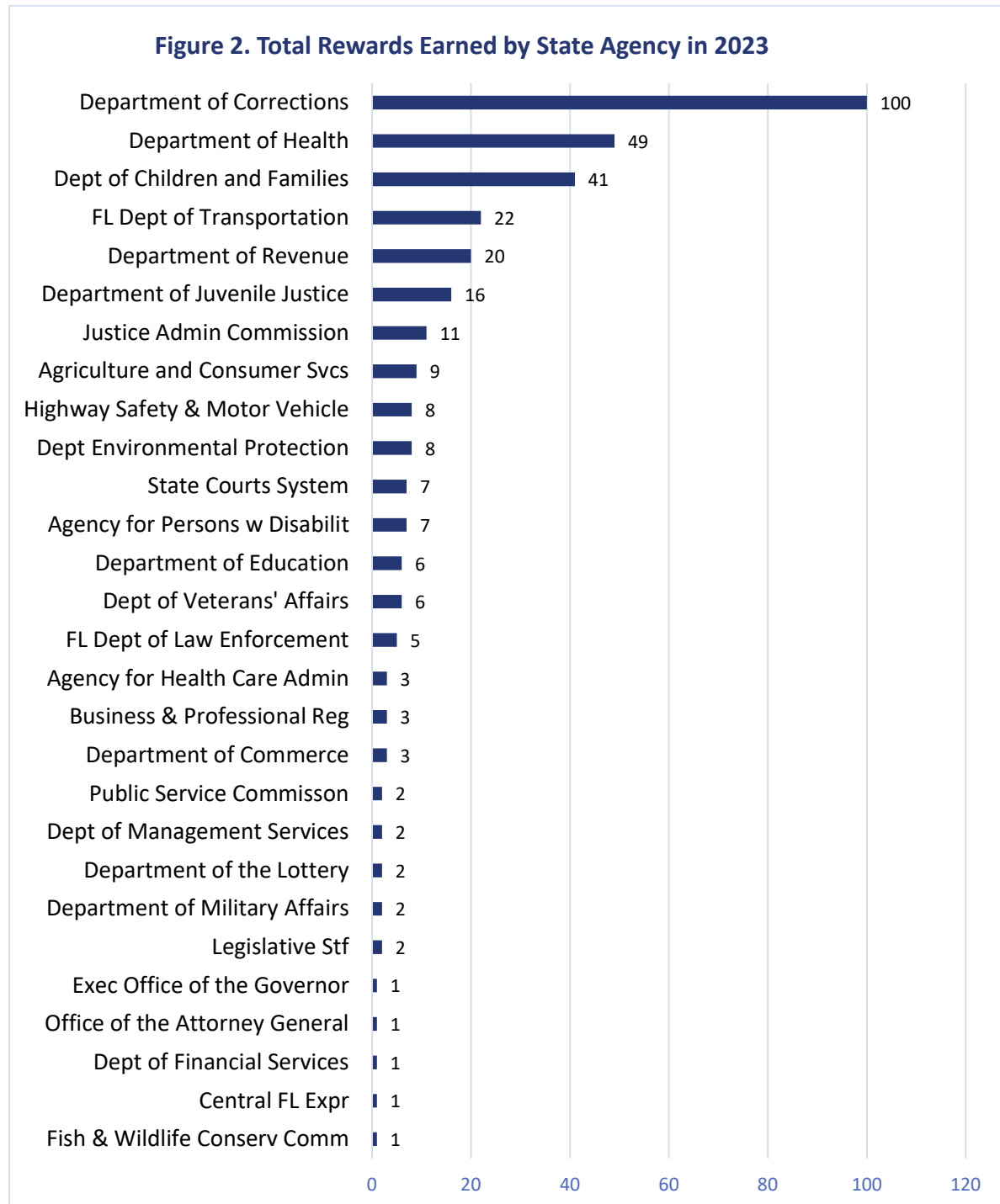
September	49	\$138,000	\$827,162
October	45	\$158,000	\$669,279
<b>Total</b>	<b>510</b>	<b>\$1,162,441</b>	<b>\$7,105,776</b>

*\*Number of medical surgeries performed. Due to the time required to process claims, the reward amount for a procedure is received in a later month.*

**Table 6. Provides Year-to-Date Procedure Savings to the Program Attributed to Members Utilizing the SurgeryPlus benefit from Jan. 1 to Oct. 31, 2023**

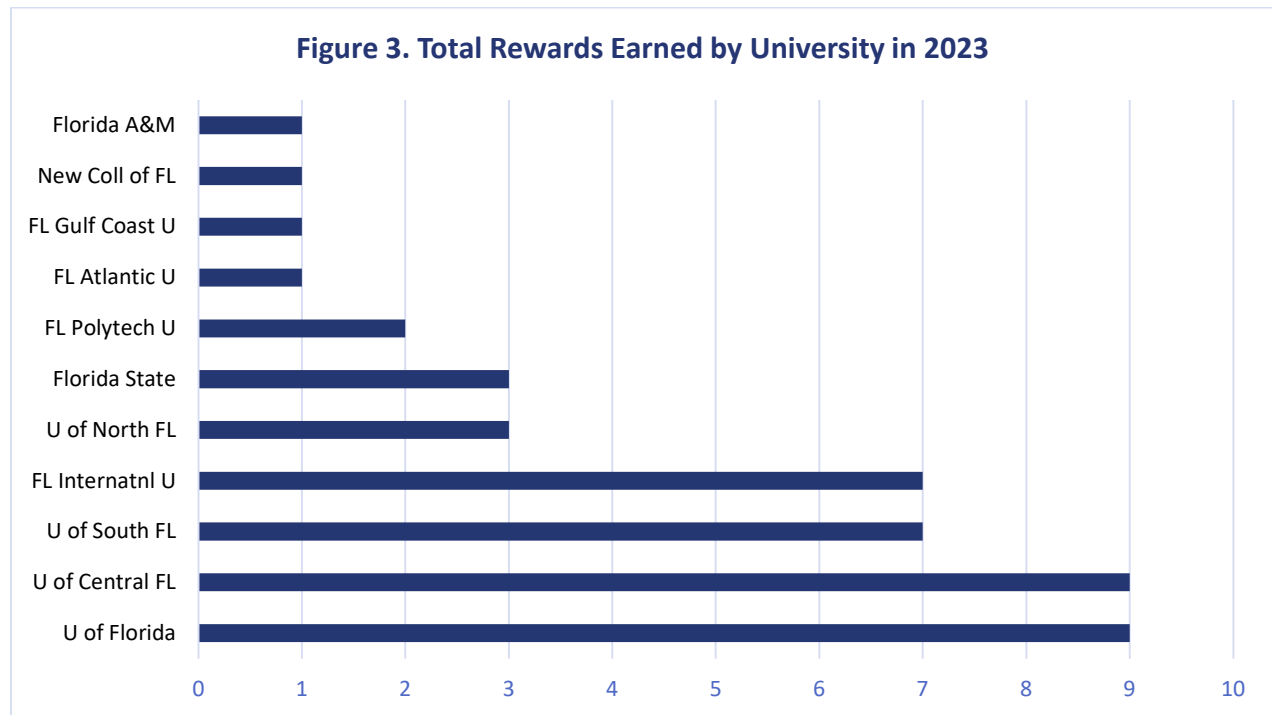
Category	Procedure Cost			Procedure Savings		
	Count	Carrier	SurgeryPlus	(\$)	(%)	% of Total
<b>Bariatrics</b>	121	\$5,154,381	\$2,401,259	\$2,753,122	53.41%	38.74%
<b>Orthopedic</b>	140	\$3,630,149	\$1,416,739	\$2,213,410	60.97%	31.15%
<b>General</b>	55	\$1,163,955	\$451,184	\$712,771	61.24%	10.03%
<b>Spine</b>	13	\$1,096,336	\$345,965	\$750,371	68.44%	10.56%
<b>GI</b>	126	\$365,067	\$180,044	\$185,023	50.68%	2.60%
<b>GYN</b>	20	\$510,325	\$211,544	\$298,781	58.55%	4.20%
<b>ENT</b>	9	\$85,964	\$37,593	\$48,371	56.27%	0.68%
<b>Pain Management</b>	26	\$195,336	\$51,409	\$143,927	73.68%	2.03%
<b>Cardiac</b>	0	\$0.00	\$0.00	\$0.00	0.00%	0.00%
<b>Total</b>	510	\$12,201,513	\$5,095,737	\$7,105,776	58.20%	100.00%

Twenty-eight state agencies had eligible employees or dependents of employees utilize and earn rewards.





Eleven of the participating state universities had employees or dependents of employees utilize and earn rewards.



## Recommended Next Steps

The Department will continue to work with stakeholders via active outreach, conference calls, webinars, and in-person meetings to increase the utilization of the bundled surgical services benefit. The Division communicates continuously throughout the year via the Division’s website and at annual open enrollment. The Division will continue to convene an internal workgroup that includes the Bureau of Policy and Development, the Bureau of Financial and Fiscal Management, and division and agency leadership to support the continued education components of the Program with sister agencies and other partners. The Division is also preparing a more comprehensive, internally developed educational campaign targeted at creating additional awareness among state group insurance members about the program and its benefits.

In addition, the Division will continue to work with state agencies and university human resource officers, as well as communications offices, to communicate the Program to state enrollees and their eligible dependents. The Division will continue to utilize webinars, emails, posters, and reminders in People First to facilitate and encourage annual training for all employees.