

ST. LOUIS COUNTY  
HEALTH INSURANCE COMMITTEE

The St. Louis County Health Insurance Committee met on Wednesday, October 16, 2019 at 9:00 a.m. in the County Board Conference Room. The meeting was called to order by Jim Gottschald, Committee Co-Chair.

Members Present:	Angie Mattsen	Katie Finc
	Heather Ninfeldt	Tom Stanley
	Jim Gottschald	Nancy Nilsen
	Connie Westlund	Nancy Hintsa
	Judy Wahlberg	Gordy Halverson
	Krista Galatz	Mark Rubin
	Neil Porter	

Others Present:	Jeff Coenen	Tiffany Kari
	Beth Menor	Colleen Effinger
	Dave Kuschel	Jolene Jamnick

The September minutes were approved by consensus after the BlueCross and BlueShield of Minnesota (BCBSMN) stop loss and administration fees were restated as 2020 rates instead of 2019 rates.

## PRESENTATIONS

1. The first item from the agenda under Presentations was an update on payment integrity by Jim Brady and Jim House both with BlueCross and BlueShield of Minnesota (BCBSM). Mr. House and Mr. Brady joined by teleconference and Mr. Kuschel provided three handouts. Mr. House began by defining payment integrity. The program's goal is to reduce total cost of care while insuring correct payment. He further stated that payment integrity is the best way to reduce cost growth and improve quality of care. The presenters highlighted the following from their handouts:
  - BCBSM keeps 30% of savings discovered by payment integrity audits
  - BCBSM does not charge if the error was caused by BCBSM or if the audit results aren't clearly tied to a claim
  - BCBSM reviews claims to identify and deny unbundled double billings, 3<sup>rd</sup> party liabilities, faulty readmissions, inflated DRG codes and incorrect billing codes
  - BCBSM analyzes provider billing patterns and readmission rates for both subrogation action and provider education
  - A goal is to shift to less pro-payment and more pre-payment audits
  - Denied claims cannot be billed back to the member unless the provider is out of network
  - Payment integrity programs aim to avoid additional burden to the patient
  - Annual net savings through August of 2019 were \$103,000. In the risk assignment category savings were a negative \$3,000. Upon further

investigation it was discovered that 15 claims originally denied in 2018 were overturned in early 2019. Savings in the claims accuracy category were \$106,000. The bulk of these savings (43%) came from overpayments.

- Monthly payment integrity reports could be accessed by Auditor's staff through the Blue Core e-bill system. Mr. Gottschald requested an annual review by the committee of the one page savings summary.

Mr. Gottschald added that the current contract with BCBSM stipulates a reduction in administrative fees if claims accuracy falls below the benchmark.

## OLD BUSINESS

2. The first item from the agenda under Old Business was an update on Omada by Mr. Kuschel of BCBSM. Mr. Kuschel announced that Omada will be expanding their program from the pre-diabetic population to include those who have a type II diabetes diagnosis. Enrollees will receive a glucose monitor. Members will have access to a professional health coach, remote glucose monitoring, an app, an online support group with 16 week curriculum. The Northeastern Service Coop will be piloting the program in 2020. Mr. Kuschel agreed to bring back details and testimony as they become available. The program could be adopted on 1/1/21 or possibly midyear. Mr. Kuschel highlighted the following from the most recent Omada report:

- 407 members have applied since inception
- 376 applicants were accepted
- 31 applicants were ineligible and 1/3 of them were rejected because they already had diabetes diagnosis
- 86% of those who were accepted enrolled in the program
- Northeastern Minnesota had higher participation levels than the rest of the state
- On average, participants engage with the program 23 times per week
- The St. Louis County Health plan member participants have lost over 3,000 pounds in this program

Ms. Menor stated that if the committee did adopt the Omada diabetes program there would need to be a coordination strategy with the already existing Essentia Health diabetes management program. She also announced an upcoming customization feature. Omada health coaches would soon have viewing access and referral capabilities to a health plan's supplemental programs such as: Doctor on Demand, Medication Therapy Management, Employee assistance, etc.

Ms. Kari made note that the cost on just one hospitalization is 43 times the cost of the Omada program.

3. The next item from the agenda under Old Business was an update on Sharecare. Ms. Menor asked the committee to choose a course of action on three objectives:
- Should Sharecare be renewed in 2020? Discussion points included:
    - Due to increased participation state-wide, the cost of the program would be reduced to \$0.49/per contract per month (pcpm) from \$0.75/pcpm
    - No other groups who offer Sharecare have discontinued it yet
    - Empathy for those who spent months getting past technical issues who would be disappointed to lose the benefit after much investment
    - There does not exist a ready alternative
    - Possible to explore an in-house or stand-alone vendor partner on a replacement
    - The committee agreed by consensus to renew Sharecare for 2020
  - Keep the 7,500 step threshold or adopt 5,000 or 10,000? Discussion points included:
    - Current threshold was at 157,500 steps/month, which was less challenging than what was communicated at inception of the program which was 7500 steps on 21 or more days each month
    - Participants gave positive feedback that their steps over 7,500 counted
    - The committee agreed by consensus to keep the 7,500 step threshold
  - Change the redemption options? Discussion points included:
    - Ms. Menor reported getting complaints about obstacles, difficulties and technical issues with the redemption process
    - Responses to a survey of all who redeemed an incentive in September varied widely in customer satisfaction
    - There was an option to have e-gift cards with barcodes for retail stores and to pay for physical Visa cards
    - The committee recommended that participants pay fee themselves if they opt for physical card, paper check or direct deposit
    - Mr. Kuschel agreed to bring this request back to BCBSM and Sharecare

#### NEW BUSINESS

4. The first item from the agenda under New Business was approval of flu clinic vaccination funding. Ms. Menor reported that the committee spent between \$13,000 and \$15,000 each year in the recent past. The committee agreed by consensus to approve up to \$20,000 for on-site flu vaccination clinics.

5. The next item from the agenda under New Business was an update on the Total Wellness program by Ms. Kari. She reported almost 1100 current enrollees. Participation was at 230 as recently as 2011. Ms. Kari reported on the following events/initiatives:
  - a. Thirty minute wellness classes will be offered at three public works locations two times each month over the winter. Most public works employees do not work at computers and have obstacles to attending offsite trainings.
  - b. Space had been acquired for use as a fitness space in the basement level of the government services center in Duluth. A wellness grant from BCBSM will be used to renovate.
  - c. Dr. Craig Samitt, BCBSM CEO, was scheduled to speak to employees on October 18<sup>th</sup>. Later the same day he would be joined by Dr. VanSkoy of Essentia Health, Dr. Schondelmeyer, of the University of Minnesota School of Pharmacy, and Joe Drexler, of St. Lukes for an expert panel discussion on called Reinventing Healthcare. All employees were invited. The event was to be held at Hoops Brewery and moderated by Michelle Lee, former local news anchor turned activist.
  - d. The Sun Spot bus would be traveling to County sites January through March.
6. The next item from the agenda under New Business was the claims drivers report by Ms. Menor. Ms. Menor provided four reports which included data through August of 2019. The reports highlighted the following:
  - Plan paid medical and pharmacy per member per month was \$622
  - There were 626 claimants with 1,348 inpatient claims at St. Lukes, totaling \$2.3 million. Essentia Health's claimants and claims were approximately half that but total cost was \$1.8 million
  - Cancer was the top claims driver
  - Routine medical exams were in top 25 by total dollars spent which can be a positive sign of prevented inpatient stays
  - Diabetes prevalence was down from 8% in 2018 to 5.5% year-to-date in 2019.
7. The next item from the agenda under New Business was the Auditor's financial report presented by Ms. Nilsen. The report projected the 2019 year-end health fund balance to be \$8,260,527 a net gain of \$1,933,344 from the year prior. The year-end projection at the September meeting was \$8,179,038. Chronic disease management was \$0 last year due to a billing issue. Both 2018 and 2019 bills will be paid in 2019. Provider reimbursements have increased due to being separated from administration fees starting in 2015. Continued increases are due to providers hitting more performance guarantees and benchmarks for better care.

OTHER BUSINESS

8. The only item under Other Business was interest and discussion on if the committee would consider initiatives and actions to tackle mental health issues members may be experiencing (chemical dependency, depression, anxiety, PTSD, etc) especially since many employees come into direct contact with trauma as part of their job duties. What could be done to address stigma and mental health services in our community, to ensure parity and access, to partner with organizations like Northland Healthy Minds (Make it Ok Campaign), and the National Alliance on Mental Illness (NAMI)? The committee agreed by consensus to consider this as a formal goal when 2020 goals are discussed at the December meeting.

With no further business the meeting was adjourned.

Respectfully submitted,

A handwritten signature in cursive script that reads "Beth J. Menor".

Beth J. Menor  
Senior Benefits Advisor