

ST. LOUIS COUNTY
HEALTH INSURANCE COMMITTEE

The St. Louis County Health Insurance Committee met on Wednesday, October 17, 2018 at 9:00 a.m. in the County Board Conference Room. The meeting was called to order by Gordy Halverson, Committee Co-Chair.

Members Present:	Angie Mattsen	Lori Ulvi
	Heather Niefeldt	Jim Nephew for Tom Stanley
	Jim Gottschald	Alicia Carrillo
	Connie Westlund	Nancy Hintsa
	Don Dicklich	Marsha Callahan-Ness
	Krista VanSickel	Gordy Halverson
	Mark Rubin	

Others Present:	Jeff Coenen	Tiffany Kari
	Beth Menor	Kay Lokken
	Dave Kuschel	Jolene Jamnick
	Chris Tuttle	

PRESENTATIONS

1. The first item from the agenda under Presentations was a conference call with Michael Underseith representing the Vitals SmartShopper program on behalf of BlueCross and BlueShield of Minnesota (BCBSM). Mr. Underseith highlighted the following about the Vitals program:
 - The Vitals program pays members a cash incentive when they use the low cost provider for approximately 60 basic and common medical procedures.
 - Testimony was given about a woman from New Hampshire who saved her health plan \$200,000 annually by driving 25 additional miles for her Remicade shots. She earned \$3,000 to \$4,000 in incentives each year under the Vitals program.
 - Vitals staff programmed BCBSM allowed amounts and claims data into their data base to identify savings opportunities.
 - Vitals experts analyzed the St. Louis County health plan claims data to identify 60+ common medical procedures with potential for savings if members were redirected to a lower cost provider.
 - When identifying the low cost provider, the Vitals model searches within a 20 mile radius. The radius can be expanded if savings are not found.
 - If 65% of members already utilize the low cost provider in their area, the procedure is not incented. Eligible procedures are re-visited on a regular basis.
 - Some procedures (typically where there are a lot of providers in close proximity) have tiered incentives where a low cost provider may incent \$75 and the lowest cost provider may incent \$250, for example. The shopping process begins with a medical provider stating a member's need for one of the 60+ incentivized medical procedures. Next, the

- member searches online or calls a SmartShopper Personal Assistant to find the high-value options in his/her area. After the member has the medical procedure at the incented provider, Vitals mails a check to his/her home address.
 - Vitals SmartShopper phone representatives will schedule appointments and get prior authorization on behalf of the member if the member desires.
 - There was a 70% success rate (member opted for low cost provider) with incoming phone calls to Vitals.
 - Pricing drops universally in markets where Vitals is in place.
 - Members will have the same experience whether in Wisconsin or Minnesota.
 - This program will break referral patterns and cause disruption in the provider community. Members should expect provider pushback and a need to exercise their healthcare consumerism.
 - The standard fixed cost model involves an administration cost of \$2.50 per employee per month.
 - The St. Louis County plan claims data provided enough potential savings to qualify for the shared savings billing model where the administration costs equal 33% of savings. This fee model incurs less risk.
 - The health plan would initially deposit \$5,000 into a fund for member incentive payments. This fund would be replenished monthly and aims to keep a \$5,000 balance.
 - Vitals has a marketing team that would help promote and roll out the program.
 - Vitals can be implemented mid plan year.
 - Ms. Menor committed to emailing Mr. Underseth's power point presentation, spreadsheet and addendum materials to the committee members.
2. The next item from the agenda was a presentation by Chris Tuttle of BCBSM about the ShareCare platform available to groups on 1/1/19. Ms. Tuttle shared the following talking points on the new program:
- ShareCare is an integrated health engagement tool.
 - BCBSM has a 5 year exclusive contract with ShareCare.
 - ShareCare is a digital platform created in 2010 by Jeff Arnold the creator of WebMD. ShareCare is Mr. Arnold's WebMD 2.0.
 - ShareCare replaces the current fitness reimbursement program.
 - Every new ShareCare user is prompted to take the RealAge test which is a health risk assessment that instead of returning a random number, returns the user's real age from a health status viewpoint.
 - RealAge results are eye opening and resonate with users. One's RealAge is variable.
 - Green days in the ShareCare platform are earned with healthy behaviors and can positively affect one's RealAge.

- Aggregate RealAge results will be available but only at the client level. Results at the subgroup level are in development.
- Members can import their biometric data into their ShareCare app or account.
- BCBSM can import a biometric data file into individual user accounts for a fee.
- ShareCare will steer members to the right place at the right time. For example, a member with high emergency room utilization will get push notifications about doctor on demand.
- The new fitness incentive is earned when a member achieves the group's chosen step threshold during 21 of 30 days.
- The step threshold options are 5,000, 7,500 or 10,000 steps in a day.
- Fitbits and Garmins can be voluntarily synced to the ShareCare app available for both IOS and Android devices.
- Members without fitness trackers can manually input steps to their ShareCare app or online account.
- Almost all tracked activity will automatically convert to steps so those who continue gym memberships will still get credit toward a monthly incentive for time spent at their gym.
- A chart was provided that converted over 70 different activities to the equivalent steps.
- Manual tracking has to be recorded on the same day.
- There will be a push notification when an incentive is earned.
- Most clients have chosen to stay with the \$20 monthly incentive but the incentive amount is at the discretion of the client.
- For a fee of \$2.25 the incentive can be issued via a check or for a \$4 fee a hard Visa gift card.
- Fee-free incentive options include e-gift cards for popular restaurants and retail outlets like Target and Amazon as well as merchandise.
- Members can bank earned incentives within a calendar year. An Amazon gift card is the default if incentive goes unclaimed at year's end.
- A real-time census of earned incentives will be made available to employers for tax reporting purposes.
- The incentive is limited to two people per household who are each over 18 years old.
- ShareCare is a public application but won't be linked to BCBSM until 1/1/19.
- The ShareCare base platform is available at no additional administrative fee.
- Adding the fitness incentive feature to ShareCare costs \$0.75 per contract per month.
- The fee under the BluePrint for Health fitness incentive program was \$1.67 per participant per month.

Consensus was achieved to implement ShareCare effective 1/1/19 with a step threshold of 7,500 and to use the \$150,000 wellness grant to cover any cost in excess of the existing fitness reimbursement program.

OLD BUSINESS

3. The only item from the agenda under Old Business was prescription (Rx) Copay Alternatives. The following member feedback was shared:
 - The Teamsters unit was experiencing recruitment obstacles and did not support any increases to drug copays at this time.
 - Ms. Hintsa's unit understood the need for a change and they preferred proposal one with a \$125, instead of a \$250, specialty copay. Ms. Hintsa felt her unit would be more welcoming of cost increase proposals if they came within the framework of a long term strategic plan.
 - Ms. Carrillo's unit felt this cost increase should be a bargaining item rather than a health insurance committee decision. The feedback on the two options varied and she felt there was not enough time to properly communicate the proposals.
 - Ms. Mattsen's unit supported proposal two and she felt that there were nuances to the two options that needed to be verbally communicated because they were not immediately obvious in the proposal handout.
 - Ms. Ninfeldt's unit was divided on the two options.

Discussion ensued over the consequence of taking no action in the environment of a declining fund balance. Fear was expressed that in the event the fund was depleted, we would be forced to move from a self-insured to a fully insured plan which would have less coverage, higher cost and less flexibility.

Consensus was achieved around Mr. Gottschald's suggestion to schedule a Meet and Confer with bargaining units in November. He committed to convening a meeting with each unit's business agent, health insurance committee representative and one guest.

NEW BUSINESS

4. The only item from the agenda under New Business was the financial report from the Auditor. Mr. Dicklich provided an updated health fund report. The new report projected a loss of \$1.6 million to the health fund by year end.

OTHER BUSINESS

5. The only item under Other Business was approval of flu vaccination funding. Ms. Menor reported that 2017 flu vaccination clinics cost \$13,358.40. By consensus, the committee approved up to \$20,000 for flu vaccination funding in 2018.

With no further business the meeting was adjourned.
Respectfully submitted,

Beth J. Menor

Beth J. Menor
Senior Benefits Advisor