ST. LOUIS COUNTY
HEALTH INSURANCE COMMITTEE

The St. Louis County Health Insurance Committee met on Wednesday, December 19, 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 Ninefeldt	Tom Stanley
	Jim Gottschald	Alicia Carrillo
	Connie Westlund	Nancy Hintsa
	Marsha Callahan-Ness	Neil Porter
	Krista VanSickel	Don Dicklich
	Mark Rubin	Gordy Halverson

Others Present:	Jeff Coenen	Tiffany Kari
	Beth Menor	Kay Lokken
	Dave Kuschel	Jolene Jamnick
	Charlie Hopkins	Thad Riggle

The September and October minutes were approved by consensus with no requested changes.

PRESENTATIONS

No Presentations

OLD BUSINESS

1. The first item from the agenda under Old Business was the flu vaccination report from Ms. Menor. She noted that up to 22 vaccinations given at the jail were still pending so her report was preliminary. She reported on-site vaccinations were given to 678 employees, 137 dependents, and 65 retirees. Ten doses were preservative free and the 870 regular doses cost $15.63 per dose. The total spend was currently at $13,767.80.

NEW BUSINESS

2. The first item from the agenda under New Business was the Auditor's financial report. The projected year-end balance of $5.2 million reflected a $2 million loss to the fund from the prior year. Mr. Dicklich noted that revenues increased. Mr. Gottschald provided the handout from a recent meeting attended by Health Insurance Committee members and their respective bargaining unit representatives to discuss pharmacy copay alternatives and other health plan solutions. Discussions revolved around better premium equity, exhaustion from small incremental benefit reductions, the need for a side by side comparison of self- and

fully-insured health plans, review of spousal eligibility requirements, concept of a shared sacrifice, more county-wide communications and education and a webinar on the function of the Health Insurance Committee.

3. The next item from the agenda under New Business was the claims drivers report by Ms. Menor who provided three handouts. She highlighted the following from the handouts:

   - Outpatient PMPM (per person per month) spend had steadily increased since 2015 and was currently at $177.78.
   - Symdeco continued to be the highest drug by spend. The employee whose family members depend on this drug asked Ms. Menor to share the following with the committee:
     - Symdeco has proved to be a life changer for his/her family members as they have eliminated the need for antibiotics and avoided hospital stays resulting in a positive impact on their quality of life.
     - They do use the manufacturer coupon and were able to verify that should the copay increase to $250, their cost would not increase. The drug manufacturer would pay the additional cost.
   - The diagnosis of *Other Screening for Suspected Conditions* was primarily spend in the drug category. Mr. Kuschel committed to dive deeper into the analytics and report back to the Committee with more detail.
   - The top case by spend was at $786,796 but had not yet reached the $750,000 stop loss threshold because the number reflected claims paid and stop loss was based on claims incurred. The case could result in a spec violation and affect future stop loss rates. The case involves congenital medical issues where wellness efforts are ineffective.

4. The next item from the agenda under New Business was an update on individual HRAs from Ms. Menor. Ms. Menor began by noting all was status quo with the Affordable Care Act (ACA) despite the recent ruling overturning the law by a judge in Texas. Until all appeals were exhausted the law remained in place. Ms. Menor reminded the Committee of her ACA report earlier in the year which touched on three regulatory efforts by the current administration: 1) Association Health Plans, 2) Short Term Health Plans and 3) Health Reimbursement Account (HRA) Expansion. Proposed rules were published in October on the third effort of expanding HRAs.

   Ms. Menor noted that HRAs already existed and were in use by many employers, including public employers. Historically, HRAs had to be integrated with a group health plan and only employer money could be paid into an HRA. Under the proposed rules HRAs could be integrated with an individual health plan. The implication was that employees would then own their own health plan making it portable. The employer's role would be funding the HRA. There would be no employer penalty under the ACA as the proposed rules deem the employer contribution as coverage. The comment period on the proposed rule was scheduled to close on December 28th. The final regulations were expected to be released in the spring of 2019 with an effective date of 1/1/2020. Ms. Menor added that under the proposed rule, the employer could not offer an HRA to some employees and not offer it to others or offer a choice between an HRA or a group health plan to employees in the same class. A class would be at the discretion of the employer but was limited to criteria such as employees under the same bargaining agreement, part-time or full-time employees, employees under age 25 and seasonal or temporary employees. Employers would also be allowed to vary the HRA payment amounts based on an employee's age. For example, the employer could put in more funds for older employees than younger employees as long as employees of the same age were treated equally. Ms. Menor also noted that employers would be allowed to cross classes. For example, full time employees in bargaining unit 1 could be offered the HRA while part time employees in bargaining unit 1 could be offered a group health plan or vice versa. Lastly, Ms. Menor noted that Retiree HRAs were not named or affected by these proposed rules.

5. The next item from the agenda under New Business was a caucus to name 2019/2020 committee co-chairs. Mr. Gottschald was elected as the management co-chair and Mr. Halverson was elected as the labor co-chair.

6. The next item from the agenda under New Business was review of 2018 goals.
   - Study and strategize around the Affordable Care Act
     a. See item #4.
   - Educate members to be proactive in their health and healthcare
     a. Ms. Kari reported 1,082 Total Wellness enrollees, up almost 200 from last year. She also reported attendance at numerous wellness or health plan courses offered in 2018 including: pilates, yoga, Income Tax Updates, Mind Body Medicine, Mindfulness Stress Reduction, My Personal Wellness Spa, Safety on the Internet and Social Media, Tai Chi Chuan/Qiqong, Type 2 Diabetes It's Preventable, CPR, Defensive Driving, Health Plan Basics, Pre-Retirement Planning, RetireWise, Importance of Advanced Care Planning: The Time is Now, Together We Can Make It OK!, What Really Works Healthy Sustainable Weight Loss, Longevity, Optimal Health & Wellbeing, Northland Community Wellness Day, Do Your Feet Hurt?, "SOUL" 10 Week Positive Psychology Workshop, Aging: A Life-Long Process, Benefits Fair, Help Me Sleep, Medicare Supplement Seminar, and Power of Mindset.
   - Study and collect feedback on early retiree pooling requirements
     a. Mr. Gottschald reported that the Democratic majority in the state legislature made it highly unlikely that much traction would be gained on this legislative proposal but it would not be abandoned.
   - Identify and investigate claims drivers
     a. See item #3.
   - Study medical benefit design strategies and trends
   - Explore alternate health plan option with lower premium
   - Explore Rx copay alternatives with Prime Therapeutics and BCBSM
     a. See item #2.

7. The next item from the agenda under New Business was setting of 2019 goals. The Committee agreed by consensus to keep the 2018 goals in place for 2019.

OTHER BUSINESS

8. The first item under Other Business was testimony by Mr. Stanley of his spouse's employer adopting an ACO or Accountable Care Organization with Essentia Health. Offering lower premiums for an Essentia Health network was counter to all prior efforts by this employer. Mr. Stanley pointed out how frustrating this was for members who were now established with physicians at St. Luke's. Mr. Gottschald added that although available, ACOs had not been a good fit here because an ACO with Essentia would be a partnership with the highest cost provider and an ACO with St. Luke's would be disruptive to the majority of health plan members and the plan would lose the current negotiated discount with Essentia. Tiering the health plan had been the better option.

9. The next item under Other Business was an announcement by Ms. Menor that a county-wide email communication would be distributed later in the day with more details about Sharecare.

10. The last item under Other Business was an announcement that this would be Mr. Dicklich's last meeting. He was retiring after 15 years of service on the Committee. He had served as co-chair since 2007. Kudos and applause was given for Mr. Dicklich who thanked everyone for their hard work and for keeping the best interests of the plan at heart.

With no further business the meeting was adjourned.

Respectfully submitted,

Beth J. Menor

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Senior Benefits Advisor