

ST. LOUIS COUNTY
HEALTH INSURANCE COMMITTEE

The St. Louis County Health Insurance Committee met on Wednesday, **February 19, 2020** 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	Kevin Gray
	Heather Ninfeldt	Tom Stanley
	Alicia Carrillo	Gordy Halverson
	Connie Westlund	Nancy Hintsa
	Neil Porter	Katie Finc
	Krista Gallatz	Nancy Nilson

Others Present:	Jeff Coenen	Tiffany Kari
	Beth Menor	Kay Lokken
	Dave Kuschel	Jolene Jamnick
	Arne Zopfi	

The **December** minutes were tabled due to the lack of a quorum.

PRESENTATIONS

1. The first item from the agenda under Presentations was the 2019 Pharmacy Spend Summary by Mr. Zopfi of Prime Therapeutics. Mr. Zopfi highlighted the following from the 2019 pharmacy spend report:
 - Changes in the report compared calendar year 2019 to calendar year 2018
 - Per member per month (PMPM) increased by 7.9% mostly due to an increase of \$470,000 in spend on specialty drugs
 - \$204,000 of the increased specialty spend was for four members with new specialty prescriptions to treat cancer, rheumatoid arthritis and cystic fibrosis
 - Generic utilization increase by 1%
 - Member contributions fell by 10% due mostly to the fixed \$40 copay on specialty medications
 - Trend was 7% which was the benchmark in the BlueCross BlueShield of Minnesota (BCBSM) book of business
 - Specialty trend was 24.2% while traditional trend was a negative 3.2%
 - Claims per member per year (PMPY) were 15.2, up only 1.1% but significantly higher than the 10-11 claims PMPY in the BCBSM book of business
 - Average ingredient cost (which reflects the health of an Rx plan) was \$86.56, significantly lower than \$92.75 in the BCBSM book of business
 - Rheumatoid arthritis (RA) was the largest spend category with an outlay of \$1.7 million dollars
 - Two bio-similars for RA were the pipeline, Mr. Zopfi agreed to report back on their status
 - Non-specialty or traditional drug spend was down 4.5%
 - Diabetes was the top category in traditional drug spend with Victoza being the top diabetes drug

- One percent of members were driving 50% of drug spend and almost all new drug development was in the specialty space
- One out of every six medication reviews are denied by Prime

Next, Mr. Zopfi provided an update on the KeyRx formulary he had presented at prior meetings. He highlighted the following from his handout:

- Moving to the KeyRx formulary was projected to generate a half million dollars in savings
- In 2021 BCBSM will add another tier for non-preferred generics
- Disruption projections were down to 304 if new tier remains at same \$10 copay
- Projected PMPM savings of >\$9.18 in 2021
- Rebates were not factored into projected savings, but are expected to go up slightly
- Additional copay revenue was not factored into projected savings
- Savings projections generated from eliminating coverage for over-the-counter medications and high-cost drugs where alternatives are available as well as members moving from non-preferred to preferred medications
- 500,000 BCBSM lives moved to KeyRx in 2020
- Mr. Zopfi had two of his groups move to KeyRx in 2020 with no complaints
- Specialty drug coupon programs offer coupons worth \$12,000 to \$32,000/year
- Timeline is unknown but BCBSM will be changing how Rx manufacturer coupons coordinate with health plans

2. The next item from the agenda under Presentations was Opioid Initiatives at BlueCross by Lynn Price of BlueCross and BlueShield of Minnesota (BCBSM) and Arne Zopfi of Prime Therapeutics. Ms. Price highlighted the following from her handout:

- In January BCBSM launched substance abuse treatment Blue distinction centers
- Minnesota's Blue Distinction centers were growing in number but currently included: Allina, Mercy, Hazelton, and Mayo
- Case management approaches included:
 - Utilization management of inpatient and residential admissions
 - Preadmission notifications to members and providers
 - Gaps in care reports
 - Referrals for members with complex conditions and/or multiple medications
 - Network access was recently expanded with Bright Heart Health which features:
 - 24 hour access to a virtual clinic open for intake and emergencies
 - Individual therapy sessions during regular business hours
- Effective 4/1/2020 OxyContin and Oxycodone will no longer be covered

- XtampzaXR, an abuse-deterrent drug as it is difficult to crush, will be the preferred pain medication starting on 4/1/2020
- In 2017, plan paid spend on pain medications totaled \$107,000
- In 2018, plan paid spend on pain medications totaled \$ 67,000
- In 2019, plan paid spend on pain medications totaled \$ 61,000
- Mr. Zopfi credited the Prime Therapeutics initiatives below for the reduction in pain medication spend:
 - Limit on first fill of 7 days
 - Prior Authorization
 - Quantity Limits
 - Refill Allowance
 - Alerts: Controlled substances, concurrent use, opioid, triple therapy

OLD BUSINESS

3. The first item from the agenda under Old Business was the Flu Vaccination Report by Ms. Menor. She reported 695 employee, 107 dependent and 60 retiree vaccinations given at the on-site clinics. The total was 862 doses at \$15.63/dose and 7 preservative free doses at \$16.67 each for a total of \$13,480.34. The Committee approved up to \$20,000 at a previous meeting. Ms. Menor added that the volume was almost identical to last year. Mr. Stanley reported that his County flu shot was in his electronic medical record at his last doctor visit. Mr. Kuschel stated that the County's public health department has a provider number with BCBSM and BCBSM enters this information into the medical record.

NEW BUSINESS

4. The first item from the agenda under New Business was Community Wellness Day. Ms. Kari reported that 2020 was the 11th year for this annual event. She recalled that originally it was a St. Louis County event to honor employees who had just finished the biggest loser program. She now shares the planning duties with several partners including the City of Duluth and UMD. The event will be held at the Heritage Center on March 28th with 80 vendors from 10am to 2pm. Approximately 2500 members of the public attended last year.
5. Ms. Kari also reported that the Total Wellness program currently had 1,050 enrollees and 407 were participating in the 6 week biggest loser challenge.
6. Ms. Kari also reported that monthly travelling wellness classes would be coming to three public works sites this winter.

7. The next item from the agenda under New Business was a Financial Wellness Initiatives Update by Ms. Menor. Ms. Menor shared the following statistics that support the need for employer financial wellness programs:

- Four in ten employees nationwide are living paycheck to paycheck (ADP)
- Half of all employees spend 3+ hours per week distracted at work by personal finances (Price Waterhouse Cooper)
- Employees spend 150 hours annually worrying about money (Mercer)
- Financial stress increases heart rate and blood pressure and can lead to heart disease (Cleveland Clinic)
- Financial stress suppresses memory, concentration and metabolism and can lead to ulcers and weight gain (everydayhealth.com)
- 40% of workers have health issues or lose sleep due to financial stress (Prudential)
- Employers incur \$400/employee/year generated from financial stress (Prudential)
- 55% of employees say they want help managing their finances (ADP)
- 75% of employees see their employer as a trusted source of financial help and 60% say they are more committed to their employer and more productive at work when their employer demonstrates a commitment to financial wellness (Prudential)

Next, Ms Menor shared attendance numbers at recent trainings that fall under the category of financial wellness:

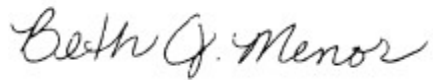
- Understanding Social Security (43)
- Smart Money Moves In Your 20s And 30s (32)
- Retirewise Workshop (25)
- Pre-retirement Workshop (42)
- Deferred Comp 101 (13+16+18)
- Understanding Credit Scores (8)
- Make Your Money Matter (26)
- Counseling Sessions (20)

Ms. Menor added that the one-on-one counseling sessions were held on-site on January 17th with financial counselors from NuVantage. Most who attended had never used the services of our Employee Assistance Program vendor in the past.

8. The first item under Other Business was an announcement by Mr. Gray that the County will be participating in a community dialog event around mental health that the Minnesota Health Action Group will be coordinating in the third quarter.

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