

ST. LOUIS COUNTY
HEALTH INSURANCE COMMITTEE

The St. Louis County Health Insurance Committee met on Wednesday, February 20, 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	Krista VanSickel
	Heather Ninefeldt	Tom Stanley
	Jim Gottschald	Alicia Carrillo
	Connie Westlund	Nancy Hintsa
	Neil Porter	Gordy Halverson

Others Present:	Jeff Coenen	Tiffany Kari
	Beth Menor	Arne Zopfi
	Dave Kuschel	Jolene Jamnick
	Irma Prusakova	

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

PRESENTATIONS

1. The first item from the agenda under presentations was the 2018 pharmacy spend summary given by Mr. Zopfi of Prime Therapeutics. Mr. Zopfi provided copies of the written report and highlighted the following from it:
 - The report compares calendar year 2018 with 2017.
 - The \$95.84 plan paid PMPM (Per Member Per Month) remained flat in 2018.
 - Generic utilization, now at 86.4%, increased by almost one percentage point.
 - The 8.0% member contribution jumped to 12.5% without specialty spend.
 - 40.5% of plan paid PMPM went to specialty medications.
 - Diabetes, Cystic Fibrosis and Rheumatoid Arthritis (RA) contributed to the 1.5% increase in plan paid per claim.
 - Overall trend was down almost 1% due to the adoption of the classic pharmacy network and Prime's utilization management programs, especially quantity limits.
 - ESN claims (90 day fills) increased by 3%.
 - Most plans have 30%+ ESN claims, the St. Louis County self insured plan has 60%+ ESN claims.
 - ESN claims typically result in higher adherence and lower dispensing fees than non-ESN claims.
 - The plan continues to forfeit more in waived copays than it saves with ESN claims.
 - Most plans have moved to 2.5 copays for 90 day supply to alleviate the loss in plan savings under the 2 copay model.
 - Drug spend and ingredient cost are better measures of a well-managed plan than PMPM because not all groups are equal (i.e. average age varies).

- Specialty spend increased by \$39,000.
 - Oral cancer spend was down by \$230,000.
 - RA/Psoriasis/Autoimmune spend increased by \$120,000 due to a rise in utilization and movement from Humira to Stolera.
 - Symdeco spend was \$280,000.
- Non-specialty drug spend decreased by \$76,000.
 - Diabetes spend increased by \$150,000 primarily from Victoza.
 - Asthma spend increased by \$12,000 primarily from Advair Diskus.
 - Adderoll XR was the number one prescribed drug for ADHD because the brand costs the same as the generic.
 - Lifestyle drug spend was down \$19,000.
 - Pain medication spend decreased by \$41,000. This decrease and the 450 fewer claims were due to utilization management initiatives by Prime Therapeutics (i.e. refill threshold moved from 75% to 85% consumed).

Mr. Zopfi stated that the plan would save approximately \$430,000/year by moving from the FlexRx to the KeyRx formulary. The KeyRx formulary offers higher rebates with minor disruption. Approximately 320 St. Louis County health plan members (or 6%) would be affected by the change in formulary and each member would receive a letter where their options/changes would be well communicated. He added that changing a formulary is often a less painful step to take as compared to changing a copay. The committee agreed by consensus to hear a presentation on the KeyRx formulary at the May meeting.

2. The next item from the agenda under presentations was high case activity reporting by Ms. Prusakova with BlueCross and BlueShield (BCBSM). She provided handouts and highlighted the following:
 - Five of the top 10 diagnosis for inpatient stays were related to maternity.
 - BCBSM staffs a unit of six OB nurses to coordinate maternity care.
 - In 2018 BCBSM identified 396 high cases, 68% agreed to work with the nurse health coach.
 - In 2018 there were 58 cases over \$75,000. Six terminated coverage, 18 engaged in health coaching and 8 were assigned to the high complexity case unit.
 - The top case and the fifth top case were on the same contract. They are two individuals of only twelve in the county with a rare metabolic disorder. The cost is primarily for private duty nursing and supplies. Secondary conditions included Epilepsy, blindness, and deafness. Inpatient stays would require pediatric ICU care which would come at a higher cost.
 - BCBSM hired additional staff to address medications the moment they are FDA approved. As an example, Stolera was first managed with a prior authorization, then by Food and Drug Administration approved dosing and then by site of care.
 - BCBSM will soon require provider to bill for medicine with the NDC (National Drug Code) rather than the J-code. This change is expected to help with drug pricing transparency and allow better cost management.

OLD BUSINESS

3. The first and only item from the agenda under Old Business was an update on Sharecare. Ms. Menor provided a handout that identified the participation counts under the previous gym membership reimbursement program. She noted that almost 600 members participated each month and that about 200 of them consistently earned the monthly incentive. Ms. Menor reported that the program rollout was fraught with issues. The tracking devices or app or both often did not work properly. Participants were unaware that they needed steps not green days and that they needed to enroll in the incentive as well as the app. BCBSM published an apology and extended the January incentive as a gesture of good faith. Ms. Menor published and distributed over 20 frequently asked Sharecare questions and assisted over 50 employees who attended one of her three digital tools for your healthcare classes. Despite these efforts, participation (616 registered, 521 enrolled, 237 incentives earned) was still inadequate according to Ms. Menor because of the Sharecare pricing structure of \$0.75/contract which is much more costly when compared to the \$1.67/participant pricing structure of the previous gym membership program. One caveat, according to Ms. Menor, was that the step incentive most likely reached the more desirable high-risk health population. Inactive members are more likely to join a step challenge than a gym. Those attending a gym are likely a healthier population already.

Chris Tuttle and Natalie Simek, both of BCBSM, joined via teleconference. They shared that there were high-level discussions about a less restrictive reporting deadline. They committed to sending a screenshot tutorial on how to opt out of the real age test and to developing a privacy handout. They assured the committee that Sharecare continued to make strides and that the committee's feedback was a valued resource. Members testified to their dissatisfaction with Sharecare to the point they either quit Sharecare or quit their gym membership.

Ms. Kari reported that she contacted all local gyms and was successful with many at acquiring a 10-20% discount on membership for St. Louis County health plan members. In addition, many of the gyms offered to waive joiner fees for St. Louis County Self-Insured health plan members.

NEW BUSINESS

4. The first item from the agenda under New Business was upfront provider payments. Ms. Menor shared testimony from HIC member Lori Ulvi that she was required by Essentia to pay her deductible at the time of service. Ms. Menor read to the committee Minnesota statute 62Q.751 which reads as follows: *A health plan company shall not prohibit providers from collecting deductibles and coinsurance from patients at or prior to the time of service. Providers may not withhold a service to a health plan company enrollee based on a patient's failure to pay a deductible or coinsurance at or prior to the time of service. Overpayments by patients to providers*

must be returned to the patient by the provider by check or electronic payment within 30 days of the date in which the claim adjudication is received by the provider. Ms. Menor summarized by stating that it was not illegal for Essentia to ask for the payment upfront but had Ms. Ulvi declined, it would have been illegal for Essentia to refuse service.

5. The next item from the agenda under New Business was Community Wellness Day. Ms. Kari announced the 10th annual Northland Community Wellness Day. She reported that the event had 2,500 in attendance last year and will be held at the Duluth Heritage Center on Saturday, March 30, 2019. The event will feature K9 and cooking demonstrations and workshops on zero waste living and gardening as well as 80 exhibitors and fun activities for the whole family. She provided flyers for the event.

OTHER BUSINESS

6. The first item under Other Business was a suggestion by Mr. Stanley to offer a gardening class through the quarterly training catalog. Ms. Kari and Mr. Gottschald reported preliminary steps were already in progress towards this initiative.
7. The next item from the agenda under Other Business was a few announcements by Mr. Kuschel. First he reported that routine 3D mammograms will be covered as a preventative service effective 4/1/19. Next he reported that the Vitals program has proven to not work well with tiered networks.

With no further business the meeting was adjourned.

Respectfully submitted,



Beth J. Menor
Senior Benefits Advisor