

CHAMPAIGN COUNTY
Health Insurance Committee Minutes

Tuesday, June 19, 2012 – 3:00pm
Lyle Shields Meeting Room
1776 E. Washington St., Urbana, IL

MEMBERS PRESENT: Astrid Berkson, Donna Blumer, Deb Busey, John Farney, Tea Jones, Brian Mennenga, Debbie Mennenga, Michelle Mennenga, Brad Morris, Elizabeth Murphy, Amanda Tucker, Debi Young,

MEMBERS ABSENT: Stephanie Holderfield, Josh Jones, Barb Doyle-Little, Josh Reifsteck, Ed Sexton, Steve Ziegler

OTHERS PRESENT: John Malachowski

CALL TO ORDER

Busey called the meeting to order at 3:00 pm.

APPROVAL OF MINUTES

Motion by Berkson to approve the minutes of May 15, 2012, as presented; seconded by Murphy. **Motion carried unanimously.**

FY 2012 SECOND QUARTER CLAIMS REVIEW

Malachowski started by stating that the second quarter was a tough one for the County. 30% of all claims were from just 12 people. He noted that Health Alliance is watching these claims for diagnosis and follow up. He also noted that the standard on claims is about 80% of claims come from 20% of users and that the County isn't at that point but is close. Malachowski also pointed out that the total paid on inpatient claims and physician claims is almost as high as the totals for the previous two years. He said that the HRA is on target, will probably be the savior for this year, and continues to be on a good path.

Malachowski turned to the prescription analysis reports and said there is nothing there that jumps out significantly. The generic drugs continue to be highly used and the County is above the average of 2/3 in generic prescription claims. He noted that of the top 20 drugs, an MS drug and a cholesterol drug continue to be the most expensive. Malachowski went on to talk about a cost per day comparison between name brand and generics. The top 20 drugs cost the plan \$5.39/day as compared to the generics costing the plan \$.55/day. The costs to the plan are about 10 times higher for name brand drugs. Malachowski said the good news is that the County is doing well in utilizing generics, but the bad news is that there isn't much room for improvement there. He stated that there is little mail order utilization as there is not a lot of incentive to do so. He noted that this is an area that could save the County some money.

Malachowski opened the floor for questions. Murphy asked if the expenses could be expected to double. Malachowski said that is determined by the number of future large claims. Murphy then asked when the negotiations with Health Alliance begin. Malachowski stated that the County should receive the initial offer from Health Alliance before the next meeting on August 7. D. Mennenga asked what the attachment point for large claims is. Malachowski said he thought it was around \$120,000-\$125,000 and that any amount over that is taken out of the renewal process, but that the stop-loss may go up for next year's reinsurance premiums.

Tucker asked if case managers were assigned to large claims. Malachowski stated that any claim over \$50,000 automatically gets assigned to a case manager. He then noted that Health Alliance is still in limbo with the State but managed to get another 90 day extension which doesn't help negotiations with other carriers.

WELLNESS SURVEY

D. Mennenga stated that she had heard from a few people regarding the survey handed out at the last meeting. She handed out some of the responses then discussed one from Morris. Morris's email included a survey which he liked because it gave the opportunity to make comments. Busey asked if it had been compared to the survey handed out at the last meeting. D. Mennenga stated that some of the questions were the same and suggested leaving out the work location. Berkson stated that she likes Morris's version of the survey. Malachowski pointed out that Morris's survey is more of a risk assessment while what he gave out was more a questionnaire about what users would want to see in a wellness program. Berkson noted that Morris's survey with the "I would if..." lets people tell what they want in wellness. Malachowski stated that in his experience there would probably be very few responses if people have to write something rather than just check boxes. The survey should be easy, appear confidential, and not look scary. Berkson said she still feels more people would answer the "I would if..." health assessment rather than a wellness survey. Busey suggested starting with question 17 which asks questions in a manner people are more accustomed to. Berkson argued that questions 5-16 give the opportunity to say what they want. Morris stated that his idea was to get questions together in such a way that the survey could go out quickly.

Malachowski pointed out that a health risk assessment is already part of the Health Alliance plan. D. Mennenga suggested using Malachowski's survey and letting people know they have access to the questions on Morris's survey thru Health Alliance's website. Malachowski stated that there is no reason just one survey has to be done. One could be sent out and based on those responses another could be developed and sent out.

Murphy said that RPC has had very positive response to their wellness program, which includes the incentive (by way of a drawing) of one day paid time off for one employee each quarter. Berkson asked if there was any way to see if the RPC group is healthier from participating. Malachowski said no, that the group isn't set up that way. B. Mennenga asked if the Health Alliance assessment was similar to Morris's survey. Tucker responded that she thought so. Malachowski pointed out that with self-reported assessments, people can skip questions or not reply accurately. The self-reported assessment is useful to start a dialog and build incentives around that. Busey asked Murphy if RPC had written any articles on their wellness program, something that could be put in the Insider showing how well the RPC program has worked since 2008. Murphy said she didn't think so but would check.

Busey stated she is worried about the language for a wellness program in bargaining agreements and that it would be hard to get the board approval for 12 agreements. She thinks the Board can use the committee recommendations without having to put specific language in the contracts.

Farney handed out a survey that asks about needs and interest without all of the risk assessment questions. He said he got it from the Wellness Council of America. Malachowski noted that with some items there may be a cost associated and it will have to be determined who will pay that cost. He suggested trying to gauge what a group wants, see what Health Alliance already has, and then promote that use. Farney felt it would take time to build a base since most people tend to keep information to themselves for confidentiality reasons, noting that this group does not intend to use the information against anyone. Farney suggested getting people used to completing a survey every year. Malachowski said the first survey could be

used as a benchmark for future years. Berkson felt Morris's survey would be the place to start because people can say what they want.

Busey asked for volunteers to compare surveys and come up with one for use. Berkson, D. Mennenga, Farney and Murphy volunteered. Busey stated that the survey they come up with will be the first used. Busey also asked Murphy to write a summary of the RPC wellness program for the September issue of the Insider.

D. Mennenga talked about another handout, a newsletter that Provena puts out called *Healthy Living*. She said that Provena can customize with the County logo and send to all County users. This is free. All they ask for in trade is that the County let employees know that Provena accepts Health Alliance. She also stated that Provena is promoting wellness programs to other area employers. Busey said the County should be able to fund a wellness program with the 20% of HRA money. Malachowski suggested giving a deductible credit, such as Macon County uses. He stated that an employee has to do one of two things to earn a \$75 deductible credit: complete a Blue Cross online health risk survey or get an annual physical. If both are done, the employee will receive two \$75 credits. He said that this has worked so well that Macon County is expanding the program to include spouses. Busey asked if the County wanted to participate in the Provena wellness newsletter. D. Mennenga stated that it can be started right away by sending our logo to Provena. It can also be posted on the County website and hard copies can be obtained.

OTHER BUSINESS

Busey reminded everyone that the next meeting is August 7, 2012 and the committee will be meeting every week in August.

ADJOURNMENT

Meeting declared adjourned at 4:07 pm.

Respectfully submitted,

Linda Lane
Administrative Assistant