

BENEFITS ADVISORY COMMITTEE (BAC)

April 28, 2016

Minutes of the Meeting

[**In these minutes:** Employee Benefits Update; Identify Theft Insurance; Fairview Specialty Plan Review; Advance Care Directives]

PRESENT: Tina Falkner (chair), Ted Litman, Jodi Ebert, Terri Wallace, Sue Jackson, Pam Enrici, Cynthia Murdoch, Dale Swanson, Karen Ross, Brenda Reeves, Ken Doyle

REGRETS: Amos Deinard, Fred Morrison, Joe Jameson, Scott Marsalis, Amy Monahan

ABSENT: Sophia Benrud, Karen Connaker, Jennifer Schultz, Keith Dunder, Ken Horstman

GUESTS: Karen Chapin, health programs manager, Office of Human Resources; Kathy Pouliot, benefits services manager, Office of Human Resources; Ryan Reisdorfer, assistant health programs manager, Office of Human Resources; Ken Horstman, director, Office of Human Resources; Doug Swyter, financial analyst, Employee Benefits, Office of Human Resources; Liz Roberts, Benefits Specialist, Office of Human Resources

Tina Falkner, chair, welcomed the committee.

1. Employee Benefits Update: Karen Chapin, health programs manager, OHR, opened the meeting by announcing that Laura Manydeeds had been hired as the new wellness program administrator.

2. Identity Theft Insurance: Chapin shared information about voluntary identity theft coverage, which is a benefit increasingly being offered to employees at various companies. It is the fastest growing security-related voluntary benefit, she said, and is always offered as a voluntary benefit, 100% employee-paid.

Identity theft is the number one crime in the United States, and the fastest growing crime, added Chapin. It can take a victim up to 600 hours to clear their name and could cost thousands of dollars.

Chapin then shared the various types of identity theft:

- Credit and Financial
- Driver's License
- IRS/SSA
- Medical Insurance
- Criminal
- Child identity
- Synthetic (creation of a new identity from various sources)
- Biometrics

A list of sample benefits for a typical identity theft protection plan includes the following, she said:

- Coverage is available for employee + spouse and up to eight minors.
- Unlimited consulting with fraud investigators is included.
- It includes coverage for all types of identity theft.
- Monitoring of social security number, passports, credit, bank accounts takes place.
- Coverage pays up to \$5,000,000 to resolve any identity theft situation.
- Premiums range from \$10-20 a month for individual coverage to \$18-\$50 for family coverage.

Chapin said the Administrative Working Group (AWG) for Health Care and Related Programs at the University had expressed interest in offering this benefit to employees, so Chapin wanted the committee's opinion. Committee members stated that if the rate was a bit lower for employees, they would be interested. Sue Jackson asked if any existing vendors offer the coverage so that it could be rolled into a current offering, thus possibly lowering the cost. Chapin agreed to check. She added that some individuals already have the coverage through their homeowner's insurance.

Cynthia Murdoch and Sue Jackson agreed to serve on an RFP subcommittee for identity theft vendors.

3. Fairview Specialty Pharmacy Review: Tim Atfeld, operations, Fairview Specialty Pharmacy, shared the following results from the survey that Fairview Specialty Pharmacy sends annually to UPlan participants:

- The survey covered plan participants who filled a prescription over the past six months.
- The response rate was about 25%, or 94 surveys.
- Over all, respondents were pleased with the coverage. Customer service and prescription delivery were reported as smooth and timely.
- Around 91% would recommend Fairview to others.
- About one third reported minor service issues, usually related to coordination of delivery. A few comments focused on cost and having to use one provider.
- One member expressed difficulty in getting a limited distribution drug, which Fairview Specialty Pharmacy only had access to for individuals using Fairview Health System as their provider. This incident was resolved; the individual is now receiving the drug from Fairview Specialty Pharmacy.

Phoneko (Kao) Soundera and Ann McNamara of Fairview then provided an overview of specialty drug trends and spending for UPlan participants. Soundera said that specialty drugs are generally higher-cost drugs for the treatment of chronic and complex conditions that require extra support to manage and administer. Often these drugs are not sold at local pharmacies. Trends in 2014-2015 spending by UPlan members included the following, she added:

- Inflammatory Conditions saw a 20% increase in total amount paid.
- Multiple Sclerosis saw a 15% increase in total amount paid.
- Hepatitis C saw a 68% decrease in total amount paid.

- The per member per month cost for 2015 was \$24.29, up from \$23.22 in 2014. This was 4.6% cost increase.
- Humira and Enbrel were the highest cost drugs for 2015.
- The national cost for specialty drugs per member per month was \$29.38, compared to UPlan's cost of \$24.29.

Soundera said that often patients face barriers in adhering to their drug plan. These can be a result of a number of factors, including taking multiple drugs, suffering from side effects, effectiveness of the drug, psychosocial problems, fatigue, and financial difficulties. Understanding these barriers is the key to helping patients, she said, which is why the University decided to include Wellness Points for those who signed up for Fairview's Specialty Therapy Management program. In addition to Therapy Management, she added, services they provide include Pharmacy Counseling and Patient Financial Advocacy.

McNamara then provided an update on new drugs and drugs that are in the pipeline for distribution. She said that new orphan medications in 2014 totaled eighteen, with a total of 61 new orphan medications in the last five years. She said that there was an awareness of the need to watch for "blockbuster" medications for hepatitis C and cystic fibrosis. Drugs for inflammatory conditions have several biosimilar drugs in clinical trials, up for FDA approval or very recently approved. Other conditions such as multiple sclerosis, oral oncology, hypertension, and seizures have generic drugs in the pipeline as well, she added.

At the conclusion of Fairview's presentation, Cynthia Murdoch provided information on UPlan participant feedback from the survey distributed by Employee Benefits. She said that employees provided a total fifteen comments. The comments were very positive. They liked phone reminders for refills and follow-up calls and they complimented customer service warmth and helpfulness. The only two negative comments, she concluded, involved difficulty getting a drug from Fairview, and delays with a prescription when a patient moved from Prime Therapeutics to Fairview Specialty.

4. Advance Care Directives Discussion: In a follow-up to the previous meeting's presentation on advance care directives, committee members commented that this was a benefit they valued and think the University should pursue and market as a wellness benefit. Chapin said she liked the form the *Honoring Choices* representative had shared at the previous meeting because it was accepted by most of the hospitals in the Twin Cities, and that the organization would try to work with hospitals located near system campuses as well. Betty Gilchrist and Chapin will figure out how to work this into OHR communications plans.

Having no further business, the meeting was adjourned.

Patricia Straub
University Senate Office