BENEFITS ADVISORY COMMITTEE
MINUTES OF MEETING
APRIL 21, 2011

[In these minutes: StayWell Health Management Presentation, Proposed Benefit Reduction Discussion Vetted Through Different University Venues, Repeal of 8% Premium Cap in Health Care Reform Legislation, HealthPartners' Update, Resolutions Pertaining to Proposed Health Care Benefit Reductions]

[These minutes reflect discussion and debate at a meeting of a committee of the University Senate; none of the comments, conclusions, or actions reported in these minutes represent the view of, nor are they binding on the Senate, the Administration, or the Board of Regents.]

PRESENT: Gavin Watt (chair), Pam Enrici, William Roberts, Dale Swanson, Sara Parcells, Jennifer Schultz, Sandi Sherman, Nancy Fulton, Joseph Jameson, Karen Lovro, Michael Marotteck, Carl Anderson, Amos Deinard, Judith Garrard, Richard McGehee, Fred Morrison, Michael O'Reilly, Theodor Litman, Rodney Loper, Dann Chapman

REGRETS: Jody Ebert, George Green

ABSENT: Tina Falkner, Carol Carrier, Aaron Friedman, Keith Dunder

OTHERS ATTENDING: Mary Austin, Karen Chapin, Kurt Errickson, Betty Gilchrist, Ryan Gourde, Jason Iversen, Deb Kangas, Shirley Kuehn, Kathy Pouliot, Kelly Schrotberger, Jill Thielen, Laurie Warner

GUESTS: Staywell representatives: Holly Wipf, sales executive; Holly Scholl, strategic account manager; Mary Jane Osmick, chief medical officer; Karen Entzion, vice president of account management; David Anderson, senior vice president and chief health officer; Greg Barry, senior strategic account manager

I). Gavin Watt called the meeting to order and welcomed all those present.

II). Mr. Watt welcomed representatives from StayWell Health Management, the University's primary wellness provider beginning in 2012. To begin, the StayWell team introduced themselves:

- Holly Wipf, sales executive
- Holly Scholl, strategic account manager
- Mary Jane Osmick, chief medical officer
- Karen Entzion, vice president of account management
- David Anderson, senior vice president and chief health officer
- Greg Barry, senior strategic account manager

Ms. Scholl began by summarizing the 2010 Wellness Assessment results. In 2010, a total of 38% of UPlan members took the Wellness Assessment, which includes 52% of

University employees taking the assessment. The average age of those taking the assessment was 42.9, which was slightly higher than the StayWell book of business average age, which was 41.1. In addition, of those who took the assessment, 60% were female and 40% were male.

The top five health risk opportunities for the University are:

1. Stress 59%
2. Weight 55%
3. Cholesterol 46%
4. Eating 45%
5. Exams/immunizations 40%

Stress and weight are two of the highest cost drivers so there will be an emphasis on reducing these health risks.

Ms. Scholl then turned members' attention to a series of bar graphs containing comparison data from the current period to the prior year. Based on self-reported information, the University population is improving its health risks. With respect to weight, however, there was a slight up tick in this biometric risk.

Ms. Sherman raised the point that the Wellness Assessment does not capture people's body fat content, which is a measure of an individual's fitness level. She requested that StayWell consider adding this metric to the Wellness Assessment. In response, David Anderson stated that StayWell has the ability to capture additional numbers, and will take this suggestion under advisement.

Based on the Wellness Assessment results, the average number of health risks for UPlan participants is 2.7, which is lower than both the StayWell education book of business (3.1) and the general StayWell book of business (3.3).

Next, Ms. Scholl shared repeat Wellness Assessment participant demographics. The total number of repeat participants was 9,655. StayWell uses the repeat data to know if health risks are being reduced. A bar chart containing comparison data indicates that the number of participants with low (0 – 2) risks is going up while the number of people with moderate (3 – 5) and high (6+) risks is going up.

Repeat Wellness Assessment data also indicates that UPlan members are more compliant with their exams and immunizations than the StayWell book of business population, noted Ms. Scholl.

Moving on, Ms. Scholl provided information about the Healthy Living Program (HLP). Salient highlights included:

- Over 5,800 people participated in the program, and 96% of those who participated rated the program as good or excellent.
- The weight loss program is the most popular HLP and the Meal Planner is the most popular site tool.
- Ninety-two percent of HLP participants achieved their goals.

Karen Chapin asked about other universities that StayWell has as clients. Ms. Scholl reported that StayWell works with the University of California system, University of Michigan, Purdue University, University of Kentucy. She added that StayWell works with the Milwaukee Public Schools too.

Next, Ms. Wipf provided information about the 2012 program changes/offerings:

- Expand the on-site screening program.
- StayWell Online will be expanded.
- StayWell will become the provider for the targeted programs, e.g., lifestyle management and disease management programs.
- Points Bank will be added so UPlan participants can track their wellness incentive points balance.
- Provide a seamless, integrated experience for participants in terms of referrals to and from other programs.

Because StayWell will be the University's primary wellness vendor beginning in 2012, explained Ms. Wipf, it has expanded the team of StayWell employees who will service the account. Members' attention was turned to a diagram outlining who has been assigned to the account.

Ms. Wipf and Dr. Osmick then highlighted new wellness programming features that will be implemented. Examples include but are not limited to:

- StayWell Online Portal enhancements such as the addition of custom questions to the Wellness Assessment and the ability to electronically enroll participants into the health coaching and chronic condition coaching programs upon completion of the Wellness Assessment.
- Expansion of the lifestyle and chronic conditions programs.

Dr. Osmick then spent time providing information about the lifestyle and chronic conditions programs that StayWell will be offering. Using medical and pharmacy claims data is one of multiple ways that people will be invited to participate in the coaching programs. An important point, noted Dr. Osmick, is that StayWell believes in meeting people where they are at when it comes to getting healthy. StayWell will work with people on making changes as they are ready, and they will not push people who are not ready. With that said, if StayWell is unable to contact people it will continue to try to reach them until a connection is made. If people are not interested in participating in one of the coaching programs they simply need to say so and StayWell will respect that decision. StayWell's philosophy is that people are the best managers of their own health, and, as a result, the programs it offers provide support for people to improve their health.

StayWell's coaches are very well trained. The coaches realize that change is hard and that it is a process, and do whatever they can to help participants achieve their goals. StayWell takes a collaborative approach to making long-term, lifestyle changes versus short-term changes. A critical piece of coaching is to help people have iterative successes, stated Dr. Osmick. Coaches go through a rigorous new hire orientation and

are taught to use science-based behavior change models such as motivational interviewing, and various research-based behavioral change tools as well as relapse prevention strategies. StayWell also recognizes the importance of maintenance.

People who decide to participate in one of StayWell's programs will have options. For example, people can work with a coach, take an online course, etc. The key to helping people is to be able to offer the type of intervention that they are most comfortable with, stated Dr. Osmick.

Next, Dr. Anderson shared information on incentive design practices. Incentives have become increasingly important among employers as a tool to engage employees in health promotion activities. In Dr. Anderson's opinion, incentives, in the right context, can play an important role in health promotion.

Dr. Anderson shared evidence-based incentive best practices and highlighted the following:

- Build a culture that is supportive of health. In a supportive culture, incentives may be a catalyst to accelerate change.
- Being healthy is a shared responsibility, which needs to be communicated.
- Increase acceptance and minimize resistance to change by starting simple, communicating clearly and honestly, and staying positive.
- Incentives can be a nudge for people who are already contemplating a change to take the first step. It is important to offer activities for people at every stage of change/activation. Reasonable incentives for behavior change programs tend to work better than large incentives.
- Integrate incentives into the health plan design because this reinforces the link between personal behavior and health care costs. Incentives that are integrated into the plan design serve to make people think that what they do on a daily basis impacts the cost of their health care.
- Evolve the financial incentives with cultural preparation.

Mr. Swanson asked Dr. Anderson what he meant by modest versus large incentives. Dr. Anderson explained that generally modest incentives ($300 - $400) work better than large incentives ($700 - $800) because when incentives are large people tend to only participate in the programs for the money rather than wanting to make a lifestyle change.

The University is in the process of moving towards outcomes-based incentives, which is a positive move. Some employers are electing to tie their entire incentive program to outcomes, which StayWell does not recommend because if people are a long way from being able to achieve their outcomes, they may give up before they even start trying. It is also important to keep in mind that some people have an easier time than others of achieving outcomes for a variety of reasons, which includes physiological and genetic. A balanced approach tends to be the most effective. Therefore, people should not only be recognized for achieving outcomes but recognized for making meaningful efforts.

Dr. Anderson outlined the strategy for outcomes-based incentives:

- Increase participant requirements as culture supports health.
- Encourage annual screening and health assessment for incentive eligibility.
- Considerations if participation is “reasonable alternative standard.”
- Considerations if health goal is “reasonable alternative standard.”

Professor McGehee requested that StayWell be invited back to share more detail about incentive programming. Mr. Watt stated that StayWell will be invited back in the fall to continue the incentive discussion.

Professor Schultz asked whether StayWell will be responsible for the University’s messaging campaign about the Wellness Program. Ms. Chapin stated that StayWell in conjunction with the University’s internal Employee Benefits’ communication person will work together.

Mr. Watt thanked the representatives from StayWell for attending today’s meeting.

Once the representatives from StayWell left, Mr. Watt called on Ms. Lovro to summarize the wellness comments that were received noting that the comments were for both StayWell and Healthways. Ms. Lovro took a few minutes to highlight some positive and negative comments. For clarification, Professor McGehee made it clear that Healthways did the health coaching and not StayWell.

II). Chair’s report: Mr. Watt reported that he, Mr. Chapman and Professor Morrison have taken the proposed health benefit reduction presentation to various audiences across the University, including the Senate. Many of the same sentiments shared by BAC members were echoed across the University community.

III). Employee Benefits’ announcements: Mr. Chapman announced that the 8% premium cap was repealed from the health care reform legislation. This change, however, does not change the University’s intent to provide some level of financial relief for lower paid employees. With this legislative change, the University will have a broader range of options available to it for providing this financial relief.

Mr. Errickson asked whether the University intends to maintain the same level of support (8%) albeit in a different form. Mr. Chapman stated that he is unable to answer that question at this time, but that he would be surprised if the level of support would be significantly less than 8%.

Mr. Jameson stated that he sees the premium cap as a social benefit, and, as a result, the University should pay for it out of its general fund versus spreading the cost across the UPlan and having UPlan participants pick up the cost. Financial support for lower paid employees is really a pay increase and should be called as such. With that said, employees do not have a duty to compensate other employees when it comes to their benefits. Mr. Chapman stated that he understands this argument and that it will be taken into consideration as discussions go forward. In response, Ms. Sherman stated that

University employees have a responsibility to one another. Instead of thinking only about of themselves, people need to start thinking more socially.

In response to a question about negotiations with HealthPartners, Mr. Chapman stated that talks are on-going with HealthPartners and they will be giving a pricing proposal to Medica fairly soon. He added that it will probably be 6 to 12 weeks before negotiations wrap up.

IV). Copies of a BAC resolution crafted by Professor McGehee that expresses the committee's position on the proposed changes to health care benefits was distributed. In addition, Mr. Watt noted that the University Education Association (UEA), the faculty collective bargaining group at UMD, has also issued a position statement, which was distributed electronically prior to the meeting. He stated that the UEA resolution makes a good point and read a sentence from the UEA resolution - "A permanent reduction in the employer contribution rate to health benefits is an inappropriate policy to address a budget shortfall that may well be temporary."

Mr. Watt called for discussion on the BAC resolution. Mr. Swanson asked for clarification about a sentence in the resolution to which Professor McGehee stated that the intent was to convey to the administration that if drastic benefit cuts are necessary that these cuts should be shared equitably rather than just raising co-pays and deductibles, which hurts people who are sick more.

In response to a discussion about co-pays, Mr. Chapman made the point that there needs to be enough financial risk at the point of service (co-pay), but not so much risk that people will not seek out the care they need. The University wants to do what is right for employees in terms of being healthy and making sure they get the care they need. If people put off getting the care they need, they could end up with a worse condition that the UPlan will end up paying for in the long run. Professor Deinard suggested collecting data on UPlan members who were hospitalized for a chronic condition and then to look at the number of clinic visits they had in the year leading up to their hospitalization. Mr. Chapman stated that this is something that Employee Benefits can look into.

The committee did not endorse the UEA resolution, but encouraged UEA to send it on to the appropriate administrators. After making a few wording changes to the resolution drafted by Professor McGehee, members voted unanimously to approve the resolution.

V). The next meeting is May 5, announced Mr. Watt, and Medica will present. In light of time, he noted that the two remaining items to discuss, wellness program changes and different models for dealing with the proposed benefit cuts, would be carried over to a future meeting. Hearing no further business, Mr. Watt adjourned the meeting.

Renee Dempsey
University Senate