Benefits Advisory Committee (BAC)
June 6, 2019
Minutes of the Meeting

[**In these minutes:** Employee Benefits Update; Plan Review - Medica; Employee Comments - Medica; Prime Therapeutics Formulary Information; Other Business]

PRESENT: Tina Falkner (chair), Dale Swanson (vice chair), Jon Christianson, Fred Morrison, Candice Kraemer, Cynthia Murdoch, Susanne Vandergon, Connie Rosandich, Terri Wallace, Nancy Fulton, Kenneth Horstman, Amos Deinard, Greg Thurston, Susan Kratz, Jody Ebert, Christine O'Connor, Steff Yorek, Jennifer Schultz

REGRETS: Amy Monahan, Christine Bakke, Brenda Reeves

ABSENT: Nikos Papanikolopoulos, Kathy Brown, David Bodick, Jakub Tolar

GUESTS: Paul Crowley, senior vice president & general manager for commercial markets, Medica; Ken Dickson, senior director for product strategy & development, Medica; Kim Bachmeier, senior director for customer service operations, Medica; Dawn Fogel, strategic account executive, Medica; John Piatkowski, MD, senior medical director, Medica; Chris Weliver, director for strategic accounts, Medica

OTHERS: Karen Chapin, Ryan Reisdorfer, Mary Blissenbach, Curt Swenson, Ryan Hanson, Karen Wallin, Linda Blake, Katie Kolodge, Jean Leuthner

Chair Tina Falkner welcomed the committee, and members introduced themselves.

1. Employee Benefits Update - Karen Chapin, pharmacy programs manager, Office of Human Resources (OHR), stated that the committee will have to meet once more in the month of July in order to discuss the rates for the 2020 plan. Ken Horstman explained that the delay was due to the finalizing of the dental RFP and the submission of the proposed rates to the Board of Regents.

2. Plan Review - Medica - Falkner introduced Paul Crowley, senior vice president & general manager for commercial markets, Medica; Ken Dickson, senior director for product strategy & development, Medica; Kim Bachmeier, senior director for customer service operations, Medica; Dawn Fogel, strategic account executive, Medica; John Piatkowski, MD, senior medical director, Medica; and Chris Weliver, director for strategic accounts, Medica, to provide an overview of Medica's health insurance plans under the UPlan. The Medica team presented a slide deck and Crowley began the presentation by providing an overview of the University's partnership with Medica for the past thirteen years.

Bachmeier continued by describing some customer service metrics and stated that Medica has met or exceeded every agreed upon customer service goal. Jon Christianson noted that Medica seems to have exceeded every goal by a large margin and asked if those minimum goals could be

raised. Ryan Reisdorfer said that those goals are set during the RFP process and is something they could look at in the future. Bachmeier continued by noting the University has specialized customer service representatives dedicated to the account, including "My Advocates" for identified members who have more complex issues.

Piatkowski then discussed accountable care organizations (ACOs) and their impact on the UPlan. ACOs are networks or teams of health care providers (such as clinics, hospitals, doctors, and specialists) that collaborate with Medica to make healthcare more efficient and improve the member experience. Medica offers six different ACO plans and enrollment has grown steadily over the past five years from 5% of UPlan subscribers in 2014 to 20.1% in 2019. The VantagePlus ACO is the most popular of the six plans. Fred Morrison asked if there was a difference in cost savings across each of the ACO plans. Piatkowski replied that the cost savings are relatively uniform. Finally, Piatkowski provided information regarding Medica's electronic medical records program, "Epic", which provides accurate information to providers and uses metrics to reduce readmission rates among patients.

Dickson then provided statistics regarding the UPlan's enrollment over the past four years which, again, showed a steady movement from members in the Elect/Essential plan to more ACO plans. He also provided information showing that the number of high cost claims are rising faster than non-high cost claims which contributes to the rise in patient out-of-pocket costs. Much of this increase is related to the rise in cost for specialty medications. Medica is working to make sure that members have information regarding the appropriate sites to visit for each medical issue, whether it be a nurse phone call, convenience care, office visit, or urgent or emergency room visit. Christianson commented that while the cost of retail clinic visits are low, research has shown that they often require referrals for other services which actually adds to the cost for patients. Dickson said that these sorts of visits help to treat those that would not otherwise seek medical attention. Crowley added that these are interactions that Medica is constantly tracking. Christianson agreed that there is virtue to these services. Dickson further commented that in order to further curb costs, Medica representatives meet often with University representatives to address medical pharmacy costs in order to understand trends in the industry.

Finally, Fogel provided information regarding member feedback. In 2018, Medica's survey yielded an overall 84% satisfaction rate which was in line with responses from the previous three years. The most frequent criticisms dealt with the number of referrals often needed, not having a vision plan, and a dissatisfaction with certain gyms not being included in the "Fit Choices" program. Terri Wallace commented that she has enjoyed the transition to ACOs. Her doctor was previously only available on the National plan but is now on an ACO, saving her a lot of money.

4. Employee Comments - Medica - Dale Swanson provided the results of the BAC survey for the Medica Elect/Essential plan. The survey received 338 comments. The vast majority (61.5%) commented that they were satisfied with the plan. There were also several comments regarding communication and administration (30), billing and coverage (28), and referrals and networks (27). He also mentioned a story of note where a person receiving a regimen of physical therapy must pay a copay each time and those costs can really add up quickly. Finally, there were a few comments about the struggles to find affordable glasses and contacts. Greg Thurston asked why

the University has no standalone vision plan. Horstman replied that finding a network for the entire population that would provide a value is very difficult, but it is something the University could consider in the future.

Falkner then provided the results of the BAC survey for the Medica ACO plans. The survey received 111 comments of which about 80% were satisfied. Those who found the plan positive said that they liked the plan designs, lower costs, and good customer service. Some negative comments included similar concerns in the Elect/Essential plan. Many wanted more vision coverage while others had concerns with mental health providers not accepting the insurance in-network. Additionally, there was feedback that mentioned there are too many websites and passwords to remember due to the variety of providers and systems in each plan.

Finally, Falkner presented the results of the BAC survey for the Medica National, Regional, and Health Savings Account (HSA) plans which were compiled by Amy Monahan who could not be in attendance. The National plan had 71 comments of which 61% were positive. The most common complaint about the plan was the very high costs and inaccurate coverage and provider network information. The Regional plan had 46 comments of which 57% were positive. Common criticisms included poor coverage for chiropractic services and choice of provider. The Medica HSA plan had 34 comments of which only 38% were positive in nature. The most common concerns with the plan included high deductibles, separate out-of-pocket maximums for medical and pharmacy costs, and issues with account balance rollover. Some members also wished they could use a vendor other than Optum.

5. Prime Therapeutics Formulary Information - Chapin provided a document describing a plan to transition the UPlan's formulary for medications from Prime Therapeutic's Accord formulary to Prime's NetResults formulary. There are specific strategies on the UPlan formulary that are improved when using Prime's NetResults formulary, including:

- More significant focus on generic equivalents under the NetResults lowest net cost approach
- Drugs that are not FDA-approved are not included on the NetResults formulary, so the member's provider will need to recommend an alternative medication.
- There are some drugs that are no longer considered safe by Prime's P & T Committee. If the member wants the medication, the member will need to check with his or her provider for an alternate medication from the NetResults formulary.
- Providers and members will need to remove coverage of institutional packs which are not included on the UPlan formulary.
- Avoiding coverage of high cost brands and generics when lower net cost alternatives are available on the NetResults formulary.

Chapin stated that with help from Prime Therapeutics and a thorough review from Steve Schondelmeyer in the College of Pharmacy, the University has been able to identify additional medications where they believe the UPlan can save between $300,000 to $325,000. These savings numbers assume that our members and their providers can transition from their current Accord formulary drug to a UPlan formulary drug using the NetResults formulary.

Jody Ebert said she does not agree with this transition because not all drugs are the same and some generics do not have the same effect as the brand medications. Chapin stated that there is an appeal process for individuals who have particular needs but this change should help a majority of UPlan members. Steff Yorek asked how long the appeals process typically takes. Chapin stated that an appeal can take up to two weeks. Chapin also mentioned that sensitive drugs that deal with issues such as seizures and depression will be left on the formulary. Morrison added that it would be helpful if the letter that goes to members about how to appeal was more clear. Connie Rosandich expressed concerns that doctors aren;t always aware of the generics when prescribing medicines. Chapin said that a pharmacist is the one who will assist in transitioning the brand to the generic version of the medication.

6. Other Business - Ebert announced that she will be retiring from the University in July and this will be her last meeting as a member of the committee. She thanked the committee members for the many years of constructive conversation as well as the friendships she made along the way.

Hearing no further business, the meeting was adjourned.

Chris Kwapick
University Senate Office