

CHAMPAIGN COUNTY
Health Insurance Committee Minutes

Tuesday, May 15, 2012 – 3:00pm
Lyle Shields Meeting Room
1776 E. Washington St., Urbana, IL

MEMBERS PRESENT: Astrid Berkson, Donna Blumer, Deb Busey, John Farney, Stephanie Holderfield, Josh Jones, Tea Jones, Barb Doyle-Little, Brian Mennenga, Debbie Mennenga, Brad Morris, Josh Reifsteck, Ed Sexton, Amanda Tucker, Debi Young,

MEMBERS ABSENT: Michelle Mennenga, Elizabeth Murphy, Steve Ziegler

OTHERS PRESENT: John Malachowski

CALL TO ORDER

Busey called the meeting to order at 3:13 pm.

APPROVAL OF MINUTES

Motion by Farney to approve the minutes of March 13, 2012, as presented; seconded by Berkson. **Motion carried unanimously.**

FY 2012 FIRST QUARTER CLAIMS REVIEW

Malachowski explained that the reports passed out at the March meeting were not audited. The claims have since been audited and the number of physician charges went down about \$147,000. The claims for the 1st quarter of this year are significantly higher per member per month than the annual total last year. Malachowski stated that there are many smaller claims and it is not unusual for the 1st quarter to have a high number of claims. He will have 2nd quarter claims numbers at the June meeting. Malachowski noted that a fluctuation in claims will be seen each quarter and that a conclusion can't be drawn from one quarter. He stated that the target for the County to pay is 22% of costs and thru April plan is at 3.69% of costs.

PHARMACY CLAIMS CONCENTRATION REPORTS

Malachowski went over two reports regarding pharmacy claims. He explained the first was the top 20 drug labels by total claims. He noted 4 drugs that are used to lower cholesterol and that the number of claims for these drugs wasn't unusual for a group this size. He then pointed out brand name Crestor. The total paid, even though there were fewer claims, was more than the other three combined. It is a more aggressive drug, therefore more expensive, and sometimes preferred by doctors over generics. He went on to say that no one is going to force a participant to use a generic if their doctor specifies the brand name. The purpose of this report is to find the brand names that have generic alternatives and notify the participants of possible savings. Malachowski noted the vast majority of claims for this group are already generic.

The second report that Malachowski explained was the top 20 drug label names by total cost. He stated that the costs were significantly higher than the other report but with far fewer users. He explained the reason for this was that this list has brand names on it that have no generic alternative. Malachowski noted that a generic for Plavix just became available and that

the plan would be reaching out to current users letting them know of the availability and potential savings.

Farney suggested that these reports be made available to participants so that they can see how much the plan covers and that it is actually doing its job.

WELLNESS SURVEY

Malachowski went over an example survey that was used in Macon County. He stated that the survey can have whatever questions the group wishes but suggested that it be kept to 15-18 questions or people would lose interest and not complete. He suggested that this group, or a subset of this group, get together and revise this survey to meet its needs. Malachowski stated that the #1 incentive people chose was PTO, but Macon County went with the #2 most picked incentive which was medical deduction credits. Berkson mentioned a Y membership as an incentive. Response was that it is an expense the County probably doesn't want to take. Sexton asked about use of the gym in the Park District. Busey stated that County employees can get a Park District membership at the resident rate, but wasn't sure about the use of the gym. Holderfield mentioned a new fitness club and the possibility of getting a group discount. Busey said the County couldn't sanction one business over another.

B. Mennenga asked about the deductible credit. Malachowski explained it using Macon County as an example. He noted that their deductible is \$600/year. If a plan participant provided proof of a routine physical and completed an online health evaluation, they would receive a \$150 credit towards their deductible. Busey stated that there currently is no deductible, but that if one is put in place in the future the deductible credit incentive could become part of the plan. Young felt that people who are genetically disposed to certain health issues would be penalized because they wouldn't meet the criteria for a deductible credit. Malachowski explained that a doctor could confirm a patient is complying, therefore would be eligible for the deductible credit. Berkson felt that adding a deductible then giving an incentive to reduce it is punishing those that are unhealthy. D. Mennenga suggested that the amount of money in a participant's health reimbursement account could be increased if specifications are met which penalizes no one. Busey noted that the issue of a deductible will come up in the future as part of the County becoming self-insured. Tucker mentioned considering an option of providing a credit to those employees who don't need County insurance. Busey responded she wasn't sure that issue would fall to this committee.

Busey stated an email will be sent with a summary of what was said about the survey, and would like responses sent to D. Mennenga before the next meeting, with the goal of being able to send a survey to employees by August.

Malachowski provided handout about introducing a wellness program.

OTHER BUSINESS

None

ADJOURNMENT

Meeting declared adjourned at 4:10 pm.

Respectfully submitted,

Linda Lane
Administrative Assistant