

## ST. LOUIS COUNTY HEALTH INSURANCE COMMITTEE

The St. Louis County Health Insurance Committee met on Wednesday, October 18th 2023 at 9:00 a.m. via Webex. The meeting was called to order by Jim Gottschald, Committee Co-Chair.

Members Present:	Ashley Lehmann	Mike McDougall
	Heather Niefeldt	Tom Stanley
	Jim Gottschald	Stephanie Lundgren
	Sasha Lehto	Michael McDougall
	Krista Shopp	Kevin Gray
	Kim Maki	Gordy Halverson
	Nancy Nilsen	

Others Present:	Jeff Coenen	Tiffany Kari Cizmas
	Beth Menor	Dave Kuschel
	Jolene Jamnick	Kim Hoffmocker
	Leanne Barker	Colleen Effinger
	Arni Zopfi	Collin Gravalin
	Marti Trabert	Narina Farber
	Nate Skelton	

The September minutes were approved by consensus with some pending requested changes by Stephanie McKinnon. Ms. Menor stated that she would be revising and resending the September minutes.

### PRESENTATIONS

1. The first item from the agenda under Presentations was the *Health Care Insight Report* by the BlueCross and BlueShield of Minnesota (BCBSM) team (04:30). The report parameters shared were as follows:

#### **Time Periods:**

- 2Q23 (Reporting): Incurred January 2023 – June 2023, paid through August 2023
- 2Q22 (Comparison): Incurred January 2022 – June 2022, paid through August 2022
- 2Q21 (Prior): Incurred January 2021 – June 2021, paid through August 2021

#### **Population:**

- Includes all members unless otherwise noted

#### **High-cost claimants:**

- Members with  $\geq$  \$75,000 plan spend within a period

**Pharmacy** dollars are included in Total Plan Paid and PMPM values

#### **Benchmark (BM):**

- BCBS of MN Self insured commercial clients including pharmacy and excludes age 65+ members (2022 Reporting Period)

Marti Trabert reviewed the medical portion of the report and highlighted the following:

- Membership count was down 2%
- Per member per month (PMPM) increased by 19%
- Remove one high-cost member and PMPM only increased by 5%
- Preventive Screening utilization was above benchmark
- Member cost share was 9% of total spend, benchmark was at 18%
- Overall trend was up 11%, benchmark up by 9%
- The 25 high-cost cases accounted for 24% of total spend

Narina Farber reviewed the high cases portion of the report and highlighted the following (0:10:45):

## HIGH-COST POPULATION \$75K+ OVERVIEW

- 25 cases (down 3) and \$4M in spend, increase of \$575k vs. Q2 2022
- Gastroenterology had the largest spend decrease of \$450k
- Top 10 cases total \$2.6M and represent 64% of high-cost spend
- Neoplasm, psychiatry, and orthopedics & rheumatology cases represent 70% of high-cost spend

### #1 Neoplasm (8)

- \$1.8M in high-cost spend (44%)
- Stable case numbers, the largest spend increase of \$790k
- Breast cancer (3) is the most prevalent diagnosis
- 4 cases in the top 10 spend
  - #1 lymphoma, \$910k
    - 22% of all high-cost spend
  - #5 breast cancer, \$170k
  - #7 bile duct cancer, \$150k
  - #10 breast cancer, \$130k

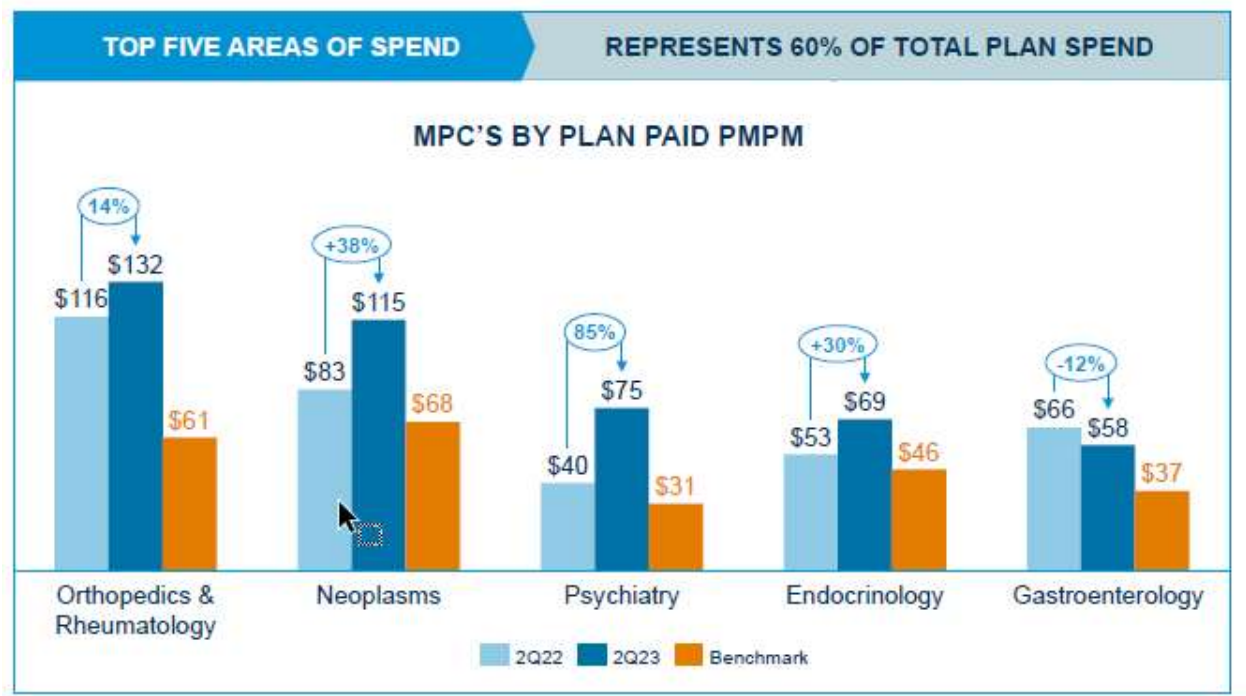
### #2 Psychiatry (3)

- \$545k in high-cost spend (13%)
- Increase of 3 cases, spend increase of \$540k
- Mood disorder (2) and autism (1)
- 2 cases in the top 10 spend
  - #3 mood disorder, \$290k
  - #6 mood disorder, \$170k

### #3 Ortho & Rheumatology (4)

- \$510k in high-cost spend (13%)
- Increase of 1 case, spend increase of \$240k
- Joint degeneration of back (1), joint degeneration of neck (1), juvenile rheumatoid arthritis (1), and scoliosis (1)
- 2 cases in the top 10 spend
  - #4 scoliosis, \$180k
  - #9 joint degeneration of neck, \$130k

Marti Trabert continued to review the medical portion of the report and shared the following major practice categories that were considered spend drivers (0:20:00):



- Under Neoplasms, the top three categories in order by spend were 1)Lymphoma, 2)Breast and 3)Colon Screenings
- 104 members had enrolled in Hinge Health
- Behavioral Health utilization increased by 11%, highest utilization demographic was teenage dependents
- 800 members were taking an anti-depressant
- Average age was 34.3 years, benchmark average age was one year younger
- The St. Louis County Self-Insured plan (the Plan) had more dependents and more females than the benchmark
- 19% of emergency room visits were potentially avoidable with sprains and strains as the most common diagnosis
- Urgent care utilization increased by 13% while e-visits decreased by 11% with infections being the most common diagnosis with less costly treatment options.

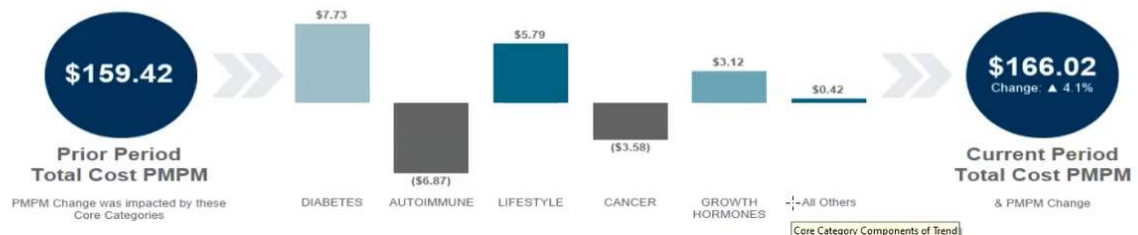
Marti agreed to incorporate some adjustments in benchmarks on future reports to reflect the differences in market pricing and illness burden.

Beth Menor agreed to work with Tiffany Kari Cizmas on a communication campaign to remind and encourage employees to utilize e-visit benefit.

Arnie Zopfi reviewed the prescription drug portion of the report and highlighted the following (0:54:55):



### Core Category Components of Trend



- Specialty medications had a decrease in trend and fell below benchmark, rheumatoid arthritis still accounted for 40% of total specialty spend.
- Flex Access coupons are credited to member contributions so the member contribution statistic was and will continue to be inflated
- Flex Access saved the Plan \$309,000 during the reporting period
- Plan members averaged one additional script per member for a total of 880 additional scripts
- There was a decrease of 77 in membership count
- Ozempic and Wegovy account for the increase in Diabetic and Lifestyle categories and this was not unique as it was the case industry-wide

Arnie agreed to follow up with average wholesale costs of both Ozempic and Wegovy.

2. The next item from the agenda under Presentations was a *BlueCross Advisor Demo* by Colin Gravelin of BCBSM (1:25:30). Colin highlighted the following from his handout:
- BlueCross Advisor (BCA) is a digital solution that replaces the member portal, the BCBS app and the Sharecare app.
  - Login credentials will carryover from 2023 to 2024
  - IBM Watson will feed and use data analytics to drive the member experience
  - Prime Therapeutics is completely integrated into BCA
  - The Reward Center in BCA will contain a health assessment that will replace the real age test given by Sharecare and it will not be a requirement for engagement or rewards
  - Get Active assigns points to members for steps, activity, health plan engagement and healthy habits

Tiffany Kari Cizmas and Beth Menor agreed to inform the committee about the sweepstakes function in BCA at the December meeting.

### OLD BUSINESS

3. The first item from the agenda under Old Business was the *Travel Reimbursement Program* by Sasha Lehto, the Merit Basic Committee representative (1:55:30). Sasha provided personal testimony of her need for medical care at Mayo clinic and her spouse's travel benefit administered by Cleveland Cliffs. She requested the health plan adopt a similar program.

Beth Menor provided an overview of the standard BlueCross BlueShield Travel Benefit that was currently in place for one narrowly-defined transplant:

- One of three lifetime maximum options per member:
  - \$2,500, \$5,000, or \$10,000. An administrative fee of \$.20 PCPM will apply if choosing the \$5,000 or \$10,000 thresholds.
- No age restrictions apply.
- The travel benefit applies only when services are not available from any treatment facility (50 or more miles) or (100 or more miles) from the member's residence. Customized travel radius incurs \$.20 PCPM fee.
- If eligible for the travel benefit, the Plan will not restrict facility location that the member chooses for treatment except for international travel
- Blue Cross will not reimburse for international travel.
- All reimbursement amounts for lodging and mileage will follow IRS guidelines. Current medical mileage is \$.22/mile. Exclusions include meals, gas, vehicle rental, utilities, childcare, security deposits, cable hook-ups, dry cleaning, laundry, pet care, and personal items.

- Daily limits apply. \$50.00 per patient and \$50.00 for support companion per day with a maximum of \$100 per day.
- Members are required to submit a travel reimbursement claim form with valid receipts to obtain reimbursement. Receipts are required for lodging and transportation.
- Travel benefit applies to covered medical services only. If the service is not eligible under the group health plan, travel reimbursement is also not eligible.
- BCBS is unable to gatekeep (i.e., who is referring MD/why they are not getting this care locally, etc.), when a claim comes in, the distance requirement is validated and paid if within set parameters.

Beth Menor also provided some utilization statistics for the Mayo system in Rochester. In 2022, the Plan had 4 members with 9 inpatient stays. The average stay was five nights. The Plan had 174 visits to Mayo Clinic by 37 unique members.

Beth Menor shared data from a prior meeting that compared our average claim costs at five different regions across the state of Minnesota. She pointed out that the Rochester area was almost exactly double the cost of our area.

Discussion ensued over the pros and cons of a broadened travel benefit. Discussion points included:

- Same reimbursement is available through flexible spending
- Flexible spending is not always an option because of timing and unpredictable medical expenses
- Many who utilize healthcare at the Mayo or University systems cannot get local care for their complex medical conditions
- The Mayo system has discounted accommodations and parking
- Internal administration would give employer access to employees' private medical information and force difficult decision making, two conundrums the County has been careful to avoid for decades now
- Cost would be \$0.20/per contract per month unless reimbursements include medical travel from the Iron Range to Duluth
- A travel reimbursement program would help to equalize healthcare access for those who live further from major medical centers
- Jeff Coenen and Dave Kuschel testified that mileage reimbursement programs are not common but not unheard of and are typically offered by multi-national companies
- Medical assistance provides a travel benefit to members
- Spreading travel costs amongst all Plan members is tenable for members who have no other options but not as tenable for members who choose Mayo first or choose it as a second opinion

- Medical travel insurance policies, if they exist, may be a viable alternative
- Knowing the miles radius we travel for medical care now would be helpful in determining a miles radius parameter

Further discussion was tabled for the December meeting.

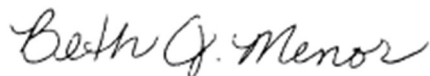
4. The next items from the agenda under Old Business were tabled for the December meeting. These were an *Update on Medicare Supplement Plans* and the *Hearing Aid Medical Policy*.

#### NEW BUSINESS

5. The first item from the agenda under New Business was the Auditor's Financial Report by County Auditor, Nancy Nilsen (3:11:20). The Auditor's report projected the 2023 year-end health fund balance to be \$18,999,399, a net gain of \$373,024 from the year prior. The year-end projection at the prior meeting in October was \$18,728,456. Nancy expressed her satisfaction with the current projection.
6. The next item from the agenda under New Business, a *Wellness Program update*, was tabled for the December meeting.
7. The first item under Other Business was notice that the open enrollment announcement would hit email inboxes on October 31<sup>st</sup> and the benefit fairs in Duluth and Virginia would occur on November 2<sup>nd</sup>.
8. The next item brought up under Other Business was a reminder from Tom Stanley that flu shots (as well as COVID and RSV) are now available and members can get them at participating retail pharmacies.

With no further business the meeting was adjourned.

Respectfully submitted,



Beth J. Menor  
Senior Benefits Advisor