

ST. LOUIS COUNTY HEALTH INSURANCE COMMITTEE

The St. Louis County Health Insurance Committee met on Wednesday, October 19, 2022 at 9:00 a.m. via Webex. The meeting was called to order by Gordy Halverson, Committee Co-Chair.

Members Present:	Angie Mattsen	Timothy Rasch
	Tom Stanley	Katie Finc
	Jim Gottschald	Stephanie Lundgren
	Sasha Lehto	Michael McDougall
	Krista Shopp	Kevin Gray
	Kim Maki	Gordy Halverson
	Nancy Nilsen	Judy Walhberg

Others Present:	Jeff Coenen	Narina Farber
	Beth Menor	Marti Trabert
	Dave Kuschel	Jolene Jamnick
	Arnie Zopfi	Colleen Effinger
	Kim Hoffmocker	Leanne Barker
	Ben Martin	

The September minutes were approved by consensus with some requested changes from Stephanie McKinnon (1:45).

PRESENTATIONS

1. The only item from the agenda under Presentations was the *Health Care Insight Report* by the BlueCross and BlueShield of Minnesota (BCBSM) team (04:10). The report parameters were shared as follows:

Time Periods (Incurred basis each with 2 months runoff):

- 2Q22 or "Reporting": Incurred January 2022 - June 2022, paid through August 2022.
- 2Q21 or "Comparison": Incurred January 2021 - June 2021, paid through August 2021.
- 2Q20 or "Prior": Incurred January 2020 - June 2020, paid through August 2020.

Population: Includes client's entire population unless noted otherwise. Prime Therapeutic pharmacy claims Included.

High-Cost Claimants: Members with \$75,000 or more plan spend within a period.

Benchmark: Includes the BlueCross National accounts. It includes pharmacy claims and excludes ages 65+ and is based on January 2022 to June 2022 dates of service, paid through August 2022.

Benchmark values will be represented in orange font throughout this presentation







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

- Our membership is a little older, our family size a little larger and we have more females than the benchmark population
- Per member per month (PMPM) cost was \$675 during the reporting period, up 8% over the comparison period which was up 19% over the prior period which was down 1% from 2019 (likely due to reductions in utilization during the pandemic)
- Member cost share was 8%, half that of the benchmark population
- The top six major practice categories in order from highest were: Orthopedics/Rheumatology, Neoplasms, Gastroenterology, Endocrinology, Preventive and Psychiatry
- The top four of the top six major practice categories were impacted by high cases
- Our 378 per thousand telehealth visits for mental health surpassed the benchmark of 314
- Emergency room utilization was up and above the benchmark but needed as there was no evidence of inappropriate use
- Our members continue to embrace electronic technology, surpassing the benchmark with utilization of e-visits, including e-visits for depression
- Prevention care was well utilized and exceeded the benchmark utilization
- Top five chronic conditions by prevalence in order from highest were Hypertension, Depression, Hyperlipidemia, Lower back pain (not common) and Diabetes

Narina Farber reviewed the high cases portion of the report and highlighted the following (0:26:00):

- 28 cases (up 2) and \$3.5M in spend, down ~\$100k vs. Q2 2021
- Top 10 case spend is \$1.8M, 53% of overall high-cost case spend
- Top 10 spend driven by neoplasms (5), endocrinology (1), neurology (1), urology (1)
- Top 3 categories are neoplasms, gastroenterology, and neurology and accounted for \$2.1M and 62% of overall high-cost spend

Arnie Zopfi reviewed the prescription drug portion of the report and highlighted the following (0:35:30):

 <p>\$150.86 Plan Paid PMPM ▲ 6.7% Benchmark \$114.89</p>	 <p>87.3% Generic Utilization Rate ▲ 0.8% Benchmark 87.4%</p>	 <p>5.4% Member Contribution ▲ 0.0% Benchmark 11.7%</p>
 <p>58.2% Specialty % of Plan Paid PMPM \$87.81 Specialty Plan Paid PMPM Benchmark 56.7% \$65.17</p>	 <p>\$116.02 Plan Paid per Claim ▲ 3.3% Benchmark \$104.51</p>	 <p>\$7,397 Specialty Plan Paid per Claim ▲ 3.7% Benchmark \$7,315</p>

- Specialty medication decreased by \$28,000 from the comparison period while traditional spend went up by \$125,000.
- Our members have two scripts more than the benchmark on average
- 80% of our specialty spend was for Rheumatoid arthritis

OLD BUSINESS

2. The only item from the agenda under Old Business was preliminary reporting on the *Dental Survey* by the Dependent Dental Subcommittee (0:59:45). Ms. Shopp shared that the survey had 467 respondents. Of those who responded, 299 were enrolled or interested in enrolling. Of this 299, 75% wanted the family dental coverage to match the employee coverage even if it cost more. Ms. Shopp committed to further reporting in February after the subcommittee had a chance to meet and review the results in detail.

NEW BUSINESS

3. The first item from the agenda under New Business was *Transparency in Coverage* (1:01:30). Ms. Menor made known the existence of the recent TIC or Transparency in Coverage law and its various components and timetable. A machine-readable pricing list was already implemented and could be found on the BCBS website but Ms. Menor cautioned that it reads more like a data file than a guide. Coming on January 1, 2023 would be a price comparison tool with a member friendly interface in member's portals at www.bluecrossmn.com. The tool would include total pricing as well as cost share and other relevant information like the need for prior authorizations, notice of the risk of being balance billed and balances on deductibles and out of pocket caps. The tool would be available on a very specific list of 500 medical procedures/services in 2023 and then available on all procedures/services in 2024. Ms. Menor committed to scheduling a demo for the committee by BCBS in 2023.
4. The next item from the agenda under New Business was the *Auditor's Financial Report* (1:06:30). County Auditor Nancy Nilsen's report projected the 2022 year-end health fund balance to be \$19,415,797, a net gain of \$95,892 from the year prior. The year-end projection at the prior meeting in September was \$20,392,325. Ms. Nilsen commented that revenues were down and expenses up from earlier estimates. She expressed concern over the drastic short-term change in the financial state of the health fund.
5. The next item from the agenda under New Business was a *Total Wellness Update* (1:09:00). Beth Menor shared notes prepared by Tiffany Kari Cizmas who was not able to attend the meeting. Beth Menor shared these highlights:

- The Civic Center Farmer's Market moved to the Depot
- The annual Health Fair would return to an in-person format on Thursday, November 3rd in Virginia and Duluth while the Benefits Fair would remain virtual this year
- The 3rd annual Pie Burner 5K and activity challenge, kicked off in 2020 as a way to stay motivated during the pandemic, will be returning but this year St. Louis County will be competing against the City of Duluth
- The green light on fitness space in Hibbing Annex basement arrived, the architect will draft a quote before next steps are taken

OTHER BUSINESS

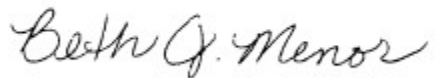
6. Items brought up under Other Business (1:12:00) by Sasha Lehto and Krista Shopp were:

- Fitness centers in all County GSC buildings
 - James Gottschald shared that the fitness space in Virginia GSC was cut out of preliminary building plans and that a fitness space in Cook would require a partnership with the Teamster Health and Welfare plan as it is a shared facility with public works
- Mayo Clinic & University of Minnesota Physicians assigned to Tier 1
 - James Gottschald committed to ask BCBSM provider contracting staff to reach out to Mayo clinic but he conceded that there was little to no incentive for the Mayo clinic to reduce their pricing to tier 1
- Medical travel expense reimbursement
 - Beth Menor shared that our plan follows the state-wide BCBSM standard template which allows for reimbursement of travel expenses for some organ transplants and for gene therapy. Kim Hoffmocker and Sasha Lehto asked for additional medical treatments/categories to be added.
- Lasik coverage
 - Mr. Coenen and Dave Kuschel shared that their entire book of business offer Lasik discounts but not coverage. Their theory on the reasoning for discounts instead of coverage was because Lasik is a convenience rather than a medical necessity. In addition, pricing varied greatly and Lasik typically comes with a substantial price tag. Beth Menor shared that flexible savings accounts were available and result in over a 30% reduction in price on top of the discount received at the provider. Kim Hoffmocker testified that there were no local providers in the Davis vision discount network. Beth Menor and David Kuschel committed to reaching out to Davis vision to request they recruit local providers.
- Hearing Aid Coverage
 - Kim Hoffmocker asked for this coverage to be revisited. Beth Menor shared a recap of when the Committee last evaluated hearing aid coverage. The Committee decided against adding the coverage about three years ago, citing low success rates, wide range of prices and lack of coverage for them in the broader health insurance market. Beth

Menor added that the FDA recently approved over-the-counter access to some hearing aids for mild hearing loss. She also added that there was a hearing aid discount network through Amplifon for Delta Dental members.

With no further business the meeting was adjourned.

Respectfully submitted,

A handwritten signature in cursive script that reads "Beth J. Menor". The ink is dark and the signature is fluid.

Beth J. Menor
Senior Benefits Advisor