

St. Michael's

## UA Staff Health Care Committee

### Minutes

November 4, 2010 1:30-3:30

1-800-893-8850, participant PIN 4236369#

Summary of Current Pharmacy Plan Design (p. 8)  
PowerPoint on Budget Implications for Health Care  
PowerPoint on Potential Plan Design Changes  
Excel Summary of Potential Plan Design Changes

## St. Michael's

- b. Questions and issues addressed will be listed here where they arose. Discussion of the pros and cons of these suggestions is addressed in the next section.
- c. Excluding Nexium on the plan
  - i. Is it possible to get data on the number of people on Nexium who tried other meds in the same drug class
- d. Mail order for maintenance (those taken monthly) meds
  - i. Data on spoilage, but none on things getting lost in the mail. Is data available?
  - ii. Would it be possible to exempt liquid maintenance meds from this requirement, since they're more susceptible to damage?
- e. High Deductible Health Plan/Health Reimbursement Account
- f. Intent is to make employees more aware of the actual cost of services and meds, rather than just the portion or copay they currently pay. The hope is this will drive behavior. With HRAs, funds can be rolled

Summary of Proposed Potential Plan Design Changes for FY12

Pharmacy Potential Opportunities

Description	Amount Saved	Notes	SHCC Questions	SHCC Comments
				<p>Concerns of medical problems if we take away the only effective statin drug options.</p>
<p>Exclude all Non-Sedating Antihistamine (NSA) drugs from pharmacy plan and implement a \$5 copay for NSA's (asthma, COPD, allergies, diabetes, ICD, OTC NSA's)</p>	<p>\$ 44,900 85,500</p>	<p>Multiple OTC alternatives. Fairly</p>		<p>Discussed concerns as above, and saves us</p>
<p>Increase differential between retail and OTC same</p>	<p>\$ 140,000</p>	<p>Substituting generic for brand name. Retail tiers would be at \$5/\$25/\$60 conditions.</p>	<p>March 2011. This generic is not yet available. Look at</p>	<p>Generic brand. Primary supplier. Health and</p>
		<p>widely adopted.</p>		<p>A stretch to implement this one at this time. Don't like taking</p>
				<p>Mail ordering occurs, with justing, but related</p>
				<p>is implemented, this version is highly preferred.</p>



## Summary of Proposed Potential Plan Design Changes for FY12

Description	Amount Saved	Notes	SHCC Questions	SHCC Comments
Reduce university share (83%) of total cost to plan		Dependent on CBA negotiations; achieved by increasing employee share		Acknowledging that this is CBA-dependent, we did not discuss this option.
8 Tiers for employee contributions (replaces 4 tiers for employee, employee/spouse, employee/child, and family)		Different tier for dependents 1-3 for employee & employee plus spouse: EE, EE +1, EE +2, EE + 3, EE + SP, EE/SP +1, EE/SP +2, EE/SP +3 New way of distributing costs, unlikely to save money but may control the risk.		Supportive of this.
Spousal surcharge for covered working spouses who have another option for health care benefits		Typical amount is \$50/month. Shifts risk, don't know uptake so hard to project savings.	Would like more information about reference to ASEA (20%) plan if this is a concern, and answers to questions about other coverage that might trigger the surcharge (seasonal coverage, retirement coverage, native health care coverage, etc.)	Concerns with this one, particularly as it relates to the numerous areas where we need more information.
Tobacco surcharge		Typical amount is \$50/month. Offer smoking cessation program. Short term savings unclear.	Could it be easily removed if the tobacco user quite?	Decent idea. Would like more information about how it could be ended if the member quit. Surcharge that could be easily removed would be supported.
Charge Part-Time Employees more for benefits than Full-Time employees	\$ 179,000	Part-timers typically cost more to the plan. Members affected: 299.	Need more data on whether our PT employees are actually spending more.	Only supportive if the data actually back this up for our employees. Would this be a straight \$50 surcharge, or more for dependents?
Exclude high risk activities		Sky diving, bungee jumping, operating motorcycle or plane, scuba diving, hang gliding, rock climbing, parachuting, parasailing		Too undefined, concern about the list of activities expanding in the future

Summary of Proposed Potential Plan Design Changes for FY12

Other Potential Opportunities

Description	Amount Saved	Notes	Notes
Implement medical tourism (cover travel expenses for patient & another person to have certain procedures done in Puget Sound)		For each knee replacement done in Seattle and not Fairbanks UA could save \$46K. 43 knee replacements, 29 hip replacements, 26 discectomies in FY10.	Excellent idea, strong support
Pilot onsite medical clinic in Fairbanks or Anchorage		Unlikely to be implemented in FY12 due to startup logistics	Great thing to reduce costs and make health care services more accessible.