



## 2014-2015 Benefits Committee

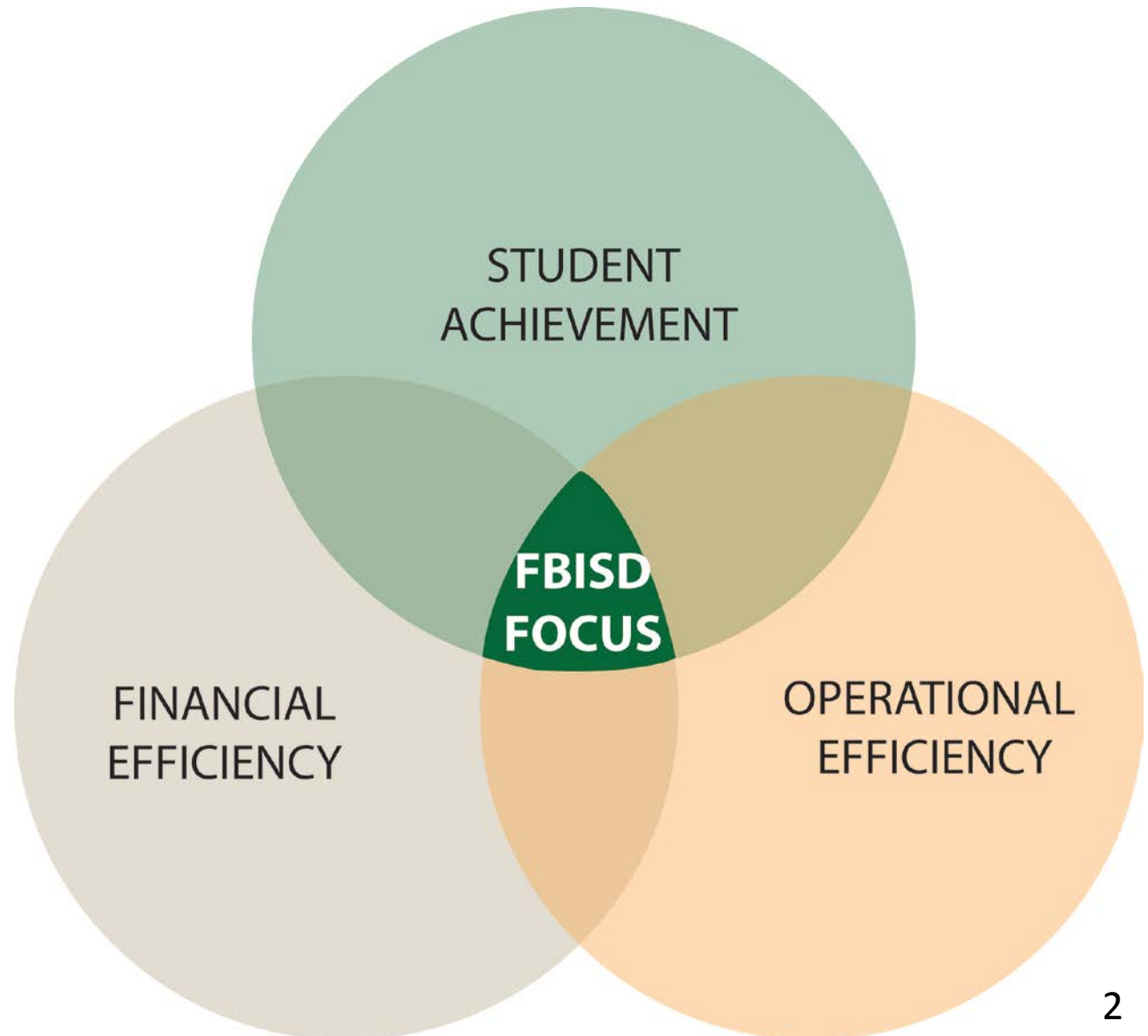
May 28, 2015

**PLEASE Sit at least 5 to a table**



INSPIRE • EQUIP • IMAGINE

## Our Focus



## Our Goal for the Benefits Committee

Goals will be to help assure current insurance benefits are appropriately structured and financed to support institutional needs, including recruiting and retaining faculty and staff.

**And... to control claims and not have employee premium increase for 2016-17!!!**

## January - April 2015 Health Plan Performance

FBISD Contributions	\$13,367,914
Employee Contributions	\$7,344,220
<hr/>	
Total Revenue for Health Plan	\$20,712,134
Plan Expenses	
Fixed Cost	
Administration Fees	\$1,802,324
Stop Loss - \$450,000	\$719,757
Affordable Care Act Fees	\$151,668
<hr/>	
Total Fixed Cost	\$2,673,749
YTD Claims	\$15,149,060
Total Expenses	\$17,822,809
YTD Surplus	\$2,889,325

## Medical Plan Financials Year to Date

- While still early in the plan year, January through April total claims have realized a -5.6% decrease on a per member per month basis over calendar year 2014
- Medical claims have decreased by -7.4% while pharmacy costs have increased by 1.9%
- Fifteen individuals have exceeded \$100K, none have exceeded the \$450K individual stop loss (top diagnoses are breast cancer, colon cancer and pre-term infants)
- The average gross plan cost per employee is \$10,996 for the first 4 months of 2015; the MHBT book of business norm is \$10,926
- 96.1% of medical claims have been paid at an In-Network provider resulting in an average 57.3% discount level ( equates to \$329.10 per member per month in savings)

## Committee member tasks discussed at March 24<sup>th</sup> meeting – to be completed by May 28<sup>th</sup> meeting

1. Download iNGAGED app – keep notes of pluses and minuses, respond to survey
2. Biometric screenings – be a promoter of the benefits
3. UHC implementation – keep notes
4. Claims containment strategies: keep thinking of ways to reduce frequency and severity

New Committee Goal: control claims and not have employee premium increase for 2016-17!!!

## Results of iNGAGED Pilot Communication App:

Out of a total of 123 pilot group members, 85 members have logged into the app.

**Four \$50 gift cards for giveaway!**

Steps to download the iNGAGED Communication App:

1. Visit your mobile device's app store or you can visit <https://my.patientio.com/login> via your desktop
2. Username: your Fort Bend ISD email account ending in @fortbend.k12.tx.us;  
Password: employee ID number
3. Should you need help, please contact [support@ingaged.co](mailto:support@ingaged.co) (not .com)

## Biometric Screening and Health Assessment

### Current employees:

#### 2015 Tasks for 2016 Plan Year

- Have [physician form or lab voucher](#) completed between [4/1/15 and 10/30/15](#), or
- Participate in [on-site campus screenings in May and June of 2015](#) or on-site feeder pattern screenings in August of 2015; **and**
- [Take online Health Assessment between 4/1/15 and 10/30/15](#) using your screening results

#### 2016 Tasks for 2017 Plan Year

- Take online Health Assessment between [4/1/16 and 10/30/16](#)

#### 2017 Tasks for 2018 Plan Year

- Same as list for 2015



## Biometric Screening and Health Assessment

### *New employees hired after August 2015*

Within 60 days of insurance enrollment:

- Have physician form or lab voucher completed, **or**
- Participate in future on-site screenings if within 60 days of insurance enrollment; **and**
- Take online Health Assessment using you screening results

Compliance required for employees to not pay \$20 charge per employee and/or spouse per paycheck in 2016 and thereafter.....

## Top Strategies – Results from last meeting:

### Membership Discounts at Gyms

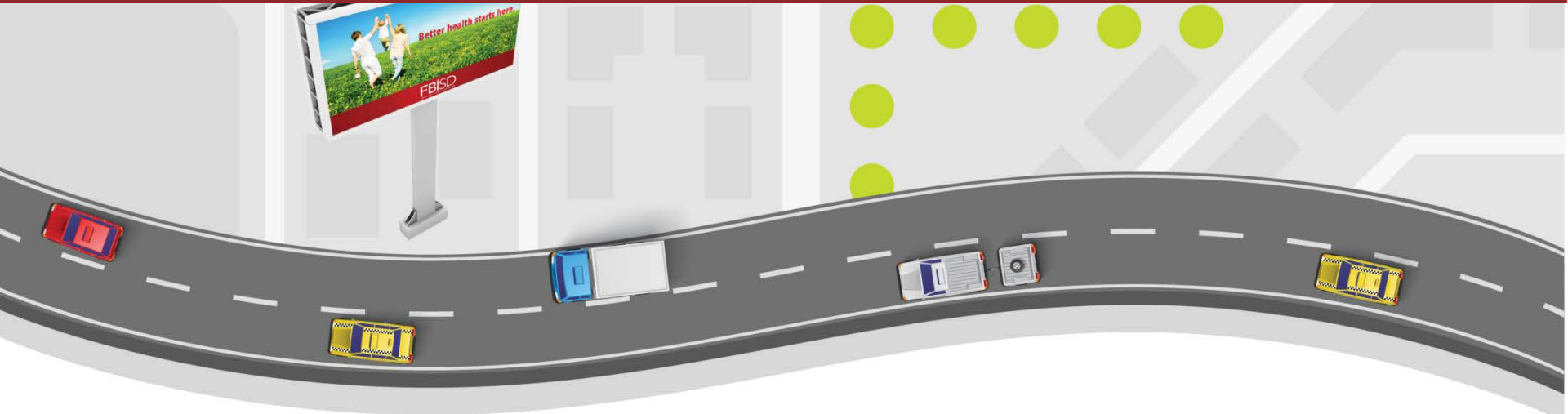
- 5% - 50% discounts at local gyms through UnitedHealthcare
- myuhc.com account and click on the Health & Wellness tab then click “discounts”

### Better Mental Health Coverage

- There is coverage through medical plans
- 6 sessions @ no cost available through Alliance Work Partners EAP at (800) 343-3822 or [www.alliancewp.com](http://www.alliancewp.com)

### Preventive Care

- Covered at no cost to member
- Benefits department will work on sending reminders to employees' homes



## ROAD MAP TO BETTER HEALTH AND A BETTER BOTTOM LINE

## FBISD DEMOGRAPHICS & CONCERNS

- FBISD member risk profile is 9% higher than the norm (Norm: 6%)
- 968 of FBISD members are considered high risk which will eventually turn into large claims
- 38% of the population has one or more chronic condition
- There are 902 members with diabetes and almost 50% are considered high risk
- Musculoskeletal is the 2nd highest expense at FBISD and affects over 3,000 members or almost 1/3 of the population
- 1906 members are impacted by heart disease
- 6.7% of members drove 74.3% of FBISD spend in 2014 (Norm: 6% driving 60%)
- FBISD had 54 claims over \$100,000 in 2014 (Norm: 37 claims)



## WHAT FBISD HAS TODAY

- Health Risk Assessments by 90% of employees and spouses
- Biometric Screenings by 90% of employees and spouses
- Changed carriers to UnitedHealthcare 1/1/15
- Airrosti introduced (needs to be promoted)
- Teladoc
- Alliance Work Partners EAP
- iNGAGED App Pilot





## CONCLUSION

The District has experienced historic levels of Health Risk Assessment and Biometric Screening participation for both the employee and spouse population at 90%. However, this information has not yet been used to quantify and then assist those who are most at risk. The iNGAGEDhealth process was designed to do just that.





## SUGGESTED STRATEGIES FOR 2016

Ways to improve upon the health of district employees, enhance FBISD's communication with employees, and cut costs in the self-funded health plan:

- Strategy #1 - iNGAGEDhealth
- Strategy #2 – iNGAGED Mobile App
- Strategy #3 - ActiveCare
- Strategy #4 - SurgeryPlus+



## STRATEGY #1: IMPLEMENT iNGAGEDhealth

- Add a nurse coaching component to the Health Risk Assessment and Screenings requirement.
- If a member is considered high-risk and a nurse outreaches to them the member must engage with the nurse and follow the recommended actions.
- When the Health Risk Assessment and Screening information is combined with the claims information we have a great picture of the member profile and can reach out to those members that have multiple chronic conditions and are not addressing those conditions.
- iNGAGEDhealth was designed for this purpose, identifying the highest risk members and engaging them on a pathway to better health.





## STRATEGY #2: IMPLEMENT iNGAGED Mobile App

- Open mobile app up to entire FBISD population.
- All benefit information is housed on the app and is catered to the individual's needs.
- Quick access to medical ID cards and summary plan benefits.
- "Call" features that directly connect members with the appropriate customer service departments by just a click of a button.
- Current updated tools and communication pieces on what carrier resources members have available.
- Great communication tool for FBISD.





## STRATEGY #3: IMPLEMENT ActiveCare

- There are 902 members with diabetes and 50% are high risk
- The annual average healthcare costs for a diabetic is \$13,700, more than double the cost of a non-diabetic.
- The financial effect on the employer due to absenteeism and lost productivity is estimated at over \$3,000 per diabetic.
- ActiveCare's diabetes solution is a combination of technology and services.
- Primary goal is to increase the quality of employee's lives through improved medical outcomes, which result in reduced costs associated with diabetes and its co-morbidities.





## STRATEGY #4: IMPLEMENT SurgeryPlus+

- SurgeryPlus+ is a high-performance surgical network that reduces medical spend and provides members access to top surgeons nationwide.
- FBISD will cover the full cost for a member who uses SurgeryPlus+. Members will receive no medical bills and are protected from out-of-network risk.
- FBISD's current surgical reimbursements can vary in price 5x or more for the same procedure. For example, an average spend for a knee replacement is \$40,400. The SurgeryPlus+ bundled rate is \$20,000. In aggregate, SurgeryPlus+ bundled rates that could save the FBISD plan \$3M.
- SurgeryPlus+ provides access to top surgeons and selects only surgeons who are board certified and are experts for the specific procedure which they are contracted.
- SurgeryPlus+ provides a **concierge service** to walk members through each step of the process for a personalized healthcare experience.
- SurgeryPlus+ covers Hysterectomy, Carpal Tunnel, Hernia Repair, Knee, Spine, Heart, Shoulder and Hip surgeries and over 100 other elective procedures.



## PROMOTE AIRROSTI THIS SUMMER!

- Airrosti provides highly effective and efficient care for back pain and other musculoskeletal conditions.
- Each Airrosti patient receives a full hour of assessment, diagnosis, treatment, and education designed to restore the function and eliminate the pain associated with many common conditions.
- Airrosti's quality approach to care leads to rapid recoveries and lasting results while helping patients avoid costly procedures like MRIs or surgeries.
- Airrosti is an in-network benefit for those enrolled in a Fort Bend ISD health insurance plan.
- 1<sup>st</sup> copay waived on Choice Premium Tier and Choice Plus Plan June 1 through August 31<sup>st</sup>. Onsite evaluations to be added.

*Schedule via phone, online, or through our mobile app.*  
**(800) 404-6050 | [Airrosti.com](http://Airrosti.com) | [app.Airrosti.com](http://app.Airrosti.com)**

## LONG-TERM STRATEGY: ONSITE CLINICS

### ADVANTAGES:

- Cost Containment/Reduced Health Plan costs
- Increased employee productivity/decreased absenteeism
- Improved access to and quality of care
- Create a center of health
- Concierge service as perk



# 2014-2015 Benefits Committee



**iNGAGEDhealth**  
(Nurse Coaching, Health Risk Assessment, Screenings)

**iNGAGED APP**

**ActiveCare**



**POWERED BY:**  
**iNGAGEDhealth™**  
Better health starts here

**AIRROSTI**

**SurgeryPlus+**

**ONSITE CLINICS**



## PROGRAM COSTS FOR 2016 STRATEGIES

Employees on the medical plan: 6,240

### Strategy 1: iNGAGEDhealth

Annual Cost @ \$7.50 PEPM on Medical Plan	\$561,600
Program Offset: Annual Offset @ \$2.38 PEPM on Medical Plan	(\$178,214)

### Strategy 2: iNGAGED Mobile App

Annual Cost @ \$2.00 x 8,000 Employees	\$192,000
--	-----------

### Strategy 3: ActiveCare

Cost Per Diabetic Per Month That Uses Supplies	\$68.00
Estimated Annual w/ 70% participation(900 x 70%)	\$514,080
Program Offset: Offset of Current Supplies (50%)	(\$257,040)
Net Cost of Program	\$257,040

### Strategy 4: SurgeryPlus+

Annual Cost @ \$3.93 PEPM on Medical Plan	\$294,278
---	-----------

<b>2016 Cost of Programs</b>	<b>\$1,126,704</b>
------------------------------	--------------------

<b>Conservative Savings Estimate</b>	<b>\$3,500,000</b>
--------------------------------------	--------------------

## COMPOUNDED MEDICATIONS: Challenges & Recommendations



## How Pharmacy Compounding Works



Customized medicines are formulated with a prescription when a patient cannot be treated with a standard, commercially available FDA-approved medication



### Examples:

- If a patient is allergic to the dye used in a pill
- Elderly patients or children can't swallow tablets- so a liquid form is needed

### Why the popularity now?

- Large profit potential for compounding pharmacies by combining multiple ingredients and pricing the final product at a premium
- Compound pharmacies are marketing to physicians across the country – well beyond their service areas



### What is Pharmacy Compounding?

#### Pharmacy compounding

is a practice in which a pharmacist combines, mixes, or alters ingredients in response to a prescription to create a medication **tailored** to the medical needs of an individual patient.



## Compounding: No FDA oversight

Since compounded medicines are made to order, they aren't FDA approved and **aren't held to the same standards** as commercial drugs.

### Commercially available FDA-approved medication process:



### What's different about compounding?

- The quality, safety, or effectiveness has not been evaluated
- Compounds with the greatest spend have little to no evidence for use
- Often include active ingredients that are typically excluded from coverage
- Can be much more expensive than an FDA approved medication



The FDA recently formed a 14 member **Pharmacy Compounding Advisory Committee**, with a goal to provide further guidance on issues concerning drug compounding for companies that prepare compounded medications under sections 503A and 503B of the Federal Food, Drug and Cosmetic Act.

## Growing Use of Compounding

From 2012 to 2013, the use of compounding increased 225%<sup>1</sup>

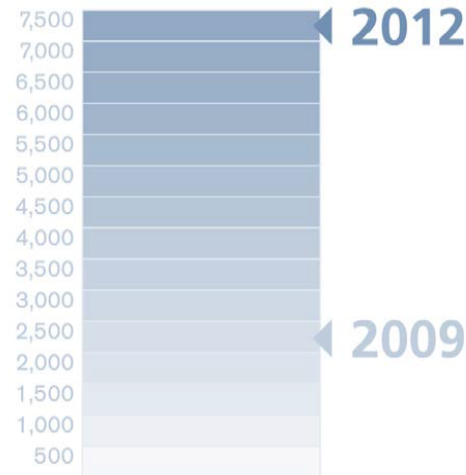


### Top Cost Driver<sup>1</sup>

May 2012: Compounding not among top 25 cost drivers

May 2013: Compounding is the #1 cost driver

### Compounding Practices added to Pharmacies has increased since 2009<sup>2</sup>



1. UnitedHealthcare integrated medical and pharmacy book of business, 2012-2013  
2. International Academy of Compounding Pharmacies

## Compound Medication Example



### Compound script for pain cream

**Cyclobenzaprine 2%:** An oral skeletal muscle relaxant

**Baclofen 2%:** An oral or injectable skeletal muscle relaxant

**Gabapentin 6%:** An oral anticonvulsant and pain reliever

**Ketamine 10%:** An injectable general anesthetic used in the operating room

**Oxycodone 2%:** An oral pain reliever

None of these chemicals are FDA approved for topical use



## The High Cost of a Compound



### Compound oral script

Ingredient	Ingredient Information	Billed cost	Cost at Local Pharmacy
<b>Resveratrol</b>	OTC nutritional supplement used as antioxidant/anti-aging	\$4180	\$22.24
<b>Methylcobalamin</b> (Vitamin B-12)	OTC nutritional supplement/Vitamin	\$680	\$22.74
<b>Lipoic Acid</b>	OTC nutritional supplement used for antioxidant/anti-aging	\$510	\$12.57
<b>Coenzyme Q10</b>	OTC nutritional supplement used for a variety of indications	\$280	\$9.98
<b>Pyridoxal-5-Phosphate Monohydrate</b>	OTC nutritional supplement/Vitamin	\$150	\$13.32

Final Product Cost = **\$5,800** for 30-day supply

Final Cost at Local Pharmacy = **\$80.85** for 30-day supply

## Member Experience

- Compound Pharmacies are communicating to patients that although the “patient cost” is thousands of dollars, the pharmacy will not **collect** it.
- The claim is being submitted to UHC/Optum as if the member WILL pay their share, but instead the pharmacy does not collect the out of pocket, yet the member still gets credit towards their OOP.
- Compound pharmacies get creative with running multiple claims through the claims system to trick the system in to thinking the member has met their total out of pocket, then the pharmacy goes back later to back all but one claim.
- Compound pharmacies seek out medical plans that do not have exclusions in place.

**Example:** \$3,750 Total Out of Pocket under Choice Premium Tier Plan



\$3,750 Member Responsibility for Compound Drug – But pharmacy never collects

UHC system shows member met Total Out of Pocket for 2015 at \$3,750

Plan pays balance of compound drug **and** pays 100% of cost for all future drugs

## Physician recruiting




**Inbox**


[New](#)

Messages (20)


Invitations

Sent

Archive

Trash

Reply
Trash
More ▾
< Prev
Next >



### Recruiting physicians

May 1, 2014

We are looking for physicians to provide Telemedicine service to over 200,000 chronic care patients nationwide that suffered from the following illness: BACK PAIN, ARTHRITIC PAIN, NEUROPATHIC PAIN, SPORT RELATED PAIN, FIBROMYALGIA, NEURALGIA, PLANTAR FASCITIS, FUNGAL INFECTIONS SCAR THERAPY, WOUND CARE and DERMATITIS. Topical transdermal creams and gels can be formulated to provide high local concentrations at the site of application (e.g., NSAIDs for joint pain) and combinations of medications can be used alone or in combination for neuropathic pain (e.g., gabapentin, clonidine, ketamine). We are looking for physicians who are willing to consult with these patients and prescribe a "NON-CONTROLLED" creams and gels to our patients. This is how it works:

Once the physician has signed up with us the physician will:

- Sign up into our secure website
- Physician will have a virtual waiting room with all the patients for that day
- Will click on the patients file and a medical questionnaire, script and a cover letter will come up
- Physician will review patients questionnaire and script and will follow up with a 7-9 minutes phone consultation to prescribe the proper "NON CONTROLLED CREAM OR GEL"
- Physician will enter all progress notes in our secure website where the physician is the only one who has access to these files
- Physician will print script signs and fax it to pharmacy for refills.

As per compensation for the consultation services rendered hereunder, We will pay physician the compensation of \$50.00 per each script signed and faxed to our pharmacy.

If you have any questions, please don't hesitate to contact me.

```

    graph LR
      LinkedIn[in] --> Doctor[Doctor]
      Doctor --> VideoCall[Video Call]
      Doctor --> Document[Document]
      Doctor --> Dollar[Dollar]
  
```

10

31



## Strategies to Manage Compounds

**Eliminating concerns about member safety, drug efficacy and potential waste of significant healthcare resources**

- ➔ **Bulk compound medications** review and exclusion process
- ➔ **Notification/prior authorization** implemented for compound medications
- ➔ **Excluded** select non-FDA approved bulk chemicals used in compounds
- ➔ **Evaluating participation** of compounding pharmacies in our network
- ➔ **Targeted outreach** to high prescribers of compounds – peer to peer and written communication



## Strategies to Manage Compounds

### Notification/Prior Authorization



Notification/prior authorization implemented for compound medications



#### Covered

##### Pediatric care

Preparing oral solution for children unable to swallow tablets



#### Not Covered

##### Topical pain relief

Ingredient not indicated or proven safe for use as a topical pain cream



## FBISD COMPOUND INGREDIENT EXCLUSION AND THRESHOLD

### 2 strategies proposed for July 1, 2015

- Add Bulk Chemical Exclusions – certain chemicals that are not FDA approved and are VERY costly through the Rx program would not be covered
- Add Prior Authorization using \$100 threshold for chemicals outside excluded list

## FBISD COMPOUND INGREDIENT REPORT

1/1/2015 – 3/31/2015

Exclude	Count <sup>2</sup>	Unique Patients <sup>3</sup>	Ingredient Cost <sup>4</sup>
Yes	344	54	\$321,817
No	438	75	\$106,802
TOTAL	782		\$428,619

<sup>1</sup> "Yes" indicated ingredients that are excluded as part of Compound Exclusion Program

<sup>1</sup> "No" indicated ingredients that are not excluded with respect to Compound Exclusion Program

<sup>2</sup> "Count" indicates the number of times ingredients were used in producing compound medications

<sup>3</sup> Unique Patient count not additive

<sup>4</sup> Submitted Ingredient Cost

## UnitedHealthcare Onsite Rep: Elena Rodina

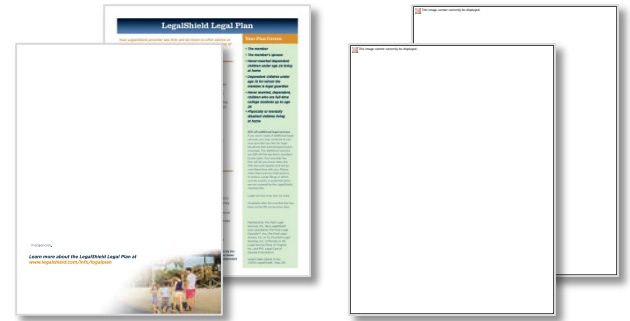
- Employees will be able to schedule appointments to discuss issues and receive assistance with enrolling in MyUHC.com in order to make it more convenient for employees at multiple sites.
- Schedule Q&A sessions where employees can come and get direct answers from a UnitedHealthcare (UHC) representative.
- Educational presentations will be held at different sites regarding using UHC tools and website.
- Will provide educational fliers to distribute to campuses on resources that are available to members through UHC.

## Legal Shield – Identity Theft:

Over 2 Million Requests Annually

### Our Services

- Personal Legal Advice on unlimited issues
- 24/7 Emergency Access for covered situations
- Letters/Calls made on your behalf
- Contracts/Documents Reviewed up to 15 pages
- Online Legal Forms/Videos
- Lawyers Prepare —
  - Your Will, Living Will, Health Care Power of Attorney
- Traffic-Related Issues
- IRS Audit Assistance



- Trial Defense
  - Pre-Trial
  - Trial
- Family/Domestic Services
  - Uncontested Divorce
  - Uncontested Adoption
  - Uncontested Separation/Annulment
  - Uncontested Name Change
- 25% Preferred Member Discounts\*

If you were my lawyer, what would you charge for these services?

Up to 90% of member inquiries are covered by the plan with no additional fees. All other requests for service are entitled to a 25% discount on the law firm's hourly rate (including pre-existing issues). Review the membership contract for your selected plan and state of residence for full details on benefits, limitations, exclusions.

## Legal Shield – Identity Theft Plan:

(In Partnership with Kroll, Inc.)

The membership covers all the expected benefits

- Credit Report with Score & Analysis
- Credit Monitoring with Activity Alerts

Plus several differentiators

- Proactive Consultations
- Family Coverage
- Restoration



## Legal Shield – Product Pricing:



	<u>LegalShield</u>	<u>ID Theft</u>	<u>Combo</u>
<b>Bi-weekly</b>	\$7.98	\$7.48	\$12.95
<b>Monthly</b>	\$15.95	\$14.95	\$25.90

## Benefits Committee Meetings:

**Benefits Committee Meetings 4:30-6:00 p.m.**

### 2015-2016

**TENTATIVE**

September 16<sup>th</sup>  
October 14<sup>th</sup>  
November 4<sup>th</sup>  
December 2<sup>nd</sup>  
January 6<sup>th</sup>

February 17<sup>th</sup>  
March 2<sup>nd</sup>  
April 6<sup>th</sup>  
May 4<sup>th</sup>