

SHCC May 6, 2016 meeting note

From Kathleen McCoy

Members in attendance: Danielle Dixon (UAA), Kathleen McCoy (UAA), Melodee Monson (UAA), Susan Mitchell, (UAF alt) Monique Musick (SW), Linda Hall (SW), Aurthur Hussey (SW alt), Lisa Sporeder (SW)

Excused: Kayti Coonjohn, emailed in that she is out ill

Guest: Erika Van Flein, UA Benefits

March meeting notes: reviewed and accepted.

JHCC update: Erika, Monique and Kathleen all provided input on that meeting. The biggest news out of the April 22, 2016 JHCC meeting was a decision by the JHCC to revisit individual health plan member experience with out-of-network providers in FY16 to recalculate their allowed charge from 125% Medicare to 200% Medicare. The vote was an even split, 6 for and 6 against. The chair broke the tie in favor of recalculating. This was a recommendation to the University. Interim CHRO Ardith Lynch issued her decision on May 6. She rejected the JHCC recommendation. Her memo is attached for your review.

SHCC health plan consumer advocacy poster project: Danielle Dixon reported that she and Kayti Coonjohn have been gathering resources and images to generate some consumer-focused posters that will be archived at a Google Doc site and available for any SHCC members to download and post on their campuses. The repository is created; some of Premera's posters on Nurse Line, Patient Care, Best Docs have been shared here. The two graphic artists chose to suspend their creations until they had final word on FY17 UA Choice benefits. They expect to complete posters applicable to FY17 over the summer, and review them for accuracy with Erika Van Flein. Erika also noted that there were several consumer-oriented posters being developed and proofed that will be available for this repository as well.

SHCC and JHCC: The committee discussed SHCC role with respect to JHCC. While JHCC has voting authority to make recommendations to the University on health plan coverage, SHCC operates independently from JHCC and does not need to suspend meeting when JHCC does not meet. In light of that, SHCC chose to meet monthly throughout the summer, regardless if JHCC meets or not.

Next SHCC meeting: JHCC meets May 17. Morgan Dufseth will Doodle poll SHCC members to ascertain a meeting time during the last two weeks of May, 2016

ATTACHMENT: CHRO decision on JHCC. Please I include with this report.



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To: Abel Bult-Ito, Chair
Joint Health Care Committee

From: Ardith Lynch, Interim Chief Human Resources Officer

Date: May 6, 2016

Re: JHCC Motion from April 22, 2016

Thank you for your memo transmitting Motion 16.4 from the Joint Health Care Committee meeting on April 22, 2016.

Motion 16.4: The Joint Health Care Committee recommends that the University of Alaska Chief Human Resources Officer bring out of network payments for FY15-16 to 200% of Centers for Medicare and Medicaid Services (CMS).

I have considered the committee's recommendation to implement out of network payments retroactively for FY15-16 at 200% of Centers for Medicare and Medicaid Services (CMS). I have determined that the best interests of the University, its employees, or the health care plan would not be served by accepting the JHCC's recommendation.

The reasons for my determination are that the benefit to employees is outweighed by the inconvenience to both employees and affected health care providers, as well as the cost to the university and to employees' providers for handling 2000 reprocessed claims for the current fiscal year (from July 2015 to the present). If the claims were reprocessed, every health care provider who received additional reimbursement would have to review and adjust each patient's account. If the service has already been paid, the provider would have to issue a refund to either the patient's secondary insurance or the patient. If some or all of the original charges initially went to a patient's deductible, a subsequent provider may also be affected, owing a refund to Premera and having to bill the patient for that amount.

Implementation would require a mid-year contract change with Premera and reconfiguration for Premera's system, resulting in additional fees to the university, as well as coordination with BlueCard and the fee structure for claims from outside Alaska and Washington. In addition, all out-of-network claims would need to have a pay hold while the reprocessing of claims took place, a process that could easily extend into FY17.

While the increase from 125% to 200% would result in a slightly higher reimbursement for these services, it is not enough to justify the abovementioned negative impacts.

Thank you for your efforts and diligence to continue the productive work of the JHCC.