

## **JHCC May 17, 2016 meeting notes**

### **From Kathleen McCoy**

**Healthroads utilization:** Sara Rodewald of Healthroads updated the JHCC on wellness program utilization as of May 5, 2016. [Find her report here.](#)

April 30, 2016 was the close of the window for health plan members to qualify for the premium rebate by meeting the wellness plan incentives, however the window for paperwork for health appts that occurred by April 30 but have not yet found their way to Healthroads had until May 15. Sara said she will have a firmer final number with the June 5 utilization report since it will sweep in all that late paperwork for qualifying health plan members.

That said, employee utilization for FY16 was at 38 percent to date, matching FY15 utilization percentages. Spouses to date in FY16 were at a 27 percent utilization, compared to a 28 percent utilization in FY15.

Sara predicted both percentages would likely rise with final paperwork coming in.

One interesting chart she provided shows utilization across various types of employee groups. Salaried and hourly staff showed the highest utilization percentage –

- salaried 43%
- hourly 38%
- Non-represented faculty 38%

In answer to a question about how much Healthroads costs on an annual basis, the figure UA Benefits provided is \$450,000 annually.

### **FY10-FY15 University of Alaska and Employee costs**

[Chart is here.](#)

Discussion centered around noticing that UA costs have declined between FY11-13 while employee costs have climbed. Points discussed included remarks to the effect that under President Gamble the university decided to shift \$7M of the health plan cost to employees. UA Benefits noted that an under-recovery in FY13 led to the employee increase. Committee Abel Bult-Ito said this shift of cost to employees occurred without any input from the JHCC.

### **Third Quarter Utilization Report by Lockton, presented by David Hinckley.**

[Find this PDF report here.](#)

While dense, this report is relatively easy to comprehend. Among key points that David brought out:

**Inpatient:**

Paid claims per admission increased 35% over FY15. **Lockton expects large claimants will have a significant impact on cost.**

**Outpatient:**

Paid claims PMPM [per member per month] increased from \$93 in FY15 to \$105 FY16, above the Premera norm for Alaska of \$102. Paid claims per service increased from \$277 FY15 to \$311 FY16, but remains below the Premera norm for Alaska of \$326.

**Large claims:**

- 57 large claimants over \$100,000 in FY16 Q3, compared to 47 in FY15Q3
- Largest was cystic fibrosis at \$675,492
- In FY15 large claims were 21.9% of claims FY16 they are 27.7%

Top 20 claimants are listed on Page 6.

Member responsibility: FY153Q was 18.9%

Member responsibility FY163Q was 18.8%

**Pharmacy:**

Overall number of scripts decreased 11.5%

Specialty RX is the cost driver; costs here increased 28.1% from \$1.6M to \$2M

13 of top 25 paid drugs are specialty

Percentage of specialty drugs to overall pharmacy climbed from 27.7% in FY15 to 33.3% FY16

Top 25 drugs by plan cost are listed on page 12 of the report.

Top 25 drugs by script count are listed on page 13. Shows Generic vs Brand.