

## JHCC Meeting Notes

Feb. 25, 2016

Submitted by Kathleen McCoy

JHCC canceled its January meeting for lack of a quorum. It met via teleconference Feb. 25, 2016.

Agenda items included:

- Discussion of the 125% Medicare allowable billing for out-of-network providers
- Motions submitted Dec. 17, 2015 and approved Dec. 21, 2015 by email vote (attached)
- Health plan use projections for remainder of FY16 and into FY17
- Second quarter utilization report from Lockton

Key takeaways from the meeting included:

- **Health plan premium rates for FY17:** JHCC voted to keep rates the lowest of three options presented. JHCC voted to apply \$1M of the FY16 projected \$1.5M over recovery toward keeping plan rates for FY17 as low as possible. Health plan annual premium increases are in the \$1 to \$4 range (that's for the whole year). The over recovery is primarily due to lack of use of the wellness program; money set aside for member reimbursement, but not used due to lower-than-planned-for participation rates in the Healthyroads wellness plan.
- **Projected decrease in health plan members:** Health planners project a decrease of 7% in employees eligible for the health based on fiscal realities facing the state and university. That equates to a potential decrease of 304 employees. This is only a projection for planning purposes.
- **Pharmacy plan report:** 80 percent of pharmacy use is in generics, which is excellent. However specialty drugs continue to drive pharmacy plan costs up.
- **Large claims continue to drive costs:** FY16 second quarter saw 34 large claimants with bills over \$100,000. This compares to 24 in FY15 second quarter.
- **ER visits:** are down so far from FY15-FY16, from 144 to 140; this is below the Premera norm of 189
- **Oncology in Fairbanks:** UAF and UA continue to talk with Fairbanks oncologists, all out of network. Anchorage has 19 in-network oncologists.
- **125% Medicare:** JHCC directed Premera (through Erika Van Flein) to deliver a report on health plan members impacted by the July 1, 2016 plan change that pays out-of-network providers at 60 percent of 125% Medicare. The committee received several reports detailing member experiences, but was concerned that though they were valid, they were anecdotal. They asked for more complete details from Premera. This will be an agenda item on the March JHCC, meeting date yet to be set. UAA HR has asked for a UA legal review of the change.