



Reminders...

- Lines are muted
- Please submit your questions via the chatbox on your zoom screen

Communications Subcommittee Open Forum Meeting

November 30, 2022

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A UNISON RISK ADVISORS Company

Communications Subcommittee

Purpose Statement

To provide oversight and direction to the communication plan for employer-members and plan participants including defining objectives, determining topics and identifying use of digital and print materials that will be developed and implemented by Oswald Companies.

NY44 Health Benefits Plan Trust

- **Robert Giannicchi:** AFSCME Local 2567, Council 66 12-month employees (CSEA)
- **Candy Reimer:** Director, Communication Services
- **Lora Schasel:** Office Coordinator

Oswald Companies

- **John Kertis:** Director, Group Benefits HR Technology and Communications

Agenda

- Email Direct to Members Project
- Financial Recap
- Healthcare Bluebook
- Q&A

EMAIL...DIRECT TO MEMBERS

What is it?

A pilot project to supplement NY44 communications by sending emails directly to members.

Why?

In order to take some of the burden off benefit administrators at the schools. We have heard that some schools find it difficult to get communications out to those employees in the NY44 HBP Trust.

Where did you get the emails?

They are what is in the bSwift system.

The first emails were sent on 11/9



EMAIL...DIRECT TO MEMBERS WHAT WERE THE RESULTS?

Results as of 11-14-2022		
Medical Plan Members	5,820	
<u>Less Remainder with No Email</u>	<u>777</u>	
Medical Plan Members with Email	5,043	
<u>Undeliverable Emails</u>	<u>1,869</u>	
Emails Delivered	3,174	
Pct of Medical Plan Members with Delivered Email	54.5%	[3,174/5,820]

EMAIL...DIRECT TO MEMBERS

NEXT STEPS

We will be working on ways to fine-tune the process and improve deliverability.

The emails were generated directly from the bSwift system. This proved somewhat tedious and time consuming. There may be a better technique or tool.

We will more closely examine the reasons that emails were not delivered.

As a reminder, we do not have any plans to communicate with members solely using email. We view this project as an opportunity to supplement, not replace, other communications channels (e.g., website, at home mailings, etc.).

Finance Update
Medical and Rx Plan
Performance

Medhat Kaldas

MEDICAL AND RX PLAN PERFORMANCE

PER EMPLOYEE PER MONTH
[PEPM]: \$1,266

16.7% lower than the normalized year
of \$1,521.



1 Rebates are on a quarterly reimbursement schedule

2 Reimbursement based on July 1 annual calendar, calculated estimated amounts, for illustrative purposes only, actual result will vary.

MEDICAL AND RX PLAN PERFORMANCE

PEPM ACTIVITY & COMPARISON

A significant drop in PEPM, currently 16.7% below the annual average.

Why?

- Costs are down from \$10M in July and \$11.4M in August, to \$8.8M in September.
- The rebates posted this month, bring the net total for the month to \$7.4M.
- There's a total of 99 more people reported in September.

LESS COST AND MORE PEOPLE



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MEDICAL AND RX PLAN PERFORMANCE

PER EMPLOYEE PER MONTH [PEPM]:
\$1,266

Large Claimants are totals from Jul22 - Sep22:

- These 10 are 7.6% of all claims for the quarter

Large Claims: July 2021 June 2023			
	Medical	Prescriptions	Total
Claimant 1	\$644,280	\$0	\$644,280
Claimant 2	\$261,760	\$450	\$262,210
Claimant 3	\$249,800	\$639	\$250,439
Claimant 4	\$224,399	\$190	\$224,589
Claimant 5	\$211,639	\$238	\$211,877
Claimant 6	\$158,850	\$1,404	\$160,254
Claimant 7	\$147,808	\$3,904	\$151,712
Claimant 8	\$151,027	\$210	\$151,237
Claimant 9	\$141,568	\$2,004	\$143,572
Claimant 10	\$131,412	\$26	\$131,438
Total	\$2,049,563	\$7,035	\$2,056,598

MEDICAL AND RX PLAN PERFORMANCE

PEPM ACTIVITY & COMPARISON

This most recent quarter Jul-Sep was \$1,663; which is 9.3% higher than the annual average. Much of the utilization is from large claimants.

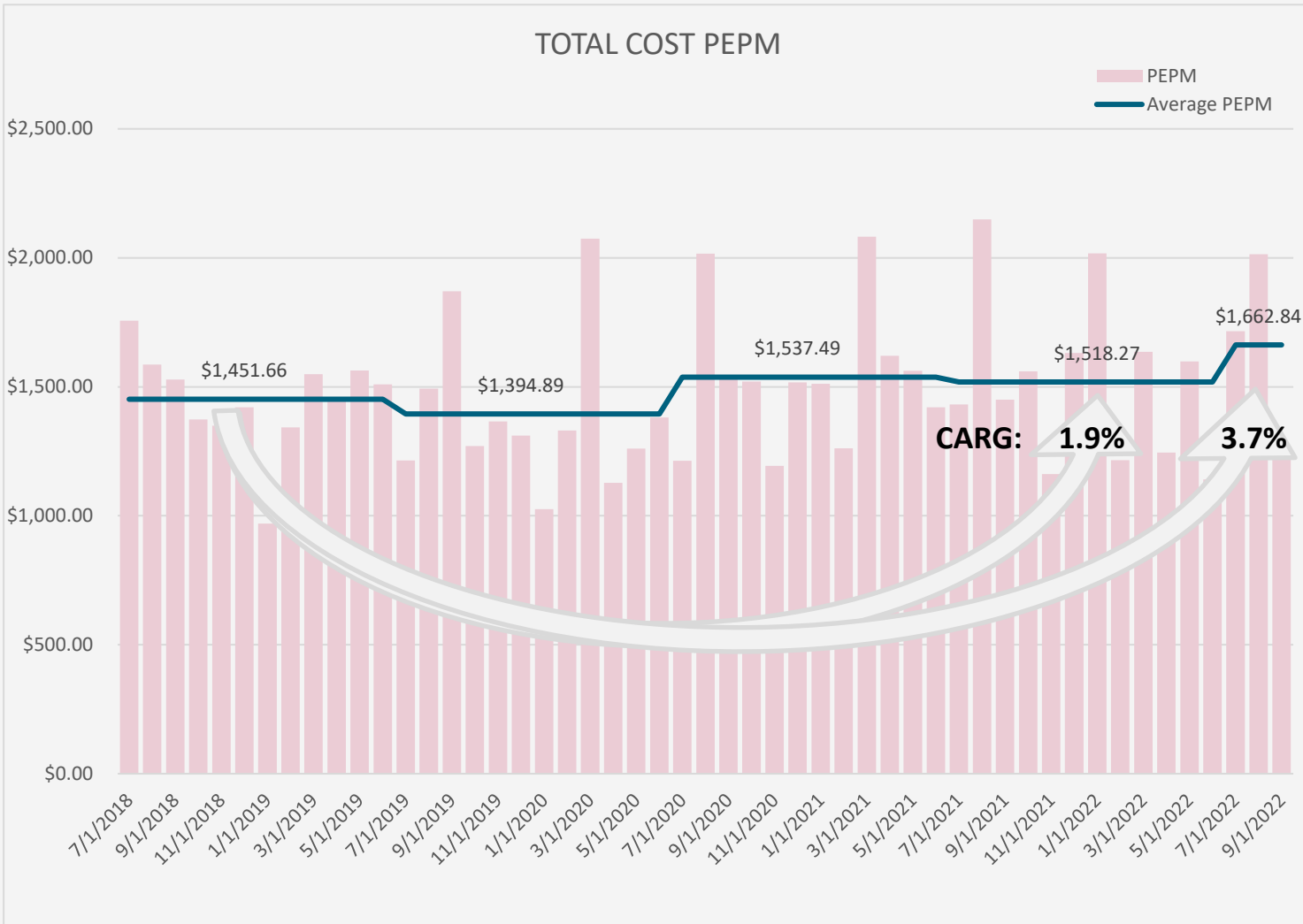
The same three months last year averaged \$1,674, putting us 0.9% ahead. And year over year -2.7%



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MEDICAL AND RX PLAN PERFORMANCE



Compound Annual Growth Rate

Comparing the first report period \$1,452 to last year's PEPM of \$1,518 is a difference of 4.6%.

This converts to an annual trend rate of 1.9%.

Extending the calculation to include this quarter, the trend rate is 3.7%.

The marketplace is +7-8% including plan management.

MEDICAL AND RX PLAN PERFORMANCE

Most Recent	1 Month September 2022	3 Months July 2022 - September 2022	12 Months October 2021 - September 2022
	Month	Quarter	Year
	Per Employee Per Month: \$1,266 September 2022	Average Per Employee Per Month: \$1,663 July 2022 - September 2022	Average Per Employee Per Month: \$1,521 October 2021 - September 2022
	Most Recent 1 Month	Most Recent 3 Months	Most Recent 12 Months
Medical Claims	\$5,873,045	\$20,826,633	\$77,552,366
Prescription Claims	\$1,934,417	\$6,275,479	\$24,643,926
Total Claims	\$7,807,462	\$27,102,112	\$102,196,292
Total Fees	\$993,054	\$3,233,323	\$10,513,978
Total Cost	\$8,800,516	\$30,335,435	\$112,710,269
Pharmacy Rebates ¹	(\$1,402,420)	(\$1,516,766)	(\$7,757,129)
Est. Stop-Loss Reim. ²	\$0	\$0	\$0
Grand Total	\$7,398,097	\$28,818,669	\$104,953,141
	Month	Quarter	Year
Employees Medical/Rx	5,842	5,777	5,751
Net Cost PEP	\$1,266	\$4,989	\$18,249
Members Medical/Rx	14,414	14,293	14,300
Net Cost PMP	\$513	\$2,016	\$7,339

- Gross costs before rebates for the fiscal year (quarter) totaled \$30.3M.
- Net with rebates the expenses totaled \$28.8M
- PEPY Run Rate: \$19,954
 - Prior year's quarter Net \$28.2M
 - Prior year's PEPY Run Rate \$20,091

Please note timing of Rx rebate influence the fluctuations in percentages from one reported period to the next.
PEPY = Per employee Per year

Healthcare Bluebook Overview

John Kertis

HEALTHCARE BLUEBOOK

What is it?

A voluntary program that helps members compare healthcare costs and earn rewards for selecting a lower cost/high quality provider.

Why?

Healthcare costs vary widely between providers even when they are all in network. Some are just more efficient than others and have better outcomes. Selecting lower cost/high quality providers:

- Lowers costs for the NY44 Health Benefits Trust Healthplan
- Lowers costs for participating schools
- Allows schools to keep member contributions lower
- Can help reduce member out of pocket expenses

And...Members Can Earn Cash Rewards

PRICES VARY DRASTICALLY, EVEN IN-NETWORK

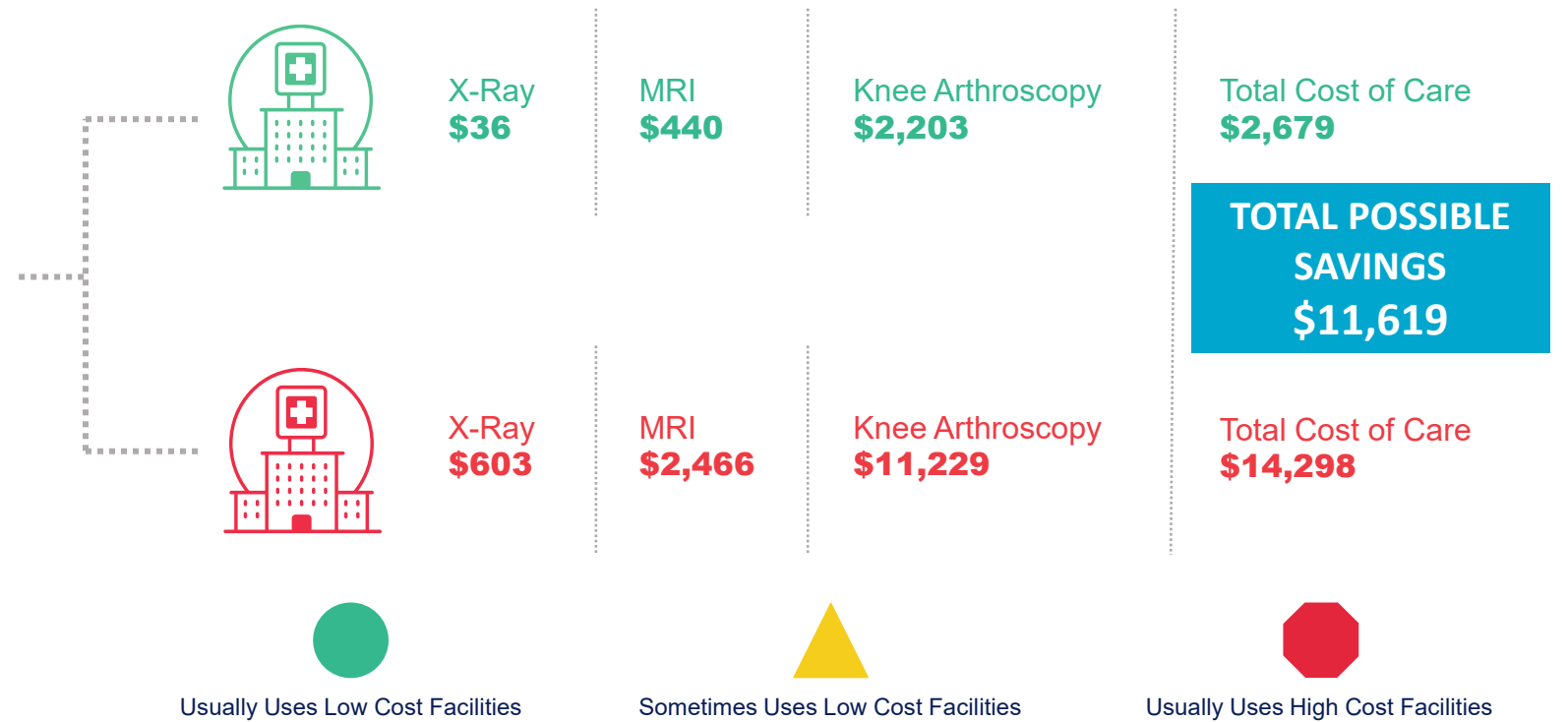
Buffalo, NY Example

Market Basket of Common Procedures	Low Price	High Price	Variance
Spinal Fusion (cervical)	\$20,263	\$63,332	313%
Colonoscopy (screening)	\$1,102	\$4,737	430%
Knee MRI (no contrast)	\$376	\$1,703	453%
Average Market Variance			399%

What if gasoline varied that much?

Equivalent Variance in a Gallon of Gas	\$3.50	\$13.97	399%
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WHERE YOUR PHYSICIAN PRACTICES & REFERS TO HAS A HUGE IMPACT ON COST



The Facility (Not The Physician) Drives the Variability

HOW DOES IT WORK?

- Healthcare Bluebook has a website and also a mobile application that makes it easy for members
- There are hundreds of common medical services and procedures listed
- Each shows the cost ranges in the member's area and provides a selection of *Fair Price™* (green) facilities.
- Healthcare Bluebook also provides detailed information on the *quality* of common inpatient procedures (those that require a hospital stay).
- Members can easily identify and select a facility that has a high-quality rating.

What is the “FAIR PRICE?”

The Fair Price™ is the amount you should reasonably expect to pay for a service or procedure and is based on the actual amount paid on the claim, not the billed amount, reflecting the discounts that the health plan has negotiated with the facility.



HOW DO MEMBERS EARN REWARDS?

- Members use the mobile app or go to the website to compare healthcare costs
- Once logged in, search for the procedure, review the price range shown on the color bar, then scroll down the page and review the list of facility options by quality and cost
- The color codes make it easy for to identify those providers by cost *and quality*
- There are over 400 procedures that can earn rewards
- Rewards are based on the procedure and range from \$100 up to \$1,500

COST RATINGS	 At or Below Fair Price	 Slightly Above Fair Price	 Highest Price
QUALITY RATINGS	 Highest Quality	 Average Quality	 Lowest Quality

Average Utilization is About 20%

NY44 MUST IMPLEMENT THE HEALTHCARE BLUEBOOK *ENGAGEMENT BEST PRACTICES*

- At the start of the program a Welcome Kit is mailed by Healthcare Bluebook directly to members at their homes
- NY44 must provide email addresses for 50% or more of members
- Bi-monthly (six times a year) email communications by Healthcare Bluebook to members
- Seven days following each communication, a follow-up communication to those members who did not open the first email
- Client will coordinate with Bluebook to ensure that Bluebook has the information and approval necessary to meet the agreed-upon communications schedule
- Once per year Healthcare Bluebook engages members by running an engagement "Game" with an incentive to participate

***These Engagement Best Practices Allow Healthcare Bluebook
to Guarantee the Cost Savings of the Program***

HEALTHCARE BLUEBOOK

Q&A

Are members required to use the Healthcare Bluebook program?

- No. It is **voluntary**.

How do members qualify for a reward?

- The member must search for the rewardable procedure and view the Green Provider or the Green/Green or Green/Yellow Facility. Next the member has rewardable procedure completed at the Green Provider or the Green/Green or Green/Yellow Facility within 12 months.

Do members have to submit any special forms to get a reward?

- No. Rewards are earned by visiting “green” providers for rewards-eligible procedures. Healthcare Bluebook does all of the processing; there are no additional forms to submit.

How do members receive a reward? How long does it take?

- Rewards are processed monthly, but may be delayed due to the time it takes for claims to be billed and processed. The reward and a letter of explanation is mailed directly to the member.

Do covered family members of the member receive rewards?

- Family members covered by the health plan can earn rewards. However, rewards are always paid to the employee/member.

Is member health information kept private?

- Yes. Healthcare Bluebook does not share information about individual employees or the services received with your employer. All healthcare information is kept confidential.

More Information Will be Shared in the Future



Questions?
Feedback?
Comments?

NY44@OswaldCompanies.com

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