Consortium Connection

The quarterly newsletter of the
Greater Tompkins County Municipal Health Insurance Consortium

Where individually and collectively we invest in realizing high-quality, affordable, and dependable health insurance

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Reflecting on a Good Year

The data is in, and the 2017 Annual Report is filled with good news. Our Consortium has been growing in many ways—from new municipal members and subscribers to a budget surplus. Due to our positive financial outcomes and community-focused structure, we are considered a model for efficient municipal cooperative health insurance by several agencies of the State of New York.

In 2017, the Consortium collected $40.8 million in premiums and paid $38.4 million in total expenses,

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2017 Consortium Board of Directors

resulting in $2.5 million net income. The main drivers for this budget surplus are $1 million over budget in prescription rebates and $2.5 million under budget in combined medical and pharmaceutical claims. With this surplus and our existing solid fund balance, the Board of Directors approved a relatively small 4% premium rate increase for 2018 (compared to greater than 10% rate increases in the private health insurance sector).

For more details on our great 2017, find the full Annual Report on the navigation bar on our homepage (http://healthconsortium. net/).

We are the Consortium

Our mission: An efficient inter-municipal cooperative that provides high-quality, cost-stable health insurance for our members and their employees and retirees

The Consortium is a different model. Our municipal partners do not purchase health insurance from a business. The Consortium's municipal partners are owners and our subscribers are a "pool" or "community" brought together to provide security for all. For this model to be successful, we all have a responsibility to better understand our roles as subscribers and owners. To that end, the Board has authorized these quarterly newsletters and annual education retreats.

The Consortium held its fourth annual educational retreat on April 26th on the topic "Our Health Care Trends." The focus of the retreat was our community's claims over the past five years. With 93% of our expenses being claims, it is important for the Consortium's leadership to better understand this area of our operations and for our subscribers to understand the health of our community. We learned about the average cost of claims per member, claims costs by age group, claims trends by arena of care, and high-cost claims trends. We would like thank Excellus and ProAct for collecting and presenting this information. Find the video of the presentations on our website.

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Retreat presenters (from left): Michael Tellier from Lifetime Healthcare Company; Beth Miller, Excellus Senior Account Manager; and Corey Prashaw, ProAct Account Manager

Congrats, Consortium! Statewide Recognition

There is not a more efficient model for health insurance in New York State. Since its inception, the Consortium has operated at 93% efficiency, meaning that 93% of expenses are directed to pay subscriber claims.

State agencies and municipal associations are touting our success as a model for local governments to save taxpayers and subscribers money by reducing the rate of increase of health insurance premiums through shared services.

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Directors from Cortland County (from left): Luann King (Town of Cincinnatus), Eric Snow and Dale Taylor (Town of Virgil), Kevin Williams (Town of Homer), and Mack Cook (City of Cortland)

Municipalities within our seven-county region are taking notice by applying to join. We have grown from the original 13 municipalities in 2011 to 31 in 2018. Board members, our Executive Director and Plan Consultant, and others associated with our Consortium are speaking to gatherings of municipal officials and state-sponsored events. They are telling our story and encouraging more communities to form health insurance consortiums.

New Schedule & Location for Board Meetings

In 2018, the Board of Directors will meet at 6PM on the 4th Thursdays of June, August, and September, and the 3rd Thursday of November.

We will meet in the Sprole Conference Room on TC3's main campus in Dryden. As always, the Board meetings are open to all subscribers.

Excellus Member Dashboard

Excellus has made significant updates to their web portal. In addition to creating mobile apps for self-service options and member engagement, the Member Dashboard has significant improvements to display relevant, personalized information upon login. The Member Dashboard displays:

- plan benefit information,
- other subscribers on your account,
- quick access to member ID card for mobile devices,
- deductible and out-of-pocket spending for the current year (both total amount and by claim),
- enhanced claim information,
- managing your health links, and
- quick links to answer questions.

Log in to the Excellus Member Dashboard at member.myhealthtoolkitex.com.

Labor Lens

Our Governance: Municipalities and Labor Working Together

The Joint Committee on Plan Structure and Design is chaired by Board of Directors' member Olivia Hershey. This committee reviews claims utilization data and makes recommendations for changes to benefit plans. Our Plan Consultant, Steve Locey, recently reported to the Joint Committee that the Silver Plan will be outside of allowed actuarial value range (70% +/- 2%) in 2019. Actuarial value is the predicted percentage of claim costs that a benefit plan will pay. Using the Center for Medicare Services' actuarial value calculator, the Joint Committee investigated several options to bring the Silver Plan back into compliance. The Joint Committee is also seeking input from the groups that currently use our Silver Plan. We expect a recommendation in early summer, well in advance of the Board's September 27, 2018 meeting.

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Members of the Joint Committee join the Board of Directors and others at the Annual Education Retreat

Remember:
Carry your **Excellus** card in your wallet for medical claims.
Use the **ProAct** card for prescriptions.

ProAct Prior Authorization

With the ProAct formulary (see "Quick Fact" below), some medications will require *prior authorization* due to the cost, type of medication, or Consortium Plan design. Prior authorization means that the prescription must be clinically reviewed before a determination of coverage can be made. Some of the more common medications that require prior authorization are those that exceed a certain dollar amount threshold (i.e., $1,500 per 30-day supply), specialty medications, and other types of medications where a clinical review can help determine if the medication is being used appropriately or within the coverage guidelines of the plan.

Typically, ProAct is made aware that a prior authorization needs to be started by a call from a Consortium subscriber, physician, or a pharmacy that is trying to submit a claim. ProAct then provides the physician's office a "prior authorization form" to be completed and returned. When the completed form is filed, a determination for coverage is typically made within 72 hours, and the pharmacy informs the subscriber.

For routine medications, typically the authorization is good for one year. If the request or claim is denied, a formal denial letter is sent to both the physician and member explaining the reason(s) for the denial along with outlining the process for an appeal if the physician wishes to pursue that route.

Quick Fact: What is a Formulary?

A formulary is a list of pharmaceuticals categorized by "tiers". Your prescription copay is determined by the tier in which a medication is listed and the type of prescription plan you buy.

Most Consortium subscribers have 3-tier prescription benefits, where Tier 1 are generic drugs, Tier 2 are preferred brand name drugs, and Tier 3 are non-preferred brand name prescriptions. For those with 2-tier prescription plans, Tier 1 is generic and all others drugs are labeled as Tier 2.

PRO ACT
PHARMACY BENEFIT MANAGEMENT

Step Therapy with ProAct

Most medical conditions have multiple medication options. Although their clinical effectiveness may be similar, prices can vary widely. Step Therapy programs are designed to ensure subscribers get the treatment needed, but usually at a lower cost to the subscriber and the plan.

When you bring a prescription to the pharmacy, ProAct's system automatically screens the medication for step therapy requirements. Step Therapy requires the subscriber to use the Step 1 medication first, before a Step 2 medication may be covered. If the subscriber's prior pharmacy claims history shows that a Step 1 medication has been tried in the recent past, the Step 2 medication may be processed. If not, the pharmacist will contact your doctor for further explanation.

We encourage you to discuss your treatment and medication options with your doctor. Remember to ask your prescribing physician: Have you checked the Consortium formulary for "prior authorization" and "step therapy" requirements?

If you have questions about the Step Therapy or Prior Authorization programs, call 1-877-635-9545 (toll-free), which you can also find on your ID card.

Surprise, SURPRISE!

New York State has enacted the "Surprise Bill for Health Care" legislation. This legislation provides relief when patients are charged out-of-network provider fees when in-network. The real surprise here is that this relief does not apply to self-insured plans like our Consortium. For Consortium subscribers, the onus is on each of us for ensuring that we know the fees that will be charged.

Surprise out-of-network invoices usually arise from one of two pathways. Either an in-network provider sends samples out for testing to an out-of-network lab, or an in-network facility provides services from an out-of-network provider. In either case you, as the patient, are expecting that your co-pay and co-insurance arrangement will cover your portion of fees. After the fact, you learn that out-of-network providers have been used without your knowledge or consent, and you face a much larger tab than expected.

To manage your health care costs, ask: **"Are all services being provided in-network?"**

Do I Really Need a Primary Care Physician?

What is a primary care physician?

Primary care physicians, also called primary care providers or PCPs, are health care professionals who either treat or coordinate treatment for all aspects of a person's medical care. They treat chronic conditions and brief illnesses such as strep throat or the flu. They also provide routine health screenings, vaccines, and counseling on lifestyle changes to help you stay healthy. If you need additional care for an illness or condition, your PCP can help direct your care with other medical specialists.

Several different types of doctors serve as PCPs:

- Pediatricians,
- Family medicine doctors,
- Internists, and
- Internal medicine-pediatrics doctors.

People can also receive primary care services that treat or coordinate all aspects of a person's health needs from other providers such as obstetrician-gynecologists and geriatricians.

Why do I need a primary care physician?

Don't wait until you get sick to find a doctor! The best time to start taking care of your health is before you get sick. Regular exams with your primary care provider ensure that you receive the preventive care you need when you need it and help you develop a relationship with your doctor. If you do get sick, your PCP can treat you or help you find a specialist if you need one.

How do I find a primary care physician?

First consider any characteristics that are important to you: gender, age, languages spoken, location of the practice, or hours open. With these criteria in mind, talk to co-workers, friends, and relatives for recommendations; ask another health care provider you already know; and use online search tools. Compare potential potential Primary Care Providers by checking out their websites, as well.

Once you find a doctor to interview, confirm whether the doctor accepts new patients and accepts your insurance. Sometimes practices that no longer take new patients will make an exception for someone referred by an existing patient or another physician.

It is critical to find a good fit for you. We all need someone we can trust to support us in managing our health.

Upcoming Open Meetings

Board of Directors
June 28 (6 PM)
Tompkins Cortland Community College (TC3) main campus
Sprole Conference Room, 170 North Street, Dryden

Joint Committee on Plan Structure and Design
July 5, and August 2 (1:30 PM)
Tompkins County Health Department
Rice Conference Room, 55 Brown Road, Ithaca

The Consortium Connection

To receive this quarterly newsletter electronically, email request to consortium@tompkins-co.org

Publisher: Don Barber, Consortium Executive Director
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Support: Ted Schiele and Marcia Lynch

Greater Tompkins County Municipal Health Insurance Consortium
125 E. Court St., Ithaca NY 14850
(607) 274-5590 consortium@tompkins-co.org