

Our Health Care Trends

5th Annual Education Retreat

April 26, 2018



GTCMHIC Retreat Agenda



- ❖ Welcome & Introductions (6:00)
- ❖ Consortium Update (6:05)
- ❖ Benefit Plan/Claims (6:15)
- ❖ Medical Utilization Trends (6:20)
- ❖ Pharmaceutical Utilization Trends (7:00)
- ❖ Preventive Care – Reducing Health Care Costs (7:25)
- ❖ Summary (7:30)

Introduction

❖ Today's Presenters

- ❖ Don Barber, Executive Director GTCMHIC
- ❖ Steve Locey, Locey & Cahill, LLC
- ❖ Michael Tellier, Lifetime Health Care
- ❖ Beth Miller, Excellus BCBS
- ❖ Corey Prashaw, ProAct, Inc.

❖ Participants

❖ Acknowledgements



Greater Tompkins County Municipal Health Insurance Consortium

Belief:

Individually and collectively we invest in realizing high quality, affordable, dependable Health Insurance

Mission Statement:

The Greater Tompkins County Municipal Health Insurance Consortium is an efficient inter-municipal cooperative that provides high-quality, cost-stable health insurance for members and their employees and retirees.

Vision Statement

The Greater Tompkins County Municipal Health Insurance Consortium provides its municipal partners in Tompkins County and the six contiguous counties, a menu of health insurance plans to the benefit of the employees, retirees, and their families.

- The Consortium administers operations by collaborating with claims administrators, providers, and employee representatives in an effort to manage its costs, efficiencies, and success.
- The Consortium strives to provide a trust-worthy, responsive, and efficient vehicle that enables access to its quality products, models a new health insurance paradigm, and educates its members to become more directly involved in their own personal health.
- The Consortium promotes a culture of preventative health care for the well-being of its members.

Past Educational Retreats

2014 -- Health Insurance 101

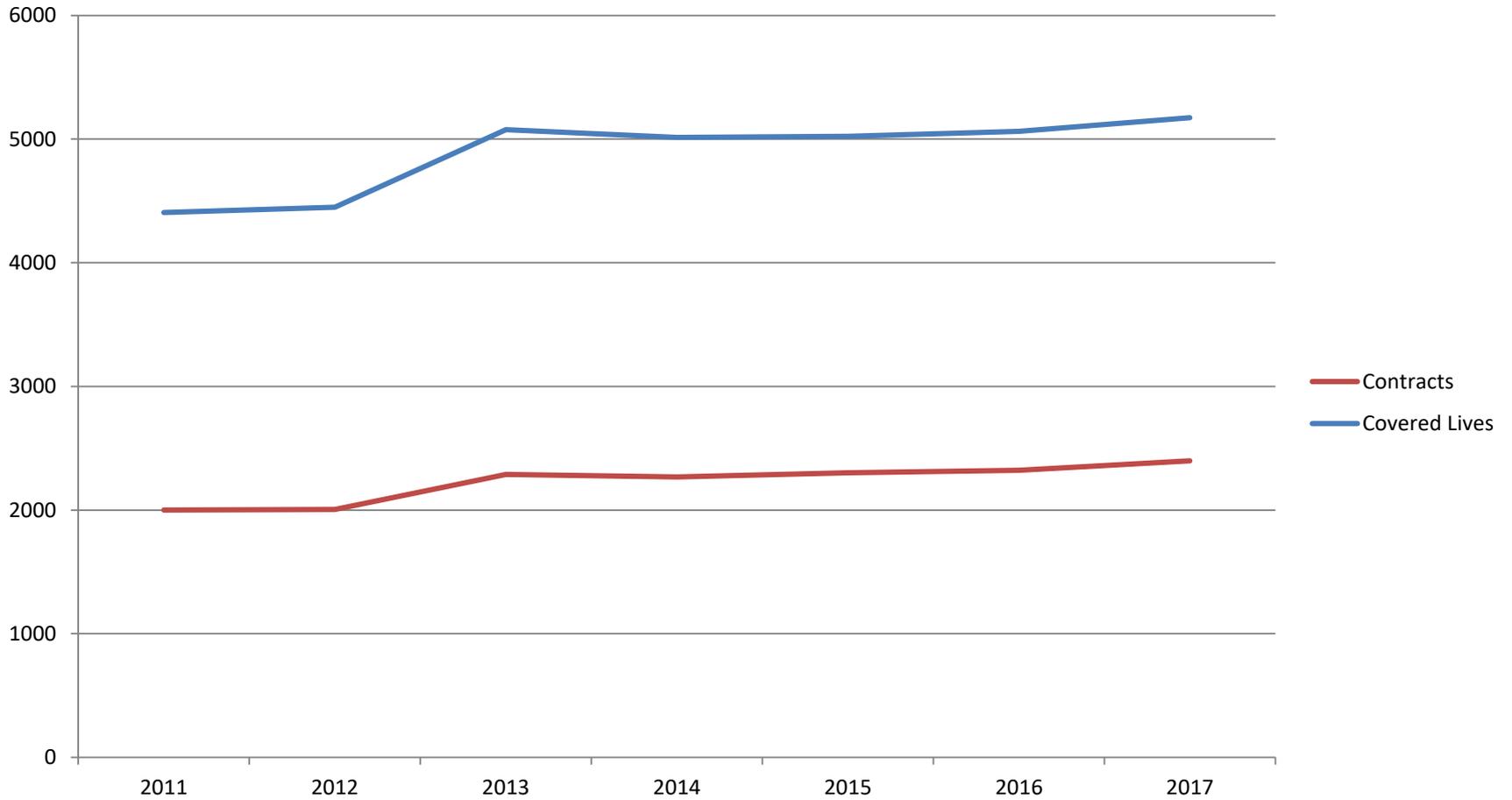
2015 -- Building Benefit Plans

2016 -- Developing Health Insurance Premiums

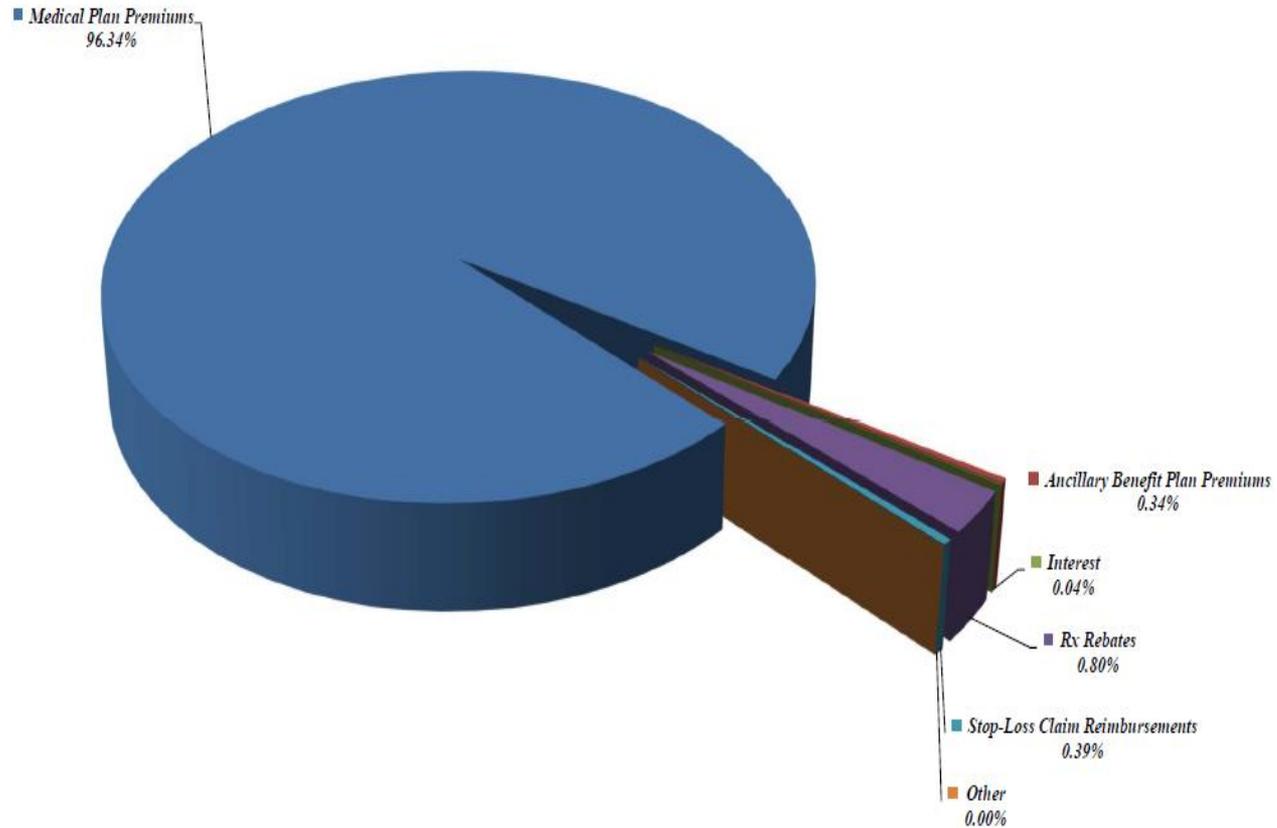
2017 -- Subscriber Choices and Impact

<http://healthconsortium.net>

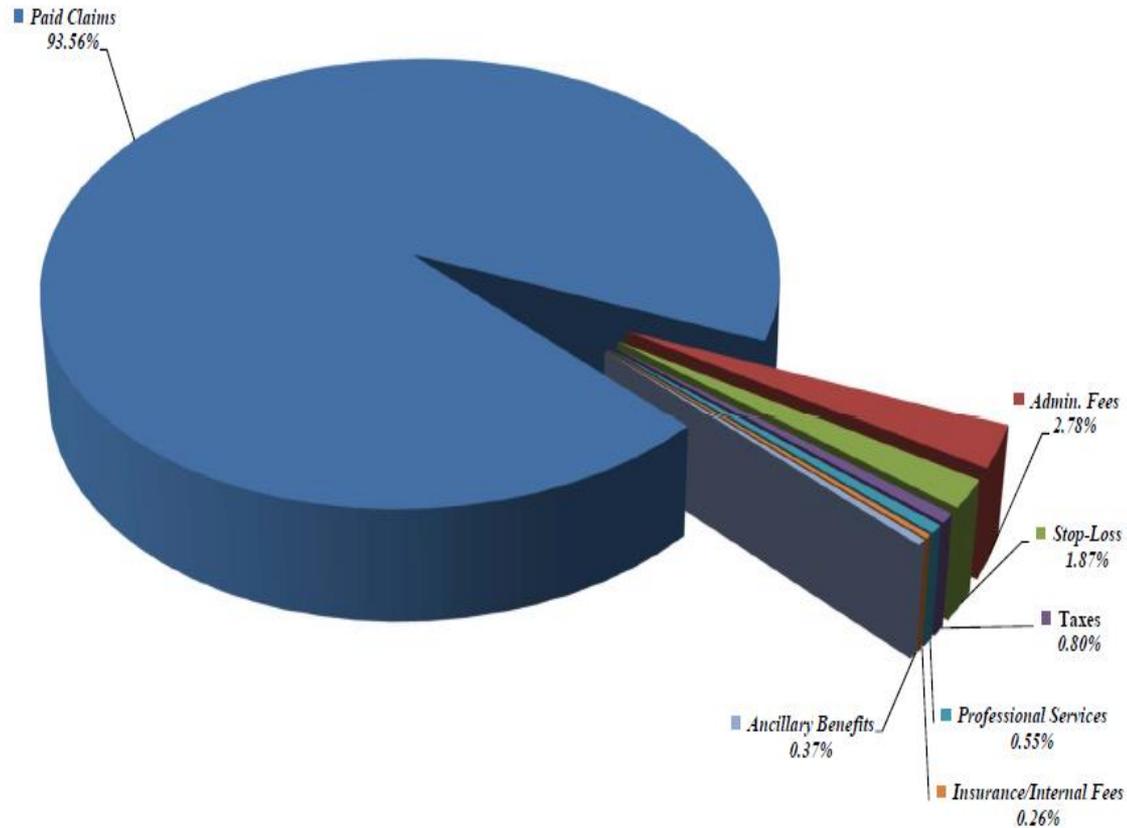
Membership



Greater Tompkins County Municipal Health Ins. Consortium
2017 Income Distribution
January 1, 2017 to December 31, 2017

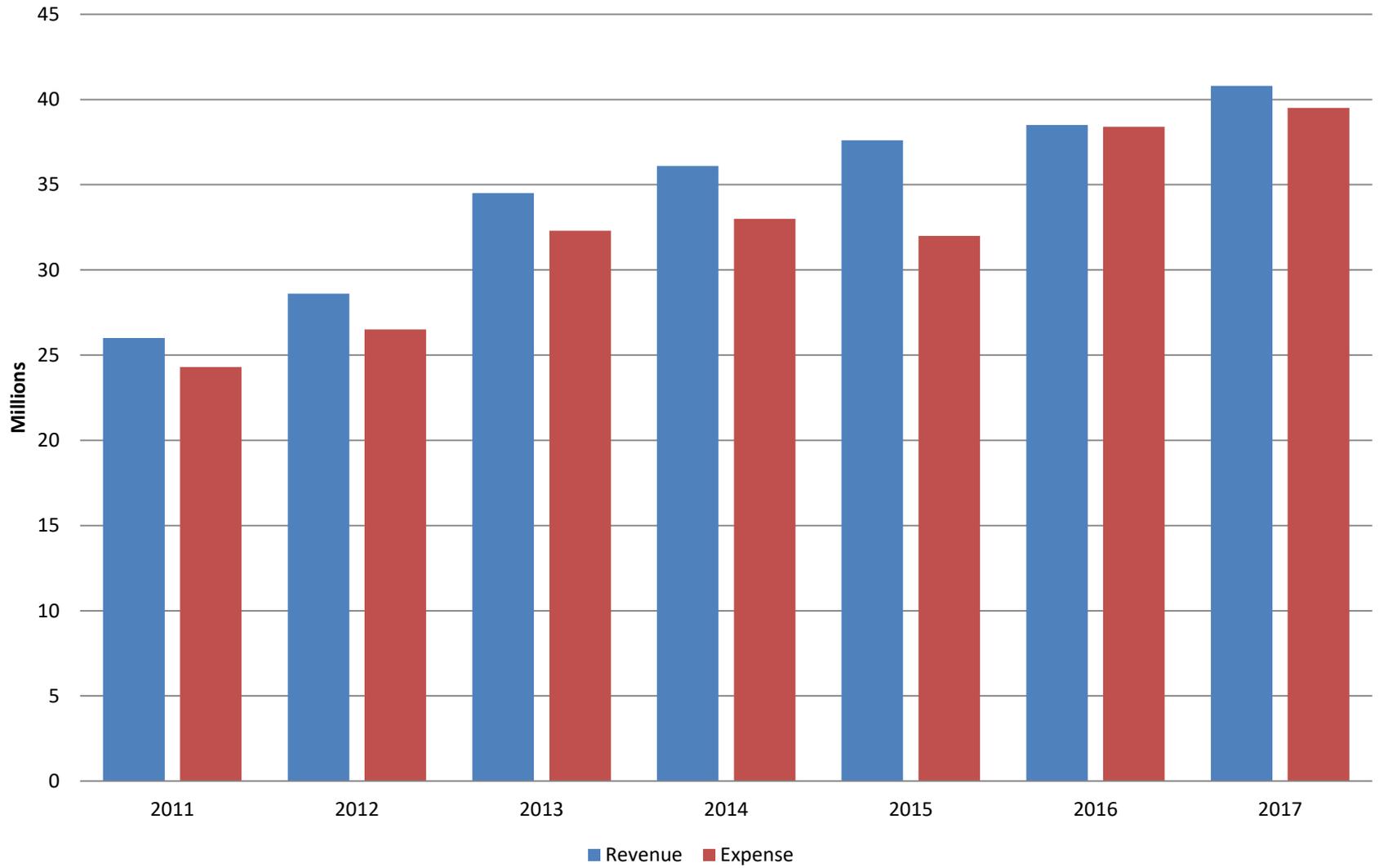


Greater Tompkins County Municipal Health Ins. Consortium
2017 Expense Distribution
January 1, 2017 to December 31, 2017

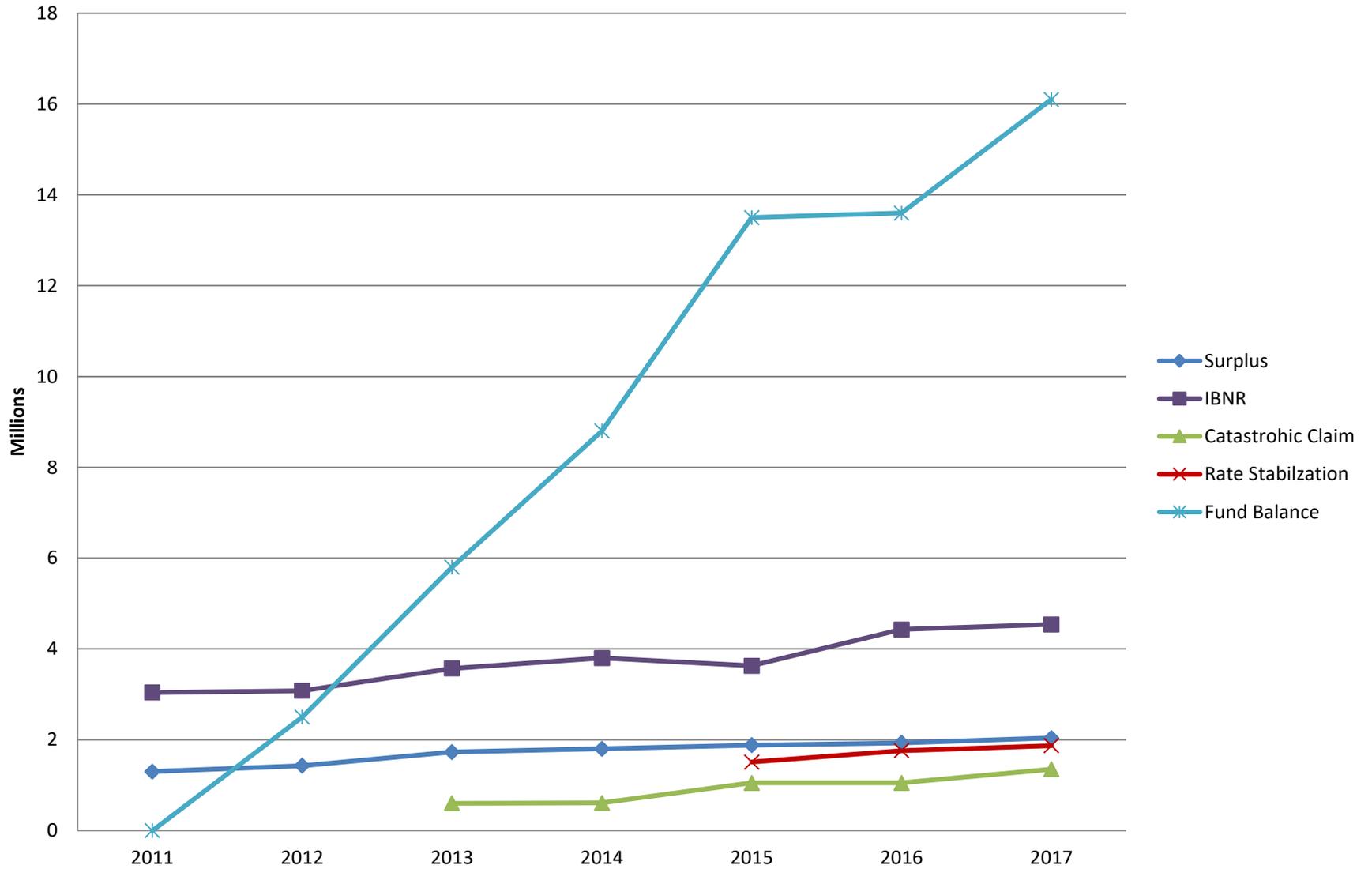


■ Paid Claims ■ Admin. Fees ■ Stop-Loss ■ Taxes and Fees ■ Professional Services ■ Insurance/Internal Fees ■ Ancillary Benefits

Revenue and Expense



Reserves and Fund Balance



What are Benefit Plans?

Benefit Plans are a contract between a person and/or their employer and a licensed health insurance company that contains a listing of covered medical care services provided to eligible.

As part of a benefit plan health insurance companies typically contract with health care service providers who offer medical care and/or services to you at a reduced agreed upon amount.

Benefit Plans must meet minimum Federal and State requirements and include all mandated benefits.

Provider Networks

- ❖ Healthcare Services Covered by a Benefit Plan Need Pre-Determined, Discounted Pricing from Medical Providers, Facilities, and Pharmacies to Reasonably Predict Claims Costs and Resulting Premiums.
- ❖ Health Insurance Administrators and Prescription Benefit Managers Need a Provider Network in Order to Keep Prices Down and Provide Covered Members with Access to the Care They Need.
- ❖ The GTCMHIC Contracts with Excellus BCBS for Hospital, Medical, and Surgical Claims Administration and with ProAct for Prescription Drug Claims Administration.

In-Network vs Out-of-Network

In-Network Care

- ❖ Is care provided to a patient by a medical care provider, facility, or pharmacy who has a contract in place with an insurance company, third party administrator, or pharmacy benefit manager to deliver medical services, care, and/or materials at a pre-determined cost or pre-determined rate of reimbursement. The patient is only responsible for their deductible, coinsurance amounts, and/or copayments not to exceed their out-of-pocket maximum for the year.

Out-of-Network Care

- ❖ Is care provided to a patient by a medical care provider, facility, or pharmacy who does not have a contract in place with an insurance company, third party administrator, or pharmacy benefit. The patient is not only responsible for their deductible, coinsurance amounts, and/or copayments not to exceed their out-of-pocket maximum for the year, but is also responsible for any balances above the amount allowed by the insurance company, third party administrator, or pharmacy benefit.



Person Needs Medical Care

Medical Care is Sought



- Common Questions to ask the Doctor:**
1. What are my treatment options?
 2. What services will be performed?
 3. What services do I really need?
 4. How much will the services cost?
 5. Will a generic drug work for me?

Cost of Care

Pay Co-Pay



to Doctor

Billed to Insurer



Insurer Determines

if service is covered



Discounted rate paid to Doctor



Bill to Patient

Common Patient Costs:

1. Deductible
2. Coinsurance Amounts (e.g., 20%)
3. Non-Covered Items/Services
4. Non-Par Provider Balances

DATE OF SERVICE	CODE	DESCRIPTION OF SERVICE	CHARGES	PAYMENTS	BALANCE
06/01/12	XXXXA	OFFICE VISIT 20 MINUTES	\$200.00	\$180.00	\$20.00
06/01/12	XXXXB	BLOOD DRAW	\$100.00	\$75.00	\$25.00
CURRENT	00-00 DAYS	00-90 DAYS	90-120 DAYS	120+ DAYS	AMOUNT DUE:
\$0.00					\$25.00

Claims Adjudication Process:

1. Is the Patient covered by the Plan?
2. What type of plan design is in place?
3. Is the service a covered item?
4. Is the service medically necessary?
5. Is the Provider participating?
6. Does the Patient have cost sharing?
 - a. Deductible
 - b. Coinsurance
 - c. Copayment

by Insurer/Admin.

Claim received



Discounted rate paid

to Medical Provider



What is Stop-Loss Insurance?

- The Consortium purchases insurance against large claim exposure and, like subscribers, has a deductible as well.
- This Insurance is called “specific” Stop-Loss. In 2018, after the Consortium pays the first \$600,000 of any claim that exceeds \$600,000, then the Stop-Loss Insurer pays all costs above the deductible.
- The specific Stop-Loss deductible has increase, by Board resolution, from \$275K in 2011to the current \$600K.
- As the Board of Directors increased deductible, it created the Catastrophic claims reserve to have funds for this increased liability. The Catastrophic Claims reserve for 2018 is \$2,000,000.

Health Plan Management Report

Greater Tompkins Consortium

April 26, 2018

Industry Comparison

Incurred between January 1, 2017 and December 31, 2017, paid through March 31, 2018



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----- ExcellusBCBS.com -----

Confidential and Proprietary
Information

At a Glance

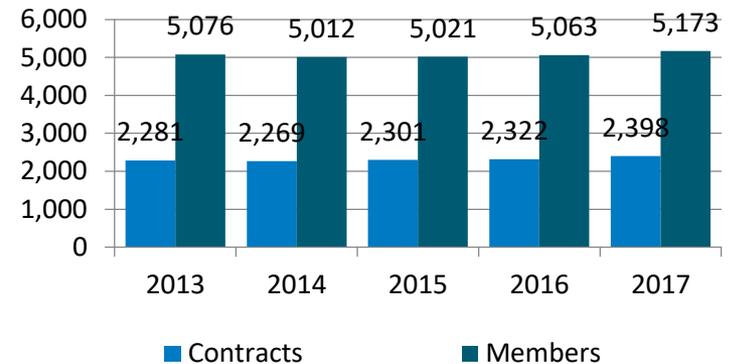
Prior - Incurred between January 1, 2016 and December 31, 2016, paid through March 31, 2017

Current - Incurred between January 1, 2017 and December 31, 2017, paid through March 31, 2018

	Prior	Current	% Change
Average Contracts	2,322	2,398	+3%
Average Members	5,063	5,173	+2%
Plan Cost	\$23,937,884	\$26,107,993	+9%
Member Cost	\$964,482	\$1,082,666	+12%
Total Cost	\$29,141,382	\$32,099,481	+10%
Plan Cost per Contract per Year	\$10,309	\$10,887	+6%
Plan Cost per Member per Month	\$394	\$421	+7%
Total Cost per Member per Year	\$5,756	\$6,205	+8%

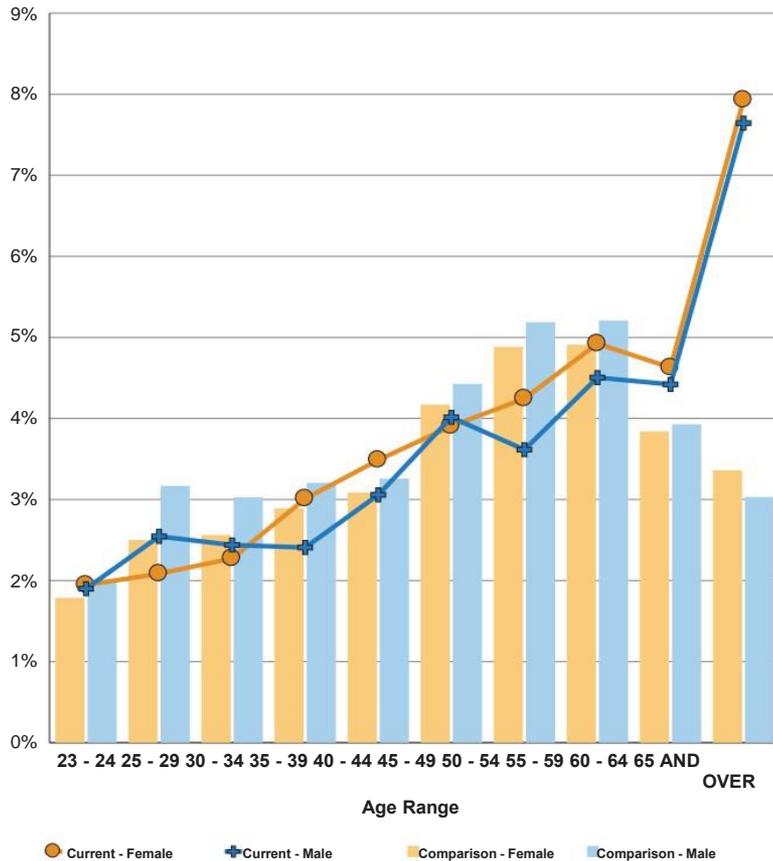
	High Cost Claimants > \$100,000				
	2013	2014	2015	2016	2017
Number of Claimants	21	16	17	25	30
Plan Costs	\$3,577,713	\$3,008,003	\$2,774,808	\$4,153,965	\$5,110,537
% of Plan Costs	17%	14%	13%	17%	20%
	Stop Loss Claimants				
	2013	2014	2015	2016	2017
Number of Claimants	3	1	1	1	1
Plan Costs	\$1,111,397	\$400,800	\$525,309	\$575,468	\$458,261
\$ Over Stop Loss	\$211,397	\$100,800	\$125,309	\$175,468	\$58,261

5 Year Enrollment - Annual Average



Demographics

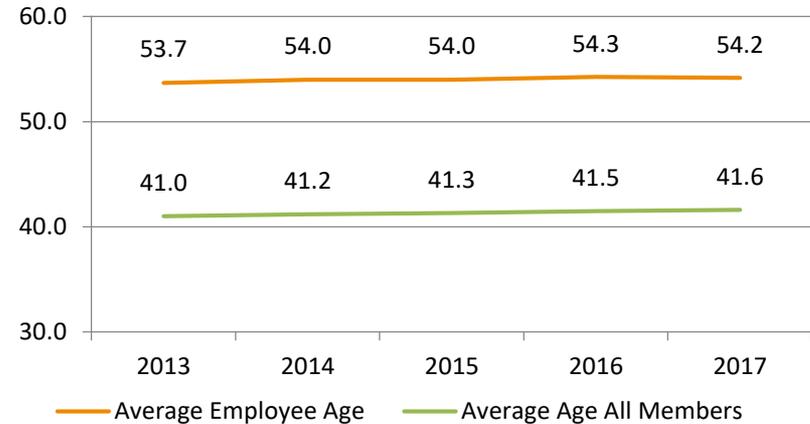
Adult Demographics



Average Age	Current	Comparison
Subscribers	54.2	49.2
All Members	41.6	37.4

Percent Male	Current	Comparison
Subscribers	56%	64%
All Members	49%	52%

Demographics - 5 Year

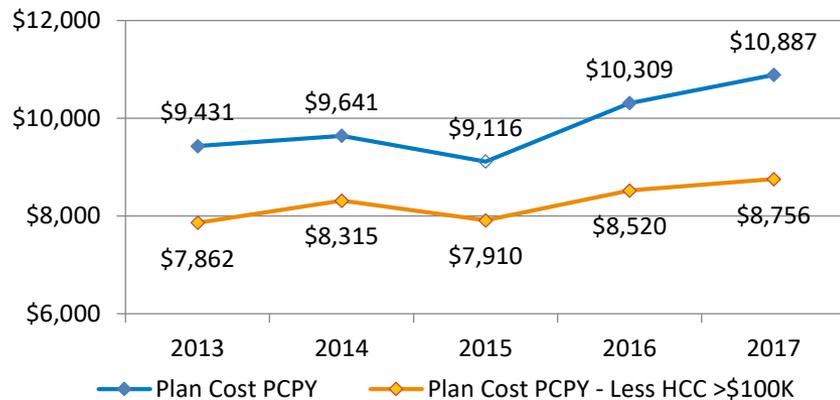


Current vs. Industry Comparison

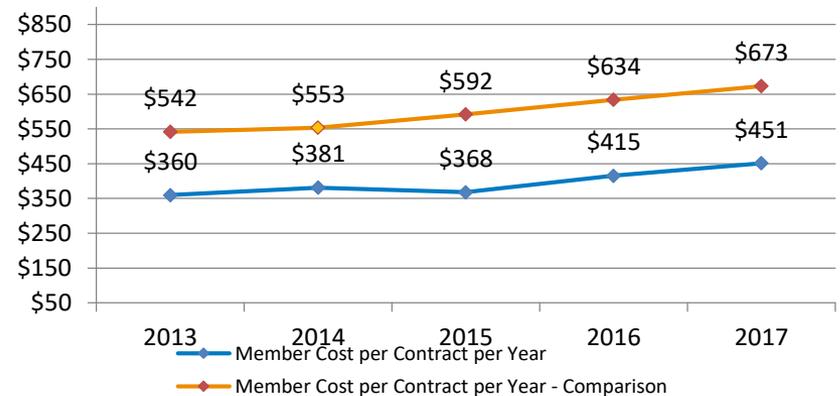
Comparison data is based on a large sample of clients, representing approximately 124,000 members

	Current	Comparison	Current vs Comparison
Plan Cost per Contract per Year	\$10,887	\$9,096	20% higher
Plan Cost per Member per Month	\$421	\$342	23% higher
Total Cost per Member per Year	\$6,205	\$4,686	32% higher
Percent Member Cost Share	4%	7%	less
Member Cost per Contract per Year	\$451	\$673	33% lower
Members per Contract	2.2	2.2	similar

5 Year Trend - Plan Cost



5 Year Trend - Member Cost

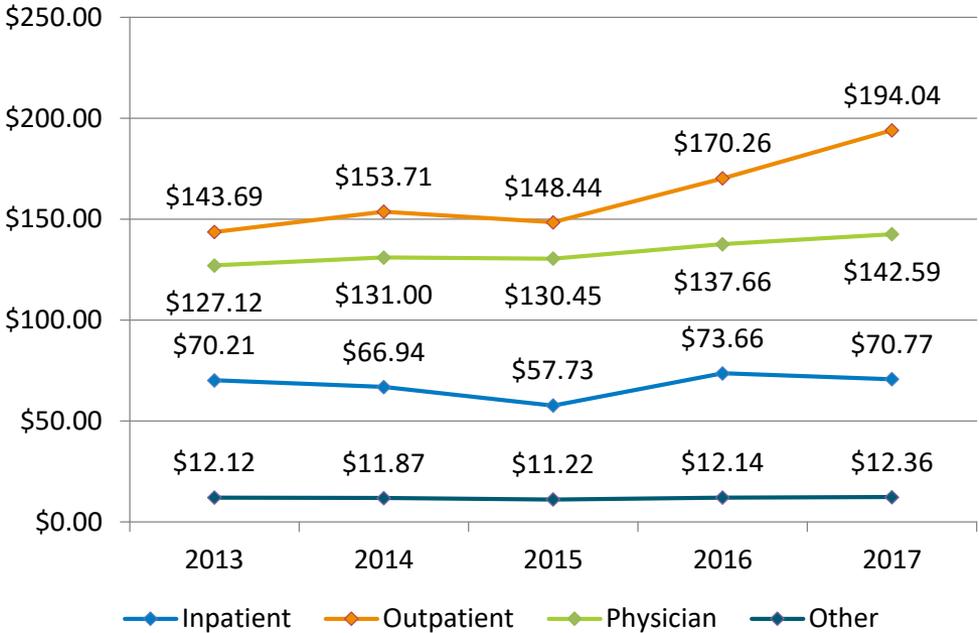


Plan Cost by Arena of Care

Plan Costs

Arena	Prior	Current	% Change	Current % of Total
Inpatient	\$4,475,193	\$4,392,851	-2%	17%
Outpatient	\$10,344,226	\$12,044,989	+16%	46%
Physician	\$8,363,415	\$8,851,620	+6%	34%
Other	\$737,688	\$767,249	+4%	3%

Arena PMPM Trend



Inpatient Utilization

	Count		Rate per 1,000 per Year				
	Prior	Current	Prior	Current	% Change	Comparison	Current vs Comparison
Admissions	374	365	74	71	-4%	67	6% higher
Average Length of Stay	4.8	6.0	--	--	+25%	5.3	13% higher

Plan Cost and Utilization by Facility

Top 5	Plan Cost	% Plan Cost	# of Admits	% Admits
Cayuga Medical Center at Ithaca	\$970,771	22%	118	32%
University Hospital SUNY Health Science Center	\$401,977	9%	25	7%
Robert Packer Hosp	\$396,998	9%	26	7%
St Josephs Hospital Health Center	\$309,784	7%	15	4%
Crouse Hospital	\$158,681	4%	9	2%
All Other Facilities	\$2,154,640	49%	172	47%
Total	\$4,392,851	100%	365	100%

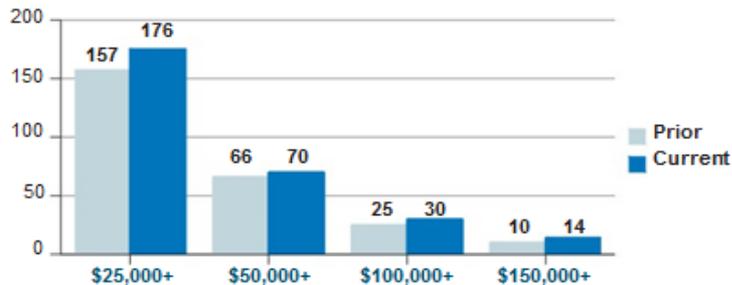
Inpatient Reviews	Unmodified	Modified
Pre-Service	189	7
Concurrent	147	6
Post Service	145	14
Denial Rate		5.3%

Inpatient Management	Count
Members Identified for CM at the time of admission	15
Coordination of Care Activities	1,523
Number of Inpatient Days Managed	831

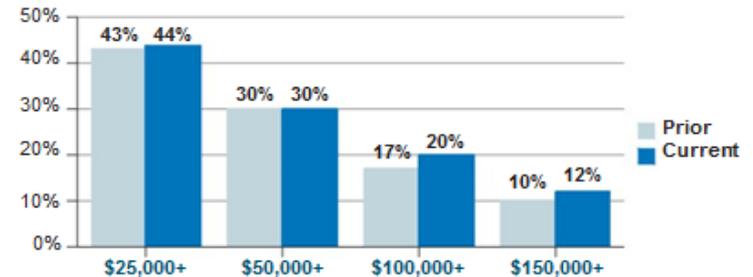
High Cost Claimant Impact

	Prior	Current	% Change	Comparison	Current vs Comparison
Number of Claimants with Plan Cost >= \$100,000	25	30	+20%	--	--
Percent of Members with Plan Cost >= \$100,000	0.46%	0.54%	+17%	--	--
Plan Cost for Claimants >= \$100,000	\$4,153,965	\$5,110,537	+23%	--	--
Percent of Plan Cost for Claimants >= \$100,000	17%	20%	+13%	--	--
Average Plan Cost per Claimant >= \$100,000	\$166,159	\$170,351	+3%	--	--
Plan Cost PMPY Excluding Claimants >= \$100,000	\$3,927	\$4,083	+4%	\$3,337	22% higher

High Claimants per Period



High Claimant Expense As % of Total Plan Costs



High Cost Claimants

	Claimant	Most Costly Diagnosis	Prior Plan Cost	Current Plan Cost	UM	CM	DM	Rx Sp CM	Current Status	Forecast >\$50K w/o IBNR
1	000001931744	C83 Non-follicular lymphoma	\$4,776	\$456,397	YES	NA	NA	NA	Active	YES
2	000001789179	C50 Malignant neoplasm of breast	\$114,284	\$268,161	YES	YES	NA	NA	Active	YES
3	000010189670	Z51 Encounter for other aftercare	\$5,359	\$259,724	YES	NA	YES	NA	Active	YES
4	000000648379	T82 Complications of cardiac and vascular prosthetic devices, impl	\$3,630	\$251,126	YES	YES	NA	NA	Active	YES
5	000000435085	F11 Substance related disorders	\$93,402	\$248,348	YES	YES	NA	NA	Termed	NO
6	000001783945	Z51 Encounter for other aftercare	\$72,194	\$218,870	YES	NA	NA	NA	Termed	NO
7	000010721081	F31 Bipolar disorder	\$267,739	\$213,902	YES	YES	YES	NA	Active	YES
8	000000586070	E66 Overweight and obesity	\$16,144	\$196,234	YES	YES	YES	NA	Active	YES
9	000002057682	Z51 Encounter for other aftercare	\$9,289	\$195,474	NA	NA	YES	NA	Active	YES
10	000010875068	I71 Aortic aneurysm and dissection	\$0	\$187,684	YES	NA	NA	NA	Active	YES

UM - Utilization Management, CM - Case Management, DM - Disease Management, Rx Sp CM - Pharmacy Benefit Specialty Drug, NA - Program Not Applicable to this Claimant

	UM	CM	DM	RxSp CM	Forecast > \$50k w/o IBNR
All High Cost Claimants Above \$100k Threshold	25	9	11	0	24
Other Members	779	43	835	3	42

	UM/CM/DM Touches	Member Count
High Cost Claimants	136	30
Other Members	1,206	4,941
Total	1,729	4,971

Cost Distributions

Members by Total Cost Band

	Prior	Current	Comparison
\$0	10%	11%	16%
\$1 - \$999	30%	29%	37%
\$1,000 - \$9,999	47%	48%	37%
\$10,000 - \$24,999	8%	9%	6%
\$25,000 - \$49,999	2%	3%	2%
\$50,000 +	1%	2%	1%

Members with \$0 Total Costs in

- 586 - Number of Members
- 36.2 - Average Age
- 64% - Male
- 44% - Subscribers
- 11% - Dependents <age 19
- 9.2 - Average Months on Plan (within report period)

Gaps in Care Rate Estimate

Guideline	Eligible Members	Guideline Compliance Rate	
		Current	Comparison
Preventive Services			
Well Child Exams (5 by Age 12 months)	10	100%	92%
Well Child Exams (2 per Year for Ages 1-3)	54	63%	75%
Well Child Exams (1 per Year for Ages 3-7)	168	90%	87%
Well Child Exams (1 per Year for Ages 7-12)	245	82%	81%
Well Child Exams (1 per Year for Ages 12-21)	529	65%	67%
Breast Cancer Screening (1 in the past 2 years for women ages 40-69)	899	66%	77%
Cervical Cancer Screening (1 in the past 3 years for women ages 21-64)	1,456	73%	80%
Colon Cancer Screening (1 in the past 10 years for adults ages 50+)	1,855	62%	63%

Provider Network



Savings	
Percent Savings *:	50%
Billed Charges:	\$63,596,624
Total Costs *:	\$32,099,481
Network Savings:	\$31,497,143

* Percent Savings = Network Savings / Billed Charges

* Total Costs = Plan Costs + Member Costs + Other Carrier Liability

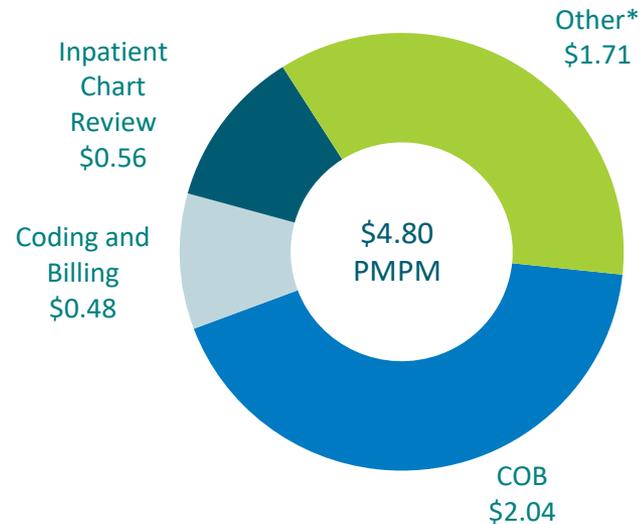


Non-Participating Provider Utilization	
Number of Individuals:	750
Plan Costs:	\$1,572,562
Member Costs:	\$102,378
Percent Plan Cost:	6.0%

Participating Provider

Arena	Local Provider	Blue Card Provider	Non-Par Provider	Total Plan Costs
Inpatient	\$2,857,049	\$965,754	\$570,048	\$4,392,851
Outpatient	\$10,438,770	\$1,350,342	\$255,877	\$12,044,989
Physician	\$7,725,587	\$617,116	\$508,916	\$8,851,620
Other	\$443,388	\$86,140	\$237,721	\$767,249
Pharmacy	\$51,284	--	--	\$51,284
Total	\$21,516,079	\$3,019,352	\$1,572,562	\$26,107,993

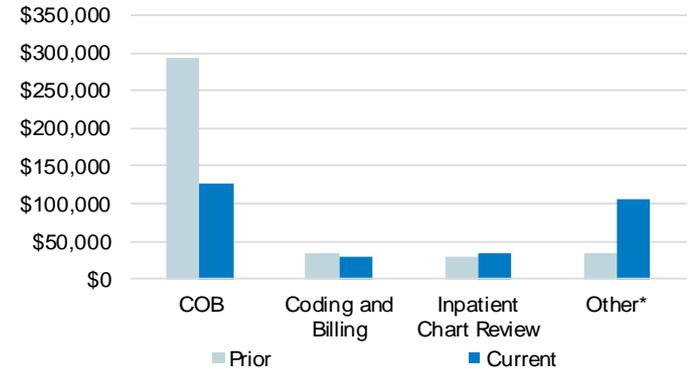
Post Payment Recovery Savings Summary



Post Payment Recovery Savings Summary

Summary	Prior	Current	% Change
Health Plan Recovery Audits	\$170,913	\$97,163	-43%
Vendor Recovery Audits	\$218,960	\$200,619	-8%
Total	\$389,873	\$297,781	-24%

Post Payment Recovery Savings



Detail	Health Plan		Vendor		Total		% Change
	Prior	Current	Prior	Current	Prior	Current	
COB	\$115,422	\$51,562	\$176,860	\$75,334	\$292,282	\$126,896	-57%
Coding and Billing	\$19,886	\$7,489	\$14,834	\$22,351	\$34,720	\$29,840	-14%
Inpatient Chart Review	\$28,453	\$34,856	\$0	\$0	\$28,453	\$34,856	23%
Other*	\$7,151	\$3,256	\$27,266	\$102,933	\$34,417	\$106,189	209%
Total	\$170,913	\$97,163	\$218,960	\$200,619	\$389,873	\$297,781	-24%

* Includes Subrogation, Duplicates and Retro Terms

Costs by Clinical Classification

	2013	2014	2015	2016	2017	Less \$100K	Comparison
Musculoskeletal System	\$65.17	\$60.44	\$61.78	\$72.77	\$86.52	\$77.47	\$51.63
Neoplasms	\$51.66	\$50.80	\$43.56	\$62.41	\$70.94	\$35.12	\$44.85
Circulatory System	\$51.13	\$54.49	\$42.85	\$55.49	\$47.48	\$41.92	\$40.51
Symptoms and Health Factors	\$38.28	\$43.18	\$40.17	\$43.68	\$46.54	\$45.57	\$38.68
Nervous System and Sense Organs	\$35.82	\$33.03	\$32.98	\$32.26	\$32.97	\$30.87	\$25.72
Mental Health and Substance Abuse	\$18.94	\$19.90	\$26.16	\$27.40	\$32.96	\$25.73	\$19.18
Injury and Poisoning	\$23.16	\$30.22	\$32.14	\$33.40	\$32.70	\$28.78	\$27.73
Genitourinary System	\$23.50	\$25.31	\$26.09	\$25.17	\$32.34	\$30.95	\$24.22
Digestive System	\$31.38	\$28.03	\$27.20	\$35.24	\$31.80	\$28.21	\$32.41
Respiratory System	\$27.44	\$22.21	\$21.46	\$23.91	\$29.32	\$28.53	\$20.84
Endocrine and Nutritional	\$17.26	\$18.92	\$16.79	\$17.94	\$28.04	\$21.24	\$16.14
Infectious and Parasitic	\$11.19	\$9.73	\$10.11	\$11.01	\$10.78	\$9.37	\$8.62
Pregnancy and Childbirth	\$10.76	\$12.82	\$11.65	\$13.76	\$10.16	\$10.20	\$13.64
Skin and Subcutaneous	\$5.98	\$7.78	\$7.24	\$7.04	\$9.06	\$9.00	\$7.69
Blood and Blood Disorders	\$3.33	\$10.79	\$10.39	\$6.87	\$4.57	\$3.68	\$3.87
Perinatal Conditions	\$3.14	\$2.32	\$2.36	\$2.17	\$1.61	\$1.62	\$4.51
Congenital Anomalies	\$1.97	\$1.45	\$0.94	\$1.76	\$1.29	\$1.28	\$1.71
All Other	\$0.15	\$0.80	\$3.07	\$7.06	\$7.17	\$7.40	\$5.98

Excluding HCC >\$100K Neoplasms
Total Cost PMPM is \$35.12 or 28%
better than comparison

Excluding HCC >\$100K Musculoskeletal
System Total Cost PMPM decreases to
\$77.47 or 33% higher than comparison

Health Management Opportunities by Prevalence

Claim-Based Prevalence

Category	# of Members	Total Cost	Prevalence			Total Cost PMPM		
			Prior	Current	Comparison	Prior	Current	Comparison
Back and Neck Problems	1,106	\$1,926,091	20.0%	20.0%	15.0%	\$28.21	\$31.03	\$17.88
Depression and Anxiety	723	\$784,045	14.1%	13.1%	9.0%	\$12.71	\$12.63	\$7.02
Hypertension	667	\$181,806	11.7%	12.1%	10.9%	\$3.12	\$2.93	\$2.70
Cancer	476	\$3,775,580	8.3%	8.6%	4.8%	\$47.66	\$60.82	\$37.16
Cholesterol Disorders	419	\$206,134	7.3%	7.6%	8.1%	\$1.18	\$3.32	\$1.40
Diabetes	406	\$483,299	7.2%	7.4%	5.5%	\$7.49	\$7.79	\$6.36
Asthma	193	\$182,378	3.2%	3.5%	2.8%	\$2.37	\$2.94	\$1.84
Ischemic Heart Disease	149	\$581,878	2.7%	2.7%	2.0%	\$13.59	\$9.37	\$9.11
Pregnancy and Childbirth	105	\$631,708	2.2%	1.9%	2.3%	\$13.88	\$10.18	\$16.46

	2013	2014	2015	2016	2017
Back and Neck Problems	20.3%	20.4%	20.7%	20.0%	20.0%
Cholesterol	9.6%	9.6%	8.1%	7.3%	7.6%
Diabetes	7.2%	7.2%	7.2%	7.2%	7.4%
Hypertension	10.5%	10.5%	11.4%	11.7%	12.1%
Cancer	9.2%	9.2%	8.8%	8.3%	8.6%
Ischemic Heart Disease	2.8%	2.8%	2.9%	2.7%	2.7%
Depression	11.1%	11.1%	13.3%	14.1%	13.1%

Back and Neck Problems	Members	Total Cost
Surgical	10	\$434,133
Chiropractor	673	\$397,020
Radiology	313	\$272,244
Outpatient Surgery	62	\$155,748
Physical Therapy	310	\$137,192

Accountable Cost and Quality Arrangements (ACQAs)

ACQAs are part of Excellus BCBS' suite of Value Based Payment (VBP) arrangements in which providers are engaged with quality improvement incentives while sharing financial risk with the Health Plan.

The goal of VBP arrangements is to create an affordable, efficient and sustainable health care system by sharing the responsibility with providers to better integrate patient care, emphasize patient safety and preventive services, and reduce unnecessary or duplicative costs.

	Count	Percent	Comparison
Attributed Members	4,375	85%	77%
Members in an ACQA	2,574	50%	39%
Members in a Non ACQA VBP Arrangement	813	16%	13%
Other Members Attributed	929	18%	16%
OOA Attributed Members	59	1%	10%
Non-Attributed Members	777	15%	23%
Total Members	5,149	-	-

2,280 Greater Tompkins Consortium Members received an annual physical exam in 2017

3,401 Greater Tompkins Consortium Members received preventive care in 2017

Highlights

- ✓ 85% of Greater Tompkins Members are attributed to either an ACQA, Value Based Payment arrangement or a provider.
 - ✓ Greater Tompkins members accounted for:
 - ✓ 2,280 Physical Exams in 2017
 - ✓ 3,401 Preventive Services in 2017
 - ✓ Greater Tompkins is lower than comparison in breast cancer, cervical cancer and colon cancer screenings. Continue to partner with Excellus to promote the benefits of these screenings since the average employee age is 54 and all members 41 years old.
- ✓ The goal of the Audit and Recovery team at Excellus is to control health benefits expense through retrospective review including validation of appropriate billing and payment. Based on 2017 claims the post payment recovery savings for Greater Tompkins was \$297,781 or \$4.80 per member per month.
- ✓ 94% of plan costs were to in network providers accounting for a 50% or \$34,197,143 network savings in 2017.



PHARMACY BENEFIT PLAN REVIEW – 4th QUARTER 2017

**Greater Tompkins County
Municipal Health Insurance Consortium**

Today's client review will include the following:

- Review client performance for the current period
- Analysis of client performance
- Identify potential savings opportunities
- Make recommendations for improving future performance

ProAct Contacts:

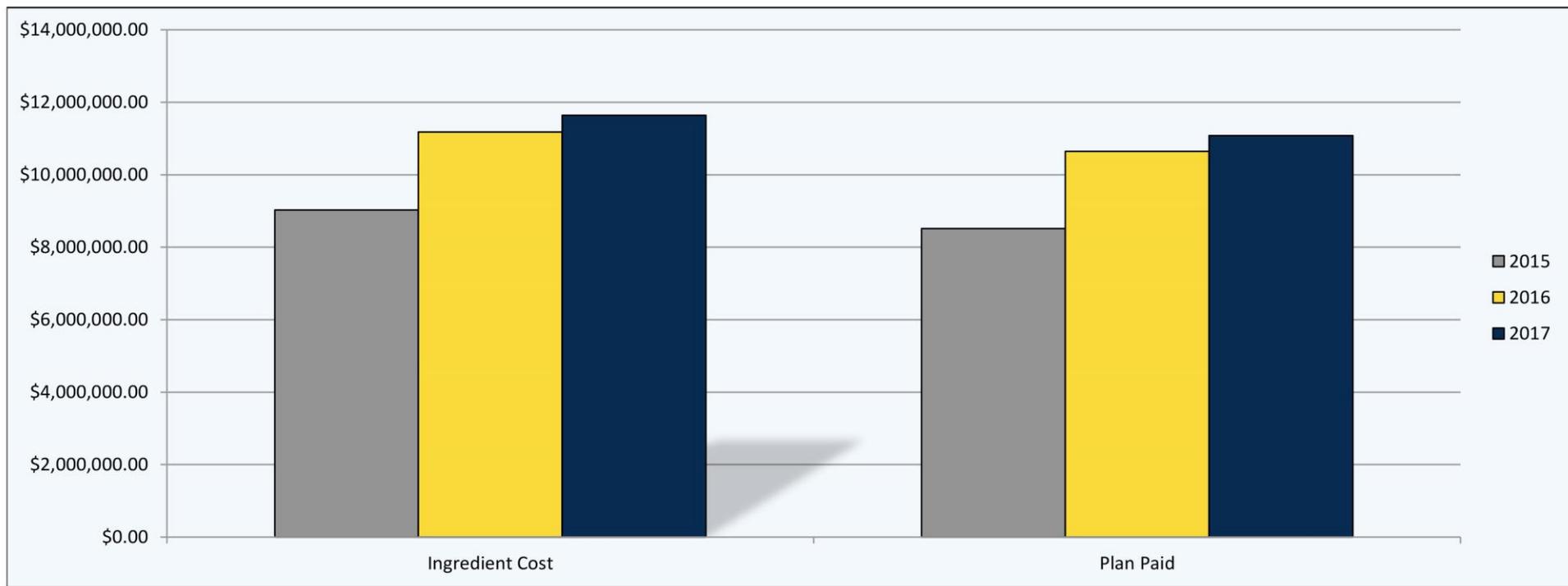
- **Corey Prashaw**
Account Manager
- **Ron Romano**
Clinical Account Director

Our focus is *you* . . .



PERFORMANCE

Period	Date Range	Eligible Members	Utilizing Members	Rx Count	Ingredient Cost	Fill Fee	Total Cost	Member Paid	Plan Paid
2017	01/01/2017 - 12/31/2017	5,156	4,306	77,512	\$11,640,121.68	\$110,106.41	\$11,750,228.09	\$664,302.99	\$11,079,834.05
2016	01/01/2016 - 12/31/2016	5,045	4,165	76,763	\$11,181,168.38	\$106,244.37	\$11,287,412.75	\$640,466.47	\$10,645,984.27
2015	01/01/2015 - 12/31/2015	5,041	4,153	76,027	\$9,027,125.76	\$105,873.78	\$9,132,999.54	\$618,870.82	\$8,513,468.25



****Normalized Data****

Period	Rxs PMPM	Plan Paid PMPM	% Generic Rxs	Plan Paid / Generic	% Brand Rxs	Plan Paid / Brand	% Formulary Rxs	Ingredient Cost / Rx	Fill Fee / Rx	Total Cost / Rx	Member Cost / Rx	Plan Cost / Rx
2017	1.85	\$179.08	83%	\$23.91	17%	\$481.33	96%	\$101.74	\$0.96	\$102.70	\$5.81	\$96.84
2016	1.85	\$175.86	82%	\$24.61	18%	\$432.86	95%	\$99.81	\$0.95	\$100.76	\$5.72	\$95.03
2015	1.80	\$140.75	82%	\$21.66	18%	\$335.82	95%	\$83.03	\$0.97	\$84.00	\$5.69	\$78.30
Similar Client Type	1.90	\$173.00	84%	\$24.40	16%	\$430.75	95%	\$95.69	\$0.75	\$96.45	\$5.47	\$90.89
ProAct BoB	1.42	\$121.43	85%	\$22.48	15%	\$438.40	95%	\$92.40	\$0.87	\$93.27	\$7.83	\$85.34



ANALYSIS

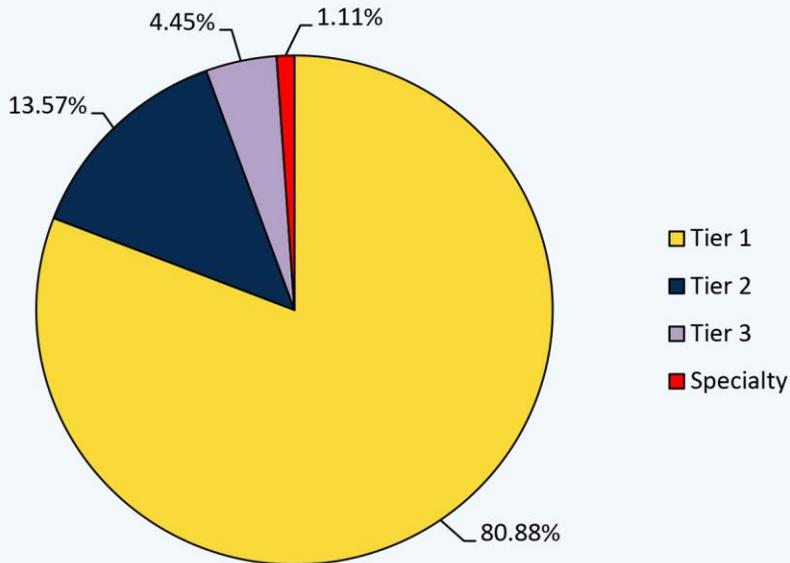
2017	Generic - Tier 1	Preferred Brand - Tier 2	Non-Preferred Brand - Tier 3	Specialty
Rx Count	64,307	9,455	2,657	1,093
Plan Paid / Rx	\$33.16	\$411.15	\$354.99	\$3,766.77
Plan Paid	\$2,132,152.32	\$3,887,394.95	\$943,207.45	\$4,117,079.33
% Rx Count	82.96%	12.20%	3.43%	1.41%
% Plan Spend	19.24%	35.09%	8.51%	37.16%

2016	Generic - Tier 1	Preferred Brand - Tier 2	Non-Preferred Brand - Tier 3	Specialty
Rx Count	62,992	9,412	3,425	934
Plan Paid / Rx	\$35.17	\$382.25	\$337.31	\$3,937.62
Plan Paid	\$2,215,262.93	\$3,597,705.74	\$1,155,278.09	\$3,677,737.51
% Rx Count	82.06%	12.26%	4.46%	1.22%
% Plan Spend	20.81%	33.79%	10.85%	34.55%

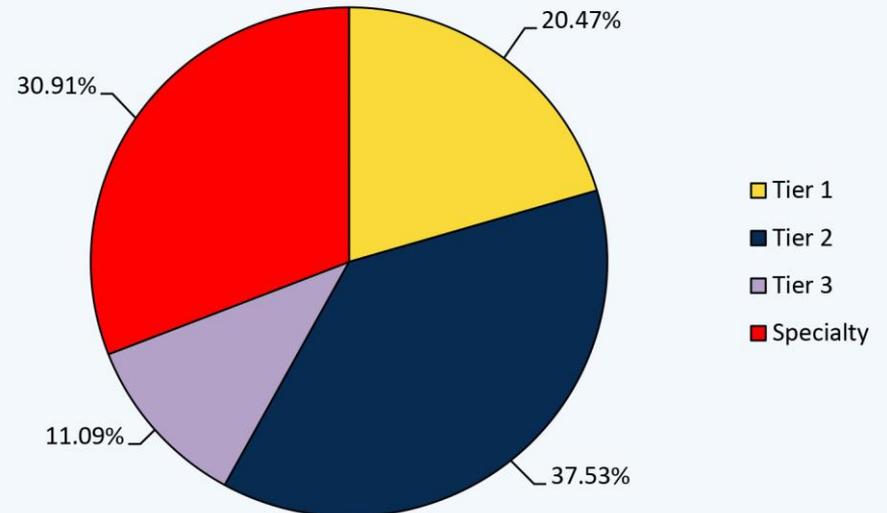
2015	Generic - Tier 1	Preferred Brand - Tier 2	Non-Preferred Brand - Tier 3	Specialty
Rx Count	61,801	10,021	3,420	785
Plan Paid / Rx	\$30.27	\$326.62	\$283.37	\$3,057.91
Plan Paid	\$1,870,782.50	\$3,273,102.65	\$969,123.18	\$2,400,459.92
% Rx Count	81.29%	13.18%	4.50%	1.03%
% Plan Spend	21.97%	38.45%	11.38%	28.20%

2013-2017	Generic - Tier 1	Preferred Brand - Tier 2	Non-Preferred Brand - Tier 3	Specialty
Rx Count	310,882	52,144	17,099	4,250
Plan Paid / Rx	\$29.63	\$323.83	\$291.81	\$3,272.88
Plan Paid	\$9,212,326.28	\$16,885,961.14	\$4,989,693.40	\$13,909,749.71
% Plan Spend	20.47%	37.53%	11.09%	30.91%

% Rx Count by Tier



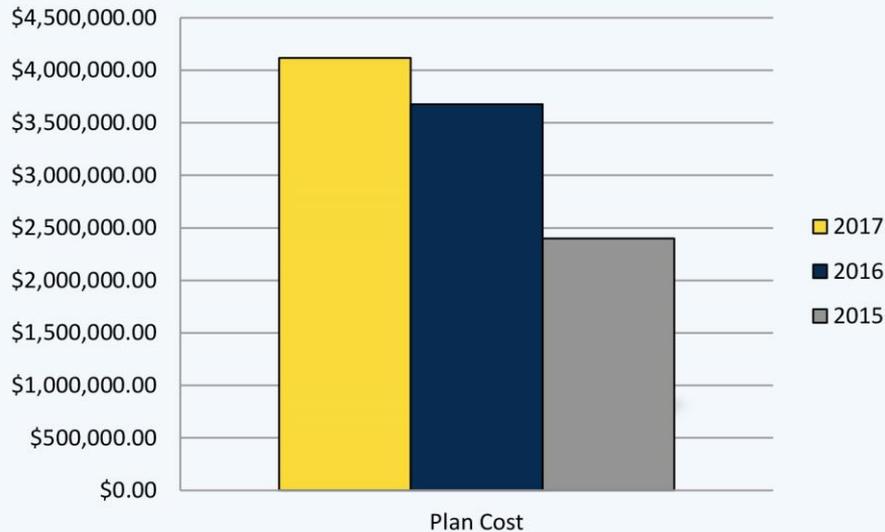
% Plan Spend by Tier



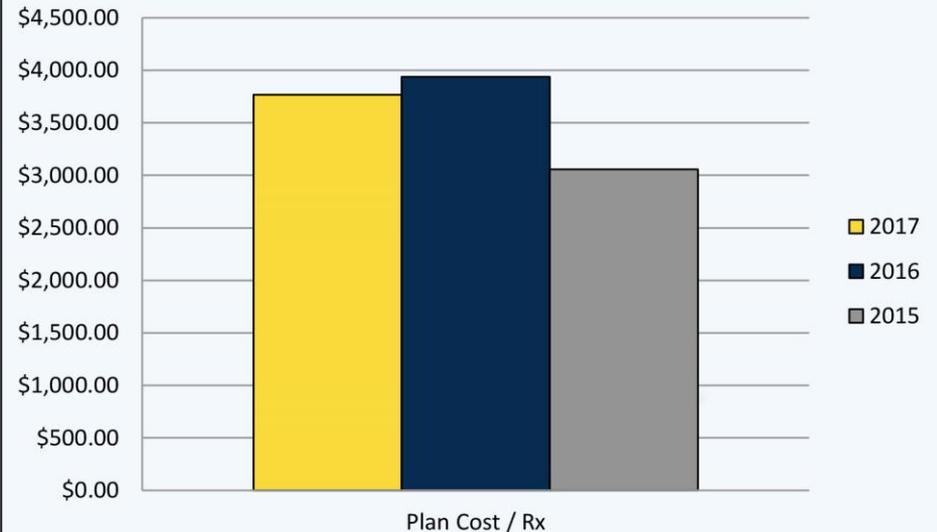
Category Name	Common Disease	Common Brand Medications	Common Generic Medications	Utilizing Members	Rx Count	Plan Paid	% Generic 2017	% Generic 2016	% Generic 2015
Antidepressants	Depression	Celexa, Cymbalta, Effexor, Lexapro, Paxil, Pristiq, Prozac, Sarafem, Wellbutrin, Zoloft	bupropion, citalopram, fluoxetine, mirtazapine, paroxetine, sertraline, venlafaxine	1,040	6,721	\$257,420.56	97.78%	88.27%	97.36%
Antihyperlipidemic	High Cholesterol	Advicor, Antara, Colestid, Crestor, Fenofibric Acid, Fibricor, Lescol/XL, Lipitor, Lovaza, Tricor, Vytorin, Welchol, Zetia	atorvastatin, cholestyramine, colestipol, fenofibrate, gemfibrozil, lovastatin, pravastatin, simvastatin	863	4,438	\$236,621.65	95.72%	86.78%	80.94%
Antidiabetic	High Blood Sugar	Actosplus Met, Actos, Avandamet, Avandia, Insulin Products, Januvia, Starlix	acarbose, glimepiride, glipizide, glipizide XL, glyburide, metformin, metformin ER, nateglinide	418	3,872	\$1,333,763.94	56.38%	57.26%	62.96%
Antiasthmatic	Asthma	Accolate, Duoneb, Foradil, Singulair, Spirivia, Symbicort, Theo-24, Ventolin	albuterol, albuterol/ipratropium, aminophylline, theophylline, budesonide	801	3,736	\$699,969.28	33.30%	35.16%	32.07%
Analgesics- Narcotic	Pain - Narcotic	Avinza, Embeda, Kadian, Opana, OxyContin, Vicodin	fentanyl, hydrocodone, hydromorphone, meperidine, methadone, morphine, oxycodone	801	2,787	\$238,913.49	87.37%	88.27%	87.92%
Anticonvulsant	Seizures	Carbatrol, Depakene, Gabitril, Keppra, Lamictal, Lyrica, Neurontin, Tegretol, Topamax, Trileptal	carbamazepine, divalproex, gabapentin, lamotrigine, levetiracetam, phenobarbitol, topiramate	424	2,406	\$319,835.85	83.00%	83.71%	83.29%
Dermatological	Topical Agents	Benzaclin Care Kit/gel, Differin, Duac, Elocon, Lidex, Loprox Gel/Shampoo, Metrogel,	ammonium lactate, betamethasone, hydrocortisone, triamcinolone acetonide	928	1,982	\$302,669.88	93.04%	87.86%	85.95%
Stimulants/Anti-Obesity/Anorex	Stimulants	Adderall XR, Concerta, Daytrena, Focalin, Metadate CD/ER, Nuvigil, Provigil, Ritalin/LA/SR	amphetamine/dextroamphetamine, methylphenidate ER/SR	224	1,606	\$260,773.29	85.18%	86.16%	84.13%
Misc. Cardiovascular	Erectile dysfunction, Pulmonary Hypertension, vaso	Cialis, Letairis, Levitra, Tracleer, Viagra	Largely brand dominated category	206	905	\$344,468.79	5.86%	4.30%	4.96%
Anticoagulants	Blood clots	Arixtra, Coumadin, Effient, Fragmin, Lovenox	anagrelide, dipyridamole, pentoxifylline, ticlopidine, warfarin	156	883	\$287,544.85	35.45%	-	-

	2017 January 1, 2017 - December 31, 2017	2016 January 1, 2016 - December 31, 2016	2015 January 1, 2015 - December 31, 2015
Utilizing Members	140	105	81
Rx Count	1,093	934	785
Ingredient Cost	\$4,145,117.05	\$3,695,324.32	\$2,415,481.12
Member Cost	\$28,526.02	\$17,999.56	\$15,471.15
Plan Cost	\$4,117,079.33	\$3,677,737.51	\$2,400,459.92
Plan Cost / Specialty Rx	\$3,766.77	\$3,937.62	\$3,057.91
Plan Cost / Specialty Utilizer	\$29,407.71	\$35,026.07	\$29,635.31
% of Total Rx Count	1.41%	1.22%	1.03%
% of Total Plan Cost	37.16%	34.55%	28.20%
% Member Share	0.69%	0.49%	0.64%

Plan Cost by Period



Plan Cost / Rx by Period



Top 10 Specialty Drugs 2017

Drug Name	Rx Count	Copay	Plan Paid	% Plan Paid
Humira Pen	103	\$2,135.00	\$493,601.59	4.45%
Harvoni	8	\$5,100.00	\$250,428.00	2.26%
Stelara	11	\$240.00	\$211,130.77	1.91%
Simponi	41	\$650.00	\$174,893.64	1.58%
Revlimid	14	\$455.00	\$173,248.00	1.56%
Enbrel Srclk	38	\$1,030.00	\$168,497.61	1.52%
Enbrel	36	\$960.00	\$158,978.99	1.43%
Tecfidera	23	\$515.00	\$157,599.88	1.42%
Norditropin	47	\$480.00	\$152,243.35	1.37%
Actemra	39	\$2,883.29	\$144,570.77	1.30%

Top 10 Specialty Drugs 2016

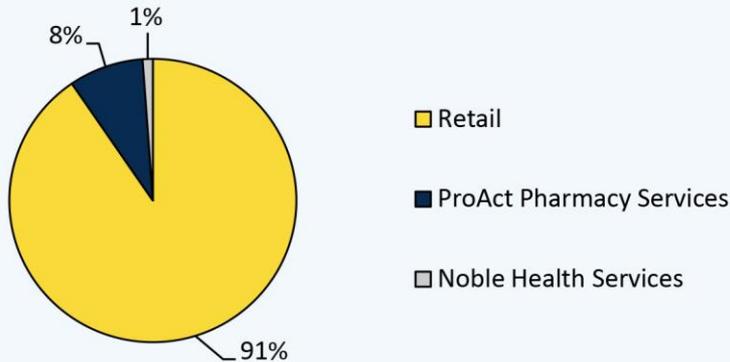
Drug Name	Rx Count	Copay	Plan Paid	% Plan Paid
Harvoni	14	\$275.00	\$446,899.00	4.20%
Humira Pen	80	\$1,555.00	\$381,362.24	3.58%
Copaxone	29	\$720.00	\$223,147.51	2.10%
Gilenya	30	\$960.00	\$196,083.34	1.84%
Pomalyst	12	\$420.00	\$163,480.24	1.54%
Tecfidera	25	\$560.00	\$154,328.27	1.45%
Actemra	44	\$1,545.00	\$148,575.81	1.40%
Simponi	38	\$486.00	\$147,949.00	1.39%
Enbrel	37	\$990.30	\$144,745.77	1.36%
Stelara	8	\$155.00	\$142,431.25	1.34%

Top 10 Specialty Drugs 2015

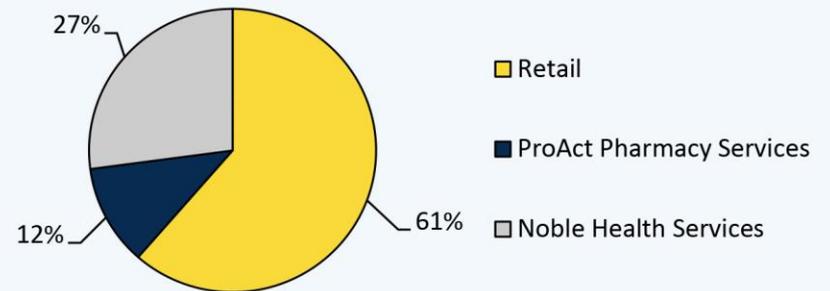
Drug Name	Rx Count	Copay	Plan Paid	% Plan Paid
Enbrel Srclk	66	\$2,029.88	\$217,748.99	2.56%
Gilenya	36	\$1,020.00	\$200,732.88	2.36%
Rebif	30	\$585.00	\$162,513.25	1.91%
Humira Pen	33	\$1,229.75	\$148,228.55	1.74%
Enbrel	45	\$1,230.00	\$148,073.21	1.74%
Copaxone	23	\$510.00	\$142,842.33	1.68%
Actemra	44	\$1,543.52	\$133,183.20	1.56%
H.P. Acthar	3	\$75.00	\$130,215.74	1.53%
Harvoni	3	\$75.00	\$95,748.00	1.12%
Zytiga	12	\$420.00	\$95,110.12	1.12%

	Retail	ProAct Pharmacy Services	Noble Health Services
Utilizing Members	4,206	596	101
Rx Count	70,111	6,512	889
Ingredient Cost	\$7,234,926.05	\$1,378,772.84	\$3,026,422.79
Fill Fee	\$109,766.75	\$0.00	\$299.70
Member Paid	\$532,218.66	\$107,116.62	\$24,967.71
Plan Paid	\$6,806,423.05	\$1,271,656.22	\$3,001,754.78

% Rx Count



% Plan Spend



2017

Current Savings Measures:

Network Discount Savings -

\$9,433,119.58

Therapeutic Alternative Program Savings -

\$46,261.40

2016

Current Savings Measures:

Network Discount Savings -

\$8,433,669.53

Therapeutic Alternative Program Savings -

\$46,261.40

2015

Current Savings Measures:

Network Discount Savings -

\$7,584,060.16

Therapeutic Alternative Program Savings -

\$37,356.36

CanaRx Utilization Summary

Period	Rx Count	Grand Total
2017	480	\$127,511.00
2016	528	\$103,237.20
2015	515	\$90,884.50

Preventive Healthcare

Reducing Care Costs

Wellness Programs Work for Individuals and the Collective

- ❖ Healthy persons are typically happier, able to do more recreational activities for longer periods, and recover from injury and illness faster
- ❖ Many chronic diseases like diabetes, lung, kidney, and heart diseases, obesity, depression, and high cholesterol typically develop slowly and are cured or easily managed with early diagnosis.
- ❖ Becoming aware of our numbers and making life style choices to lower our risk will keep us out of the hospital, with our families, lower our costs of care, and lower the Plans share cost of care.

Excellus BCBS Preventive Care



A Healthier Upstate

health and happiness in your hometown

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About Us

We know that a health and wellness blog can mean so many different things to people. For us at *A Healthier Upstate*, it means sharing health and wellness expertise, news and trends for every phase of life—from fertility and pregnancy to raising kids to end-of-life issues, while creating a network of support. We hope our educational resources, know-how and practical tips will help readers become the best version of themselves.

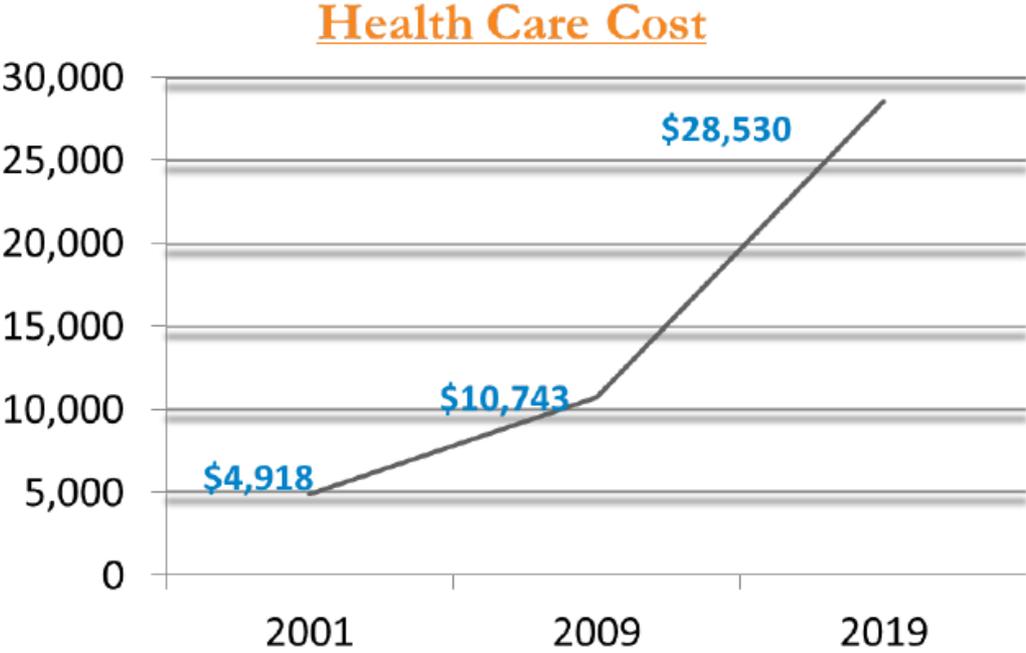
We look forward to growing a community of active readers who are excited to share in the journey to create a healthier upstate New York.

<https://www.ahealthierupstate.org/>

Financial Impacts of Diligently followed Wellness Programs

- 20% of our population generates 80% of the claims costs.
- National studies and Excellus regional data show that 35% of Americans have chronic conditions and account for 64% of the total claims spend in their group.
- Most chronic diseases can be easily managed if detected early. Early detection moves patients from high risk to medium and then low risk through medically supervised programs.

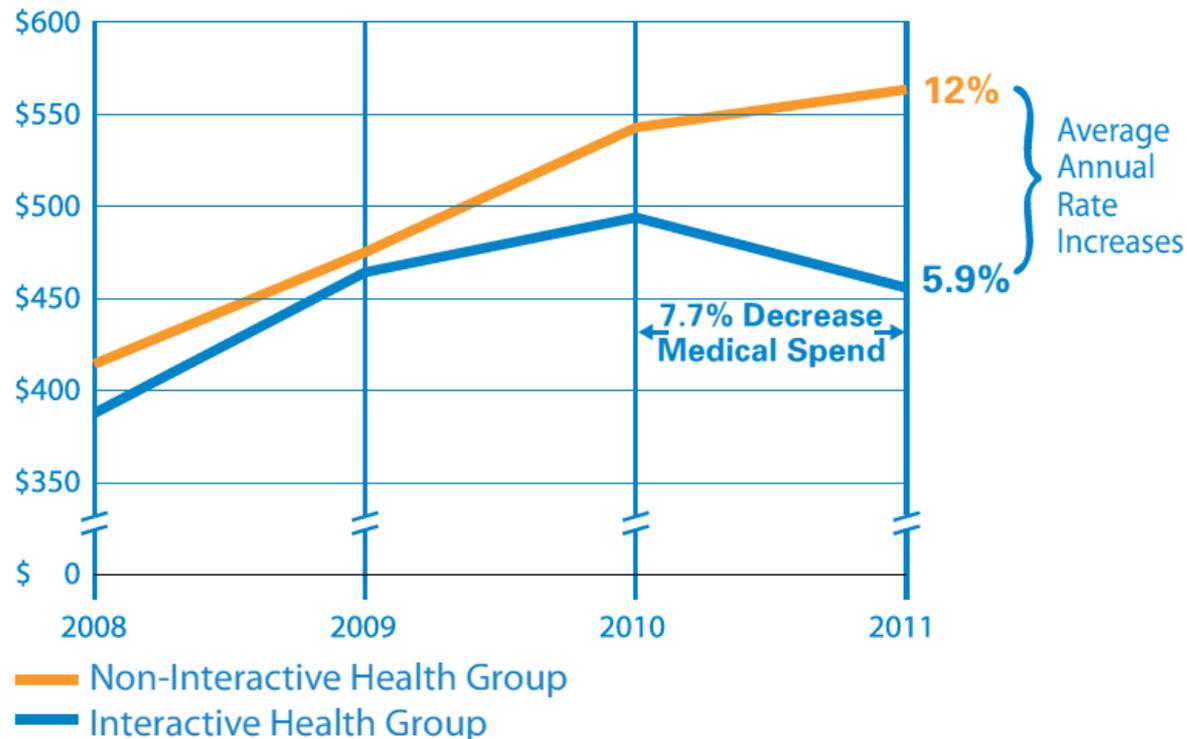
Health Care Costs Double in 8 years



Source: WELCOA /
Wellness Council of
America

Wellness Programs Slow Claims Growth

Medical Spend (PMPM): Interactive Health Clients vs. Non-Interactive Health Employer Groups



Wellness & GTCMHIC Metal Plans

GTCMHIC Standard Metal Level Plans (Platinum, Gold, Silver, and Bronze) have a no cost to subscriber wellness benefit.



The Blue4U program measures your numbers and provides coaching to bring them back into range.

Benefits of Diligently Followed Wellness Programs

Patient:

- Removes worry of health so we can focus on work, play, hobbies, family, and friends
- Ability to heal quicker
- Lower subscriber costs due to lower health care costs

Consortium:

- Lower claims expense
- Lower premium growth



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