December 18, 2018
Minutes
Health Care Committee Meeting

A Health Plan Review Committee Meeting was held on December 18, 2018 in the 3rd floor conference room, City Hall, 212 SW 9th Street, Lawton, Ok at 10:00am and was presided over by Chairman Rusty Whisenhunt.

The agenda for the meeting was posted on the bulletin board in City Hall in compliance with the Oklahoma Open Meeting Act.

I. Roll Call

Members Present: Rusty Whisenhunt
Britt Hubbard
Albert Ozuna
Richard Rogalski
John Schwenk
David Raynor
Bruce Kizarr

Members Absent: Bob Bigham

Others Present: Warren Wick, HR Director
Cindy Griffin, Benefits Coordinator
Kristin Huntley, Budget & Compliance Supervisor
Todd Chapman, NFP, Vice President Select Market
Jona O'Hagan, NFP, Senior Account Executive
Melani Welchel, HCH, Account Executive
Mitch McCauley, HCH, VP Business Development
John Nicolosi, Cerpass RX, Chief Clinical Officer

II. Financial report by Kristin Huntely

Supplemental Bank Reconciliation

Bank balance as of Nov 30, 2018	$	754,190.60
Outstanding Deposits	$	691, 502.18
Cleared Checks as of 12/14/18	$	414,498.26
Outstanding Claims (Self Funded)	$	16,214.67
Deposits in Transit	$	-
Adjusted Balance as of Dec 14, 2018	$	1,014,979.85

Huntley gave the breakdown of the November Finance report. Whisenhunt asked if the prescriptions were not being broken out in billing? Huntley stated that if they will send her a breakdown then she will be happy to list it like that going forward. Welchel said she will get those for her.

Motion to approve financial report by Ozuna and second by Schwenk. Ayes: Kizarr, Churchwell, Raynor, Hubbard. Nayes: None
Motion carried.

III. Wellness update:

a. Wellness Physical Incentives

Griffin reported that we have a total of 19 employees that have completed their physicals and those who qualify will receive their incentive on the Janurary 18th paycheck.

IV. Minutes

Whisenhunt asked for a correction to be made on page 6. In executive session, a motion was not made in executive session but outside of executive session.

Whisenhunt asked for a motion to approve the minutes as corrected. Ozuna made a motion second by Schwenk. Ayes: Hubbard, Kizarr, Whisenhunt, Raynor ABSTAIN Churchwell.

V. OLD BUSINESS:

a. Review plan documents and take action if necessary

Whisenhunt asked Welchel what the status was. Welchel reported that she was following up with their legal team and they are making the modifications. She will send it out to the board before the next meeting in order to give them time to review. Whisenhunt stated we must have the document.

Whisenhunt asked to move out of order to get to the appeals.

Motion was made to move out of order and go into Executive session. Motion made by Ozuna and second by Hubbard. Ayes: Kizarr, Churchwell, Schwenk, Ozuna, Raynor, Whisenhunt

A motion was made to move <u>out</u> of Executive Session

Motion was made out of Executive Session by Rogalski and second by Churchwell to table the appeal for Bolan. Ayes: Kizarr, Schwenk, Ozuna, Hubbard, Raynor, Whisenhunt.

No Action taken on Puccino appeal.

Motion made by Kizarr and second by Churchwell on the appeal of Hines to pay as Tier 2 as "In Network". Ayes, Schwenk, Rogalski, Ozuna, Whisenhunt, Hubbard, Raynor.

Meeting resumed back in order:

b. Review formulary drugs that were recommended for exclusion from plan.

Whisenhunt stated that on the formulary changes there were some that was recommended for exclusions for the plans, and that information was to be brought to us on what the alternatives were. Schwenk asked if he was referring to the letters. Whisenhunt replied they went out prematurely.

Nicolosi stated that his group was responsible for those letters and apologized for the group sending those out prematurely. They have since sent retraction letters out.

Whisenhunt commented that with the formulary changes that they accepted the ones that were positive. Voted last time not to move those to different tiers, but wanted to come back for some that are going to be excluded and we want to see what the alternative was before they formulize not accepting those. There were about 20 listed that were recommended for exclusion in the formulary changes. Epipen was one of those.

Nicolosi responded that the formulary in general is a list of covered drugs that determine tier 1 & tier 2, tier 3 for your membership. That list is vetted out to a pharmacy therapeutics committee for clinical evaluation, an independent group of physicians, providers essentially say…anytime a new drug comes to the market, the question is, is it clinically effective? Are there other alternatives? Are there any other concerns related to it and they make those decisions if they are added to the formulary or not. We follow their recommendations to make sure that we have a broad list of products. Tier 1 about 85% of these drugs are generic by volume, Tier 2 are preferred brands with no generic 'equivalent' available & Tier 3 are your non-preferred brands, zero products make it to Tier 3

that have any evidence of being clinically superior. When anyone is taking a Tier 3 product, there are numerous therapeutic alternatives that exist. The other component is the excluded product, same process, we cannot exclude from a clinical standpoint. There are some grey areas in providing therapeutic alternatives.
Whisenhunt commented they had already addressed the issue with changing from a tier 2 tier 3. The other issues were the exclusion drugs, what is it going to cost the employee? When we go a savings on the plan, are we putting the cost back on the employee? We do not want to save the plan at the employees cost.
Nicolosi replied that any of the negative changes are done with careful consideration both to the member and to the clinical evidence in the plan. No excluded products are left without alternatives and no Tier 3 products have products without comparable therapeutic outcomes.

Whisenhunt asked the thoughts of the committee on the excluded drugs. Kizarr suggested that they should adopt their formularies as they send them out and if there are any disruptions, it should come in as an appeal. This would be a lot better way than trying to second guess a formulary change done by experts.

Whisenhunt asked the committee if they would like to leave the exclusions and review in July? Schwenk suggested they leave as is for now. Whisenhunt asked Nicolosi if the information (formulary changes) be available for the May meeting. Nicolosi replied it's usually 45-60 days in advance. Nicolosi will give Whisenhunt that date definitively.

c. EOB

Whisenhunt wanted to know where they were at on getting the passwords reset. Welchel replied they are working with Griffin to get some current contact numbers on some of the employees. Currently there are about 20 members that are having portal issues.
Chapman suggested that it could be a firewall issue within the city. Kizarr said that if you google Healthcare Highways, it is going to give you a website address that is going to look just the city one, but the login will not work. The webpage on the insurance card will get you to where you need to go, but if you google it then it will take you somewhere else.
Whisenhunt replied that it had to do with the employees trying to reset the password and wanted to know if that had been fixed yet? Welchel stated that once you request a new password then if the employee uses the City of Lawton email, some of those are getting blocked when HCH tries to send them the new

password. For the most part it has been individual's having different issues. 13 members have been contacted and they are waiting on return calls from them.

d. DLO Billing Issues

Welchel reported that she has not received any recent ones. All the lab claims have been adjusted, there were approximately 220 adjustments and they were finalized the check run of December 12th.

Whisenhunt asked when the EOB's are adjusted and available, how long before the payment is sent to the provider. Welchel replied they send a authorization for claims funding and Huntley usually approves that the same day or next and once she has it funded she sends the files and files are released. Whisenhunt wanted to know why employees are still getting letters from DLO stating they owe, but the EOB shows there is no balance.

Welchel said that could be due to DLO's billing system, if they are 30 or 60 days out for posting and when they get the payments posted to the account. Schwenk wanted to know if all the lab adjustments were just DLO. Welchel replied that they were all labs.

VI. NEW BUSINESS:

a. Compound Prescriptions

This was resolved when Cerpass showed that the compound were not covered which was not the case, they are covered preauthorization after 300.

b. Fire physicals

Would the physicals the Firefighters receive qualify for the physical $100 incentive?

Kizarr stated the Fire Fighters physicals are not a job requirement. Kizarr went to explain that there are some that are a Hazmat Tech and it is recommended but not requirement to have the physical. Whisenhunt asked if the city paid for the physicals. Kizarr replied the city does not the insurance. Whisenhunt suggested they be required to do the full physical under the healthcare plan. Kizarr wanted to know exactly what the requirements were. Whisenhunt replied to go to a Dr and have physical to include blood work and then contact case mgr at HCH after you have had the physical then Griffin receives a report at the end of the quarter.

Kizarr made a motion, second by Hubbard that the physicals Firefighters receive annually do not qualify them for the $100 wellness

incentive. Ayes, Schwenk, Rogalski, Ozuna, Whisenhunt, Churchwell, Raynor.

COMMENTS/COMMUNICATION

Chapman distributed and discussed information on the BCBS finish & runouts. Whisenhunt wanted to know when they would be able to receive this information on HCH? Chapman replied next month. Whisenhunt requested the information for BCBS and HCH be combined.

McCauley suggested inviting Comanche County Memorial Hospital to either the Jan or February meeting to talk about more things they can do at renewal time, some partnering ideas.

Whisenhunt will bring the letter of subrogation to the next meeting.

Whisenhunt commented that the Cerpass reimbursement checks were mailed out; Nicolosi concurred.

Next meeting scheduled January 15th.

Motion by Ozuna with a second by to adjourn. Ayes: All.

Adjournment:

Whisenhunt announced the adjournment at 12:14

Next meeting scheduled for January 15, 2019 @ 10am.