Faculty Health Care Council (FHCC)

History, Rationale, & Status
UCFA Observations - 2006

- MSU Health Care Costs up 8%/yr
- Increase in State Appropriation 2%
- Health Care Costs Predicted to Increase 7%/yr Through 2016
- 7% Total MSU Dollars Health Care
  - 4% in 1997
- Health Outcomes Less than Desired
- Lack of Convenient, Timely Access
- Predicted Cost Shifting
Task Force on Health Care Options Formed - 2007

- 10 Faculty Members Appointed by UCFA
- Broadly Representative
- Outside Consultants, HR, Campus Experts
- Committee Deliberations - 1.5 Years
- Final Recommendations and Report – 08-09
- Follow-up, implementation
- Task Force becomes FHCC 2013
Task Force Recommendations
Guiding Principles 2008

- We can do better - focus on:
  - Whole Person
  - Healthy Outcomes
  - Increased Access
  - Focus on Plans, Policies, & Approaches
  - Cost Containment

- MSU Uniquely Positioned
  - Expertise – Medical Schools, Health Team
  - Faculty Commitment
  - Commitment to Excellence & Innovation
Task Force
Criteria for Recommendations

- Evidence of Effectiveness – Better Health Outcomes
- Evidence of Cost Efficiency
- Evidence of Ability to be Implemented
Task Force
Recommendations & Status

- Promoting a Health Environment – Part of Healthy U and Provost’s Initiative
  - Environmental Management
  - Improving Health in MSU Community
    - Students
    - Employees
- Increasing Provider Outcomes – Part of Health Care Center
  - Evidence Based Care
  - Holistic Care Model
Task Force
Recommendations & Status

- Improving Insurer/TPA Performance
  - Encourage High Performance Providers – Folded into Health Care Center
  - Variable Cost Sharing Pharmacy – implemented 2010 – saved $21.8M

- MSU
  - Self Insurance – continuing
  - Encourage Multiple Bidders – very challenging
Changes in MSU HC Costs

Percent Change

0.15
0.10
0.05
0.00
-0.05
-0.10

04-05 05-06 06-07 07-08 08-09 09-10 10-11 11-12 12-13

Academic Year

% Change
MSU On Site
Innovative Health Care System
Implementation Process

- 2009-2010 – Further Specification & Pricing
- 2011-12 – Development of Prospectus/RFP
- 2013 – RFP to MSU Health Team
- 2014 – Implementation Plan
  - Center Components and Elements
  - Pricing/ROI
- Current Administrative Support to Proceed
MSU On Site
Innovative Health Care System
Key Characteristics

- System within Existing Plans
- Include Holistic Health Model
- Be Maximally Accessible
  - Incentive for participation (premium share/copay)
  - Location/hours
- Include Innovative Payment System
- Include High Performance Referral Pattern
- Systematically Track Outcomes