Faculty Healthcare Council  
February 26, 2021  

Attendees: Gary Stone, Tunga Kiyak, Dave Byelich, Linda Keilman, John Goddeeris Renee Rivard, Sarah Mainville, Katherine Dontje, Cherie Booms, Nancy Rhodes, Kara Schrader, Nancy Rhodes, Victor Rodriquez  

Guests (Mercer):  
Raymond Brown, RPh. - Consultant  
John Lapinski – Health and Welfare Consultant  

Absent: Linda Keilman, Lalitha Gundamraj, Titun Maiti, Deborah Moriarty  

The meeting, conducted via Zoom, began at 3:35 pm.  

Welcome and Introductions  
Raymond Brown and John Lapinski from Mercer both attended the meeting to discuss trends in employer-sponsored healthcare plans.  

Approval of minutes  
Nancy Rhodes made a Motion to approve the minutes. Motion seconded by Sarah Mainville. Motion passed.  

Trends in Employer Sponsored Healthcare  
John Lapinski and Raymond Brown both introduced themselves to the Committee. Lapinski is a health and welfare consultant with Mercer and has worked with MSU for approximately five years. Brown is a pharmacist and consultant and has worked with MSU for approximately seven years.  

Lapinski and Brown discussed their presentation entitled Trends in Employer-Sponsored Healthcare Plans.  

Currently, 130 million people have employer sponsored coverage. The results tend to lean toward group plan sponsors like MSU.  

At MSU the faculty have three plan offerings. Currently, Blue Care Network (BCN) has 70% of the enrollment/membership, Community Blue has 20% and the Consumer Driven Health Plan (CDHP) has 9%. Community Blue has more latitude and limited requirements for prior authorization of services. Community Blue also has a much higher premium that faculty pay each month. Both BCN and Community Blue pays about 90% of services. Community Blue is a fee for service plan and is the easier choice for those whose dependents live out of state. BCN is very regional to Michigan. While the provider networks between both plans are very similar, BCN has 10% fewer physicians than Community Blue.
The average age of Community Blue members is 55. The average age for BCN is 45. The annual cost of BCN is approximately $10K and Community Blue is closer to $18K. BCN is more efficient and effective in plan management. There is a 3.5 – 5% increase in healthcare costs for every year after someone turns 40. Community Blue has an older demographic and therefore, accounts for the difference in cost between the plans.

Many health plans now offer what are called point solutions. These are largely start-up firms funded by venture capital which are targeted for specific disorders such as diabetes, heart disease, sleep disorders, etc. MSU offers access to Teladoc Medical Experts (formerly Best Doctors), Teladoc for on-line medical care and Livongo for diabetes. There is currently no copay to access Teladoc.

The requirement for a Spousal Affidavit at MSU is challenging to administer. Coverage with other employers is not audited. If the Affidavit was more strictly enforced, about 5% of spouses could be moved from primary to secondary which would save MSU approximately $770K.

Regarding pharmacy coverage – MSU Adopted CVS’s Advance Control formulary on January 1, 2021, and PrudentRx (coupon program for specialty medications) will become effective on July 1, 2021. Much of the savings is coming from generic medications and rebate programs. These plans offer savings for the patient/member and plan sponsor.

Advanced Care Management – There are pros and cons to offering this type of program. Although the focus is on the sickest members and their care, support is available to all members. There is an average engagement of 60-70% of high cost claimants. However, it is expensive, and probably not a worthwhile expense with the BCN plan.

Pharmacy initiatives – MSU is already addressing some of the trends shaping pharmacy today. Steps were taken last year and will continue in 2021 to drive more generic and rebate utilization. Specialty drugs continue to be a big issue. Pharmacy clients are not excluding these therapies. If medications aren’t covered, there is a risk that a patient’s condition will worsen, causing hospitalization and higher medical bills as a result of not receiving proper treatment.

Currently there are no copays for the COVID vaccine. There is also no charge if you receive a vaccine through the health department. If a consumer without health insurance goes to a pharmacy to receive a COVID vaccine, the cost is billed back to the government.

Meeting adjourned at: 5:05p.m.

Next meeting: March 26, 2021 – 3:30 – 5:00pm