

DULUTH JOINT POWERS ENTERPRISE TRUST
BOARD OF TRUSTEES MEETING MINUTES
Wednesday, May 8, 2013

Board Members Present: Rick Ball, David Montgomery, Tom Werner, Dan Russell

Others Present: Barb Akervick, Joelle Blais, Audra Flanagan, Cookie Gilmore, Todd Hanson (CBIZ), Wayne Parson, Peg Spehar, Sonda Strom Larson, Marlene VanPuymbrouck, Chris Parrucci, Dr. McGrail, Carla Schneider

Chair Montgomery called the meeting to order at 10:40 a.m.

HealthPartners

- 2012 claims in review: Chris Parrucci of HealthPartners presented their report on claims and high-cost claims. He gave us baselines and trends with comparables. Dr. McGrail spoke about high-blood pressure, cardiovascular events and orthopedics as areas to intervene on a wellness basis.
- There seem to be a handful of real issues that can be dealt with through wellness; smoking, weight, diabetes, etc. Parrucci talked about incentives to make an impact. The dollar amount they find that reflects real change is \$850.
- Medicare/Freedom plan has been a benefit to the plan. We still need to address the health costs of this population.
- HealthPartners has some wonderful ideas to address incentives and participation in assessments and cost savings. Chris will work with the JPE to work through some options for us.
- VirtuWell is still an underutilized online tool available through HealthPartners. This tool needs to be better communicated to our members.

ClearScript

- (HE) went through the Plan Performance Comparison data goes back to 2009. There were 54,937 claims in 2012 totaling about \$4.7M, which is up about 6%. The plan paid \$4.5M which is about 96% of total costs. The average co-pay amount was \$3.85, which is very low.
- The Plan PmPm went up about 4% to \$102.70 (per member per month).
- The generic utilization went up from 78% to 80%. This is a great trend. There was a zero cost trend from the previous year for Rx Cost/Day. As prescription costs rise, especially for specialty drugs the plan is paying more and the members' costs aren't changing. With some work we can get our generic use up to 85%.
- The top drug classes are Antidiabetics, Antiasthmatic/Bronch, and Analgsics/Anti-inflammatory.
- Specialty drug costs went up 31%.
- Nexium is the third highest drug on our list of used drugs. There are at least 3 generic drugs that can be used. Letters will go out to members who are using these and make them aware of the generics. This has help with other clients.
- Allowing 3 months for 1 co-pay is unusual, most other clients are allowing 3 months, but paying 3 co-pays. There could be a \$100,000 savings for doing this. It may also be worth looking at adding a co-pay for generics. Comparatively our three-tier co-pays are low.
- The trust pays the difference between a generic and a specialty drug when a member requests the specialty (daw1 or 2).
- ClearScript is recommending allowing pharmacies to administer vaccinations.

Approval of Minutes: The March 13, 2013, Minutes were approved. Werner/Ball

Treasurer's Report

- Wayne Parson reviewed the 2012 Income Statements for Group Health and Dental. We budgeted for a net loss of \$1.5M in the Group Health and had a net loss of \$834,000. We have a fund balance of \$4M. In Dental we budgeted for a net loss of \$18,500 and had a net gain of \$88,350. We have a fund balance of \$500,000.

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- April 2013 Income Statement for Group Health – YTD Budgeted loss of \$184,066; actual YTD loss of \$35,535. Fund Balance is \$4M.
- April 2013 Income Statement for Dental – YTD budgeted loss of \$16,090; actual YTD gain of \$23,659. Fund balance is \$499,609.

Wellness Program

- Marlene VanPuymbrouck reported that we wrapped up the Lose Weight in 8 – Police & Fire lost the most and were rewarded with a healthy lunch. A total of 320.6 lbs. were lost.
- Walk to Key West starts in May 12 and ends in June 25.
- There will be an intern will work with the Bridge in August and September.
- Working on a newsletter with CBIZ to go out soon electronically and on posted on the website.
- National Wellness Day was a positive experience.
- They are promoting Grandma's Corp Team Challenge for the half and full marathon.
- Health Fair is Sept 17th. The theme is Pathways to Wellness. Biometric screenings and flu shots will be available.
- Cookie Gilmore explained they want to offer three classes at the Health Fair. The classes would be facilitated by licensed nutritionist and practitioners. We have negotiated expenses of \$1000. It was requested that \$1000 of credits be used to pay these expenses. Motion was made and passed.

Next meeting: July 10, 2013, at 10:30 a.m. at City Hall, Room 402.

The meeting adjourned at 1:02 p.m.

Minutes respectfully submitted by,

Sonda Strom Larson
Executive Assistant
City of Duluth