

UUA Employee Benefits Trust Trustees Meeting

MINUTES

MAY 5, 2017

10:00 A.M. EST

IN PERSON, AND
ZOOM
TELECONFERENCE

ATTENDEES	Trustees: Jan Sammons, Barbara Johnson (Chair), Tom Loughrey, John Vogt, Tim Brennan, Lucia Santini Staff: Jim Sargent, Patti Angelina, Richard Nugent, Rob Molla, Kati Campopiano Guests: Jessica York, Kathy Burek
PRESENTER	Highmark team: Ashley Patterson, Josh Getty, Dr. Lonie Haynes, Dr. Christopher Clark, Denise Ciprese

Agenda topics

CALL TO ORDER

10:05 AM	Call to order and welcoming Highmark guest presenters	BARBARA JOHNSON
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10:15 AM PRESENTATION OF 2016 ANNUAL CLINICAL REVIEW HIGHMARK/ BOARD DISCUSSION

PRESENTATION & DISCUSSION	<p>The Highmark team presented a detailed two-year analysis of cost and utilization for the UUA Health Plan, comparing calendar year 2016 to calendar year 2015 results. This annual presentation provides an opportunity to discuss possible future plan enhancements.</p> <p>Ashley Patterson, Senior Client Manager and Christopher Clark, Medical Director presented a full review of changes in inpatient and outpatient utilization, urgent care and ER use, the incidence of high-cost members, and the performance of the targeted outreach program introduced in 2015. That program is showing early signs of success, with a high member-nurse engagement rate.</p> <p>2016 saw a significant improvement in all tracked plan performance metrics. To understand the sources of improvement, Ashley and Chris pointed to two important areas: the lower incidence of high-cost claims, where the plan has seen steady improvement since the peak in 2014; and the success of member clinical engagement programs. The two trend factors are closely related. Since the UUA adopted a more intensive member outreach program two years ago, outreach attempts for high-cost claimants have improved, engagement scores have gone up, and the overall costs associated with high-cost claims have been reduced. There is room for additional improvement, with current engagement rates reaching 80% of the best practices norm in 2016. Chris reported that Highmark reviewed non-user rates as a test for hidden risk, and that UUA non-user rates are very low, lending additional credibility to the large claim analysis.</p> <p>Josh Getty R. Ph, Pharmacy Consultant, reviewed pertinent financial and utilization measures for our prescription drug benefit. The projected impact of current and emerging specialty drugs continues to be a concern for our Plan, an observation consistent across the health insurance industry. Josh discussed the trend in member cost-sharing, which is showing the outcome the EBT anticipated with the introduction of a 5-tier benefit structure for 2016. Our cost-sharing is now in line with industry norms.</p> <p>Highmark continues to emphasize the value of having integrated review of medical and Rx utilization as we have now with the Plan's Rx carve-in arrangement. This is an area for future review as we continue to assess direct PBM contracting.</p> <p>In response to questions, Josh stated that we do not appear to have any significant hidden exposure for Hep C treatment. He stated that Highmark continues to track potential changes in the FDA's new drug approval process and is prepared to do thorough clinical efficacy reviews before adding new drugs to the formulary.</p> <p>Dr. Lonie Haynes, VP, Diversity and Inclusion came to speak as an expert on strategies to increase diversity in hiring and to promote minority employee retention. He spoke to issues of</p>
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	<p>inclusion, deliberate and consistent engagement with minority hiring and retention actions across an enterprise, and the importance of rooting people in the organization's culture.</p> <p>At 1:15, Barbara Johnson thanked all of our Highmark guest presenters and recessed the meeting to 10 AM on May 15.</p>
MAY 15, 2017 10:00 AM	<p>RECONVENED WITH EBT AND STAFF ONLY FOR THE BALANCE OF THE AGENDA; JAN SAMMONS AND GUESTS NOT PRESENT</p> <p style="text-align: right;">BARBARA JOHNSON</p>
10:05	<p>FINANCIAL REPORT</p> <p style="text-align: right;">TIM BRENNAN</p> <p>Tim reviewed the 3rdQ financial statements. No anomalies noted. Because claims have been running favorably, surplus @ 3/31 was higher than needed for immediate cash flow needs, and after the statements closed, Tim authorized moving \$2 million to investments, a change that will be noted on the next statements.</p>
10:20	<p>DIRECTOR'S REPORT</p> <p style="text-align: right;">JIM SARGENT</p> <p>Jim reported on the emerging trends from the first four months of CY2017 operations and the implications for upcoming discussions on 2018 plan structure and rating. The early results have been very favorable, resulting in a significant surplus increase. The instructions to Milliman will be to approach those results with caution, and to do their usual analysis of claims using multiple calendar periods.</p> <p>Nevertheless, it is apparent that barring an unprecedented claims spike, the Plan will approach July discussions about 2018 with surplus much improved over the same time in 2016. Jim will be recommending to the Board at that time that we invest significantly more money into upgrades to the Highmark population management programs now in place.</p> <p>The Board then discussed some more extreme scenarios of possible premium rebates or a rate reduction for 2018; any further discussion will have to be informed by more 2017 claims results and Milliman's analysis and projections.</p>

10:45 PM	<p>APPROVAL OF MINUTES OF FEB 17, 2017</p> <p style="text-align: right;">BARBARA JOHNSON</p>
DISCUSSION	<p>RELATED VOTE: M-Lucia, S-Tom, to approve the Feb 17, 2017 Minutes. Approved unanimously.</p>

ADJOURNMENT	<p>Meeting adjourned at 10:50</p>
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Remaining meeting Dates for 2017:

July 27-28, in person, 24 Farnsworth Street. July 27 will include a dinner meeting. July 28 will be our first meeting with Milliman re: 2018 renewal. Plan for 9 – 1 ET.

October 5 - 6, in person, 24 Farnsworth Street. Oct 5 will include a dinner meeting; Oct 6 will be our second meeting with Milliman re: 2018 renewal, 9 – 1 ET.

November 20: final time TBD. This will be a joint teleconference with the UUA Audit Committee and the EBT auditors.