

Insurance Advisory Committee Meeting Minutes 10/07/2019

Meeting called to order by Chairman Walter Sawicki; 10:02AM

Members present; Chairman Walter Sawicki

Selectman Lisa Pacheco

Town Administrator David DeManche

Treasurer Jessica Thomas

Keven Desmarais

Mark Fornaciari

Neil LaFleur

RECEIVED
FREEDOM TOWN CLERK
2019 OCT -8 PM 3:13
D. Brown

NFP Corporation representative Kevin Paicos gave a lengthy presentation on the potential advantages of the Town hiring his company to address the health care coverage provided by the Town and available to all Town employees and non-medicare retirees.

At the conclusion of the presentation there was a general consensus among the members that more information was needed before any recommendations were made to the Board of Selectmen relative to hiring the NFP Corporation.

Chairman Walter Sawicki requested that the committee appoint a vice-chairman in the event that he is absent at a future meeting. Mark Fornaciari made a motion to appoint Keven Desmarais as vice-chairman, seconded by Neil LaFleur, followed by a unanimous vote in favor of the motion.

Motion made (Fornaciari) to adjourn, seconded (LaFleur).

Meeting adjourned at 12:12PM

Respectfully submitted,

Walter Sawicki, Chairman



Town of Freetown
Presentation for Insurance Advisory Committee
October 7, 2019



FIRST...WHO ARE YOUR ADVISORS?

NFP?

(National Financial Partners)

We are a leading insurance broker and consultant that provides employee benefits, property & casualty, retirement, and individual insurance and wealth management solutions. With unparalleled industry knowledge and a personal commitment to each client's goals, we make the complex simple, creating solutions that are direct and results-driven.



Over **50,000** corporate clients



Over **150** offices across the United States



4,800+ employees



6 international offices across the U.K., Puerto Rico & Canada



WE ARE MUNICIPAL EXPERTS!

- Over 400 Clients in Mass. Alone
- 100 Municipal Clients and Growing!
- Advisor to 4 JPA's
- Area Clients Include:
Carver, Acushnet, Marion, Abington, Lakeville, New Bedford,
Mattapoisett



EXPERTS WITH ALL MUNICIPAL EMPLOYEE BENEFITS

- Health Insurance
 - Life Insurance
- (Mass. Statutory and Supplemental)
- Dental Insurance
 - Vision Insurance
 - LTD/STD
 - Long-term Care Insurance

EXPERTS WITH ALL MUNICIPAL EMPLOYEE BENEFITS

Account Executives

Ken Lombardi – LIA, over 40 years' exp.

Edd Byrnes – LIA, Underwriter, over 40 years' exp.

Kevin Paicos – Broker, 40 yrs. as TA/TM, 15 yrs. Ins.

COMMONLY USED TERMS

Co-insurance

Your share of the costs of a covered health care service, calculated as a percent (for example, 20 percent) of the allowed amount for the service. You pay co-insurance plus any deductibles you owe. For example, if the allowed amount for an office visit is \$100 and you've met your deductible, your co-insurance payment of 20 percent would be \$20. The health insurance or plan pays the rest of the allowed amount.

Copayment

A fixed amount (for example, \$15) you pay for a covered health care service, usually when you receive the service. The amount can vary by the type of covered health care service.

Deductible

The amount you owe for health care services your health insurance or plan covers before your health insurance or plan begins to pay. For example, if your deductible is \$1000, your plan won't pay anything until you've met your \$1000 deductible for covered health care services subject to the deductible. The deductible may not apply to all services.

Integrated deductible

A medical or drug payment that you make, which counts toward a single deductible (combines medical and pharmaceutical).

Explanation of Benefits (EOB)

A statement sent by your health insurance company explaining what medical treatments and / or services were paid for on your behalf. An EOB typically describes:

- the payee, the payer and the patient
- the service performed, the date of the service, the description and / or insurer's code for the service, the name of the person or place that provided the service, and the name of the patient
- the doctor's fee, what the insurer allows, and the amount initially claimed by the doctor or hospital, minus any reductions applied by the insurer
- the amount the patient is responsible for
- adjustment reasons, adjustment codes

Flexible spending accounts (FSAs)

A benefit plan that lets workers put pre-tax dollars in special accounts to help pay medical costs, child care and other health services. Unused funds do not carry over, so it's important to plan carefully. The IRS determines what expenses are covered. You can check what expenses are covered by visiting the IRS website.

Guarantee issue

The amount which a policy is offered to an applicant without regard to health status.

Health savings accounts (HSAs)

A bank account that lets people put money aside, tax-free, to save and pay for health care expenses. The Internal Revenue Service (IRS) limits who can open and put money into an HSA. May only be coupled with a High Deductible Health Plan.

High-deductible health plan

A type of health plan defined by the IRS that lets people save money tax-free in health savings accounts.

In-network

The facilities, providers and suppliers your health insurer or plan has contracted with to provide health care services. Plan members usually pay less when using an in-network provider because the cost to the health plan is lower.

COMMONLY USED TERMS CONT'D

Out-of-pocket	Out-of-pocket refers to the amount of money you are required to pay for health care services. Some plans have out-of-pocket maximums, after which the plan pays 100 percent of a member's health care costs. Deductibles and copayments are examples of out-of-pocket costs.
Primary care physician	The main doctor who takes care of you.
Qualifying event	A qualifying event is when health plan members have a major change in their life, such as a marriage, divorce, adoption or birth of a child. Such events make them eligible to change their insurance coverage outside of the normal enrollment period.
Annual pharmacy deductible	An amount you pay each year or prescription drugs before your insurance pays.
COBRA	A health insurance plan, required by law, that allows eligible employees to continue on their employer-sponsored health plan after they have left that employer, for a specified period of time, and at their own cost.
Contributory share	The amount you pay for your insurance premium, usually expressed as a % of the full premium.
Covered services/medications	A health care service or medication (subject to the formulary) which the insurance plan will pay for.
Inpatient medical care	Medical care you receive if you must stay overnight. Ex. – delivering a baby, major surgery.
Outpatient medical care	Medical care you receive that does not require an overnight stay – i.e. you are discharged the same day.
Open enrollment	The time when you can re-enroll in the health plan you are already in or choose to enroll in another health plan. You can usually do this without waiting periods or proof of insurance.
Mass Health	The name of the Medicaid program in Mass. that pays medical expenses for qualified individuals (disabled/low income).
Medically necessary	Medically necessary services, supplies, or drugs are those that prevent, diagnose, stop the worsening of, improve, correct, cure, or treat a medical condition that endangers your life, causes suffering or pain, causes physical deformity or malfunction, may cause or worsen a disability, or could result in making you very sick.

AND SPEAKING OF MEDICARE.....

Yesterday I had my annual Medicare wellness check. The nurse said that at my age I should have a bar in the shower. So I took her advice.



COMMONLY USED TERMS CONT'D

Medicare

Medicare is the Federal health insurance program for people who are 65 or older, younger people with qualifying disabilities, and people with end-stage renal disease. Municipal employees who retired prior to April, 1985 are not eligible since they did not pay into the Medicare system.

Preventative care

Services you may receive that have disease prevention as their focus. Many of these services are fully covered and not subject to co-pays or deductibles. Ex. annual physical, PAP smears, immunizations.

Prior authorization

Prior authorization, also called "prior permission," is the approval needed before you can get certain services or drugs. Some network medical services are covered only if your doctor or other network provider gets prior authorization from our plan. Some drugs are covered only if you get prior authorization.

Referral

Permission to use health service providers in the insurer's network, that you must obtain prior to using those services, in order to be sure the insurer will pay for them. Common provision with HMO plans.

HOW YOUR PLAN WORKS

OK...let's talk about how
your Employee Group Health Insurance Plan
works....

HOW YOUR PLAN WORKS

Who can be on the plan?

- Employees of Freetown who work an average of 20 hours per week (MGL Ch. 32b).
 - Dependent children and spouses of the enrolled employee.
- Certain elected officials IF they are pension eligible (they receive a Town “salary” unless barred by by-law or regulation.
- Retirees of the Town (both Medicare qualified and not Medicare qualified).
 - COBRA participants.

HOW YOUR PLAN WORKS

What are the Parts of Your Plan?

The Employer

- makes a set of promises to provide a health plan and pay part of the cost (MGL Ch. 32b)
- must be at least 50% of premium but can be higher if approved by ballot, Town Meeting, or collective bargaining (MGL Ch. 150e)
- must provide a PPO for employees living out-of the area

The Health Care Provider

- The doctor, hospital, clinic or other service provider
- Agrees to provide services for a negotiated discount with the insurance company, and agrees to accept a negotiated fee.

The Insurance Company ("Carrier")

- Agrees to pay for covered health services, according to a "Schedule of Benefits".
- The Schedule of Benefits establishes co-pays, deductibles, benefit levels etc. and is negotiable.
- MIIA is a municipal collaborative authorized by special legislation
- Carriers may or may not provide administrative services for payment of claims and may or may not assume risk of claims

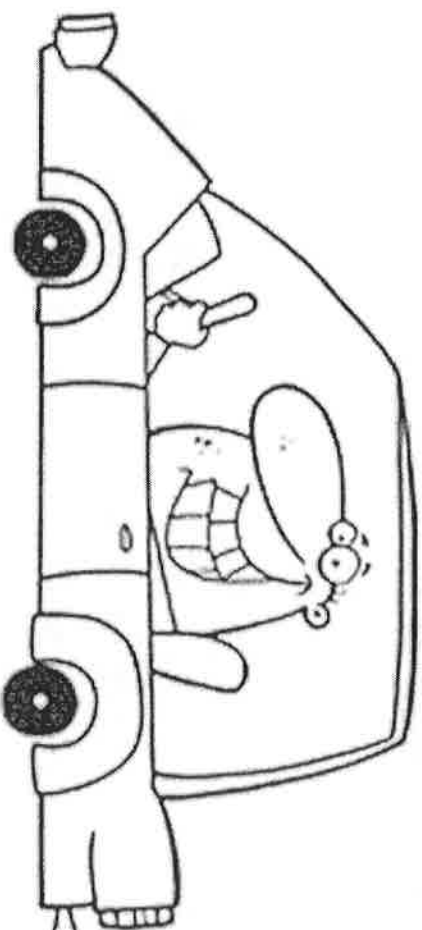
Beneficiaries of Health Plan (the employee/dependents)

- Eligible employees/dependents receive services according to the Schedule of Benefits and agree to pay a share of the premium/working rate (if self-insured), and related 'cost shares' such as co-pays, deductibles, etc.

HOW YOUR PLAN WORKS

What are the Components of Your Premium?

The “CAR”



HOW YOUR PLAN WORKS

The “CAR”

Claims – usually costs 80% of the total premium collected (employer/employee share) if the rates are set correctly.

Administration – usually costs between 10-15% of claims cost; is provided by carrier for a fully insured plan but must be procured for a self-insured plan.

Risk – costs about 5%; the carrier (fully insured) or the Town (self-insured) cannot assume the risk of paying 100% of claims as any individual claim can be extremely high (easily in excess of \$100,000) and there can be several large claims in any given policy year (fiscal year July 1 – June 30). Carrier or Town must purchase insurance called Stop-Loss insurance to provide payment for claims over a specified amount. May be an amount for a singly claim per year (specific) or for total annual claims over a set amount (aggregate). The insurance cost is the premium paid for the insurance and is part of the premium or working rate.

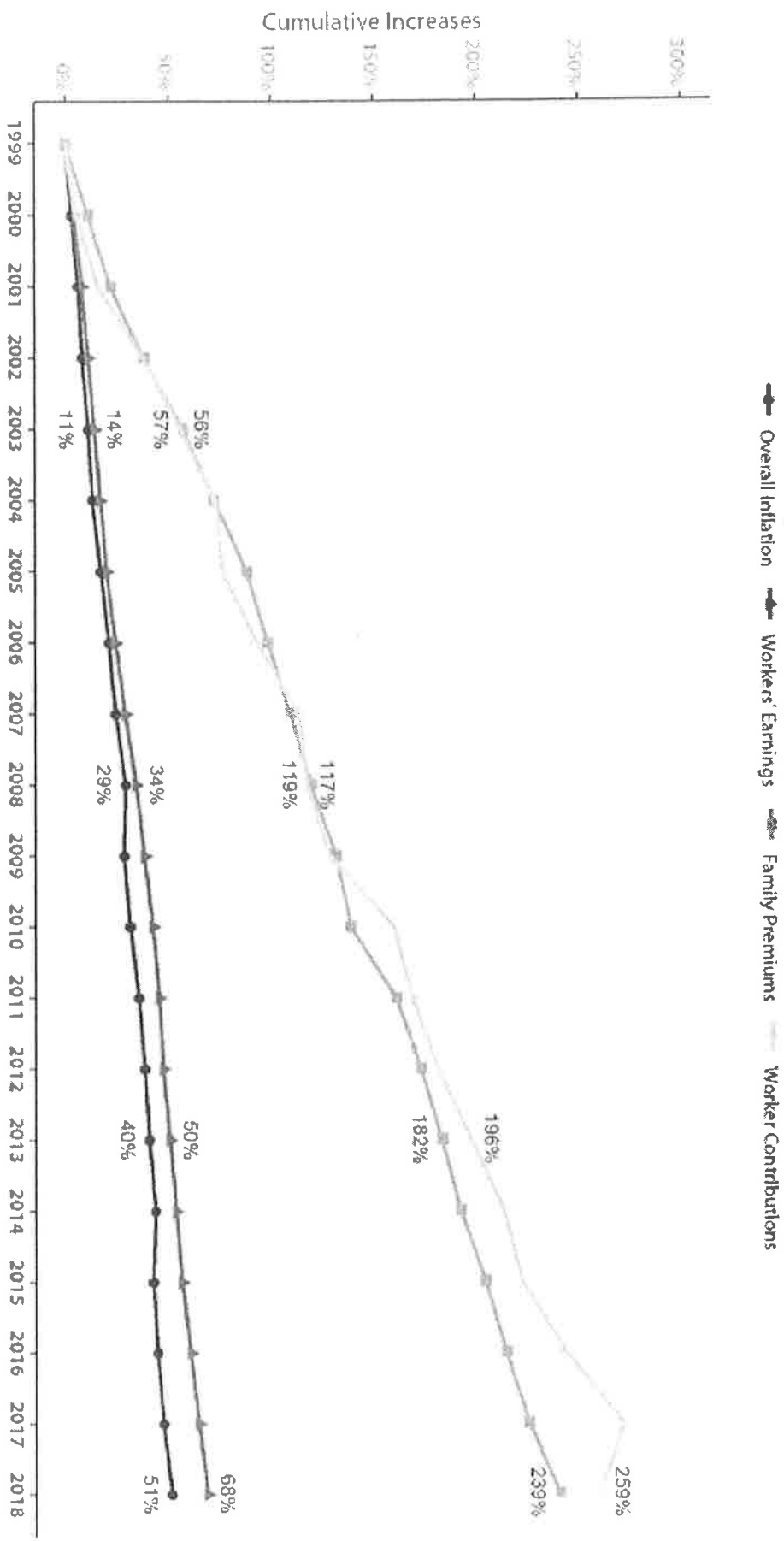
Cost of Money/Profit – cost about 5%; the carrier must cover the cost of all claims as they are presented for payment. Sometimes, claims will be higher than total premium collected. This is usually temporary until next month's premium is collected, but sometimes the carrier will pay-out more for claims in a given policy year than they collected. A fully insured plan provides payment for all claims irrespective of premium paid. The carrier also wishes to make a profit for the year and that margin is part of the premium. Self-insured plans do not contain that factor.

MEDICAL COST DRIVERS

**Why do Medical Costs Increase so Rapidly and
Drive premiums Up Every Year?**

MEDICAL COST DRIVERS

Cumulative Increases in Family Premiums, Worker Contributions to Family Premiums, Inflation, and Workers' Earnings, 1999-2018



SOURCE: KFF Employer Health Benefits Survey, 2018; Kaiser/HRET Survey of Employer-Sponsored Health Benefits, 1999-2017. Bureau of Labor Statistics, Consumer Price Index, U.S. City Average of Annual Inflation (April to April), 1999-2018; Bureau of Labor Statistics, Seasonally Adjusted Data from the Current Employment Statistics Survey, 1999-2018 (April to April).



MEDICAL COST DRIVERS

Cumulative Premium Increases, Inflation, and Earnings for Covered Workers with Family Coverage, 2003-2018



* Percentage change in family premium is statistically different from previous five-year period shown (p < .05).

SOURCE: KFF Employer Health Benefits Survey, 2018; Kaiser/HRET Survey of Employer-Sponsored Health Benefits, 2003-2017; Bureau of Labor Statistics, Consumer Price Index, U.S. City Average of Annual Inflation (April to April), 2003-2018; Bureau of Labor Statistics, Seasonally Adjusted Data from the Current Employment Statistics Survey, 2003-2018 (April to April).



MEDICAL COST DRIVERS

But... WHY?

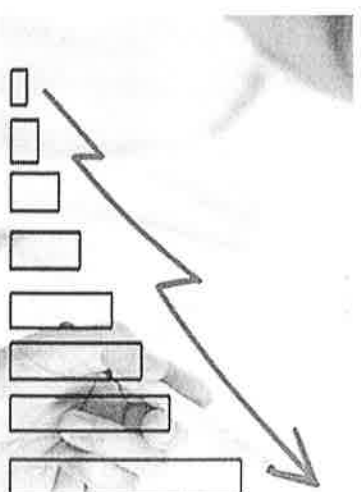
HEALTHCARE TREND

The cost to provide healthcare services changes constantly. Some expenses such as surgical costs increase because of new, better, and sometimes, more expensive medical technologies, which doctors and hospitals can access. Other expenses, such as durable medical equipment, decrease because of cheaper materials. The annual change in healthcare cost is known as trend, which is the sum of all changes in cost throughout the healthcare industry. Healthcare trend affects employers, care providers, insurance companies, and policyholders. This trend varies by geography, but the way in which it affects employers does not change. For example, two employers in a similar geography are likely to experience very similar annual trends, even with differing occupational profiles. This occurs because healthcare trend is the change expected in claims cost before any employer initiatives, such as modifications in plan design changes or implementing health and productivity programs.

The 2019 national trend is expected to be the same as 2018, a 6.5% growth rate.

Each of the following can affect trend:

- Price inflation or deflation Medical cost drivers
- Healthcare service utilization
- Aging of the covered population
- Leveraging effect of deductibles and copays
- Variations in provider treatment patterns
- Changes in federal or state legislation
- Improvements in medical technology and drug therapies
- Consolidation of healthcare providers
- Cost shifting (from public payers, such as Medicare, to private plans)

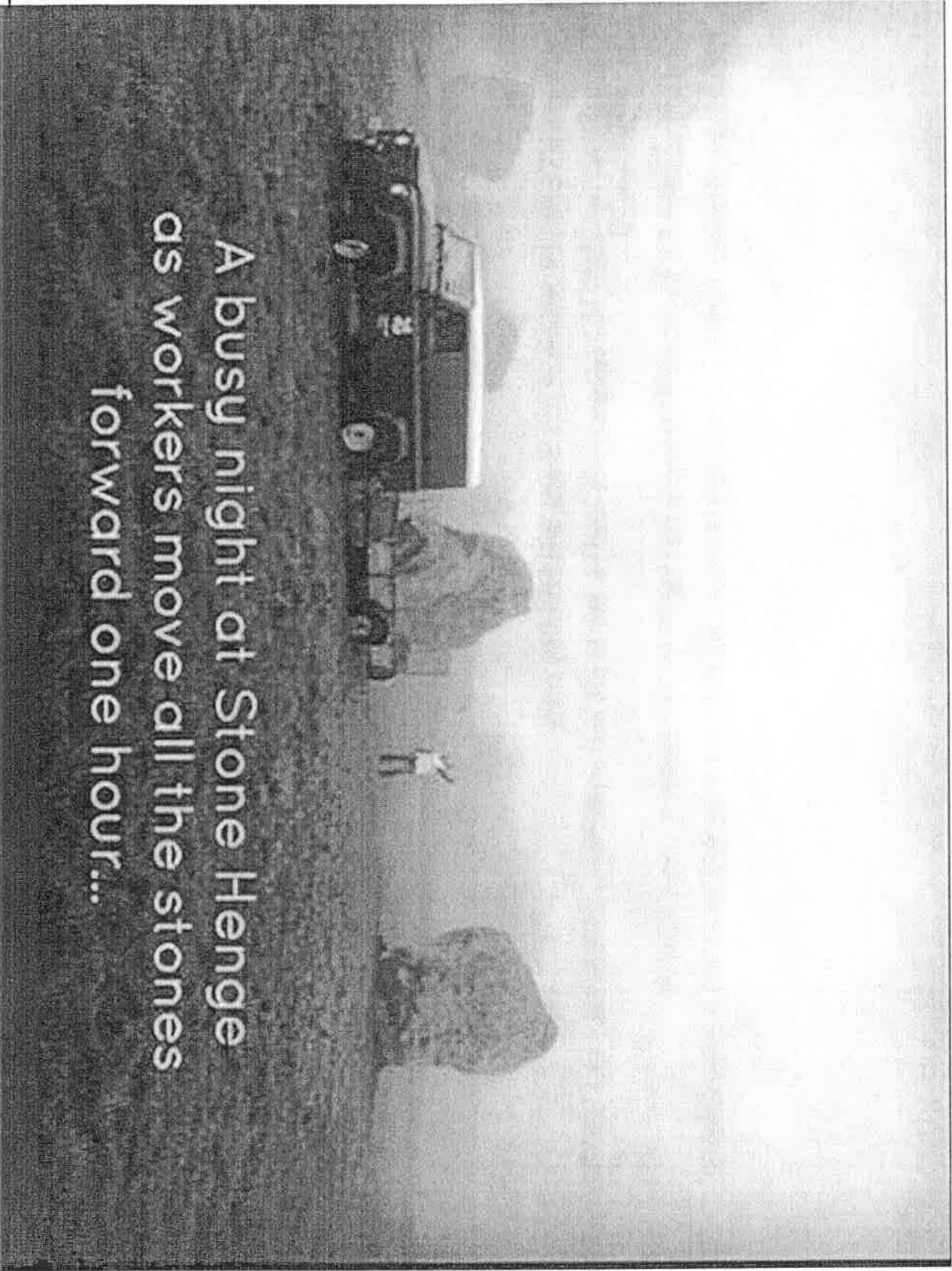


MEDICAL COST DRIVERS

But to be a Bit More Specific....

1. Direct to Consumer Advertising for drugs – creates consumer demand for Dx visits and thus services/drugs.
 - 109 scrips/visits in 1994
 - 146 scrips per visit in 1999
 - Drug company advertising in 1990 - \$55 million
 - Drug company advertising in 2000 – 2.5 billion!
2. Technology
 - Advances are continual, advertised (like drugs), and extremely costly.
 - New machines purchased by hospitals/clinics must be “fed” to pay cost of purchase (Canada has 3 PET scanners/US has 250 – BCBS source).
 - Drug coated stents are \$3,000 more expensive than regular stents – benefit is unclear however.
 - Back fusions increased 137% in past ten years (surgeons get paid much more for a fusion than a decompression).

NOT TO SUGGEST THAT TECHNOLOGY DOES NOT HAVE ITS PLACE....



A busy night at Stone Henge
as workers move all the stones
forward one hour...

MEDICAL COST DRIVERS (CON'T.)

3. Aging/Growing US population

- US population growth from 1993-2013 = \$269 billion increase in medical spending (JAMA source).
- Aging population (Baby Boomers?) from 1993-2013 = \$137.5 billion increase in medical spending (JAMA source).

4. State and Federal Mandates

- HIPPA
- ACA
- Increased Psych. Benefits
- Impact of Terrorism
- Malpractice awards and lack of gov't. reform.
- Tension between political parties about health care reform and how it will impact carriers/providers.

MEDICAL COST DRIVERS

But of all factors increasing spending, the single largest factor by far was increased prices and intensity of use by consumers.

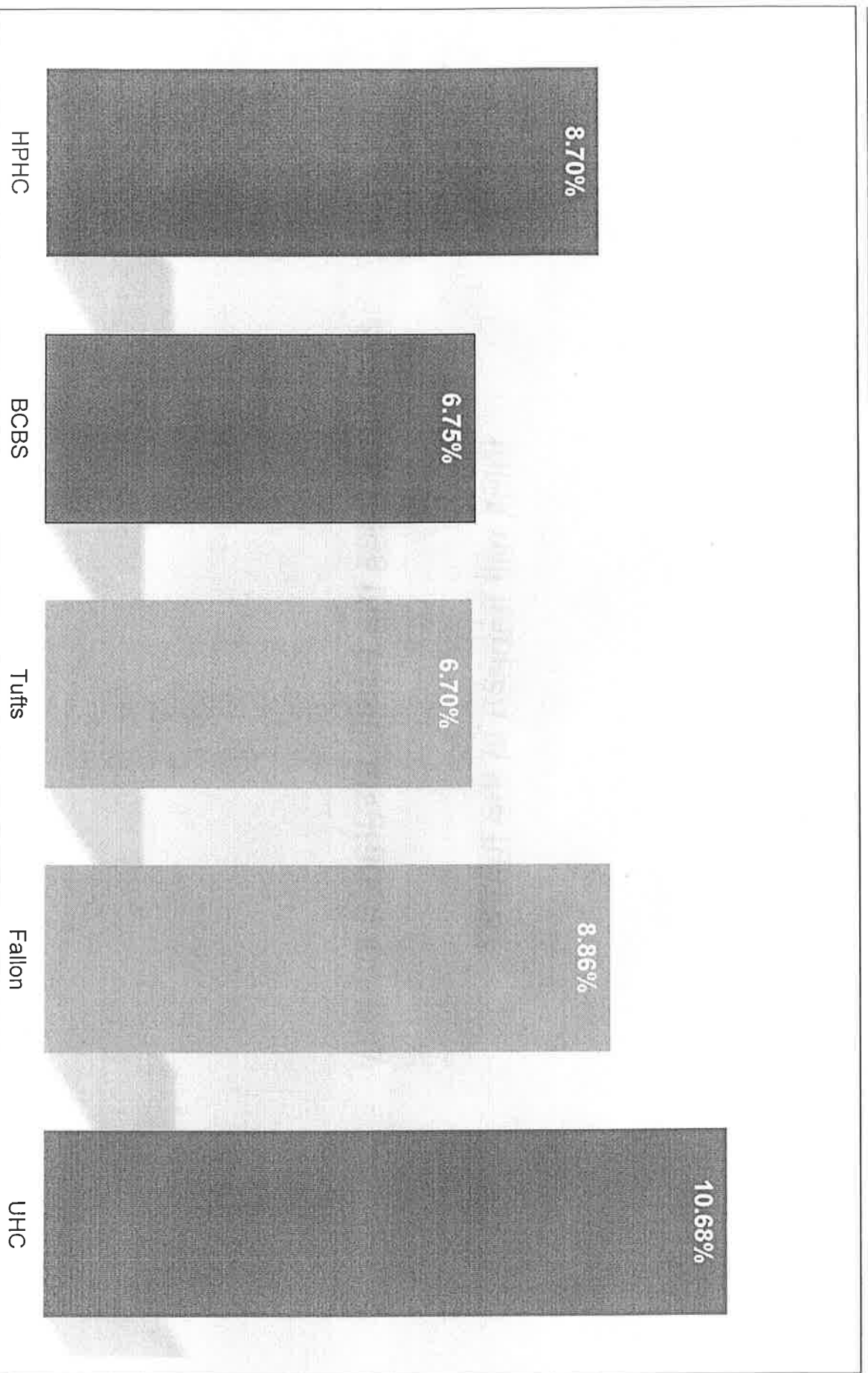
That caused an increase in spending from 1993-2013 of 50% or \$583.5 billion!

MEDICAL COST DRIVERS

And what does the health insurance industry

think will happen in the future?

ESTIMATED INDUSTRY TRENDS 2019



MEDICAL COST DRIVERS



But these trends are things we can't control....

Right?



MEDICAL COST DRIVERS



MEDICAL COST DRIVERS

Wrong – there are PLENTY of things you can proactively do
To control rising health care costs at the local level!!

MAIL ORDER PHARMACY – EXPRESS SCRIPTS



You can get 90-day prescriptions for certain maintenance medications delivered right to your door, and for a fraction of the cost, when you order them through the mail order pharmacy. Maintenance medications, also known as long-term medications, are prescribed to treat chronic or ongoing conditions, such as high blood pressure or diabetes.

Advantages of Using the Mail Order Pharmacy

- You'll pay less for a 90-day supply than you would for three 30-day supplies of your maintenance medications
- Medications are shipped to you at no additional cost for standard shipping
- With fewer refills and no trips to the pharmacy, you'll be less likely to miss a dose
- Get your prescriptions on time, every time with automatic refills

How to Order Prescriptions

Express Scripts®, an independent company that administers your pharmacy benefits on behalf of Blue Cross Blue Shield of Massachusetts, will deliver your prescriptions straight to your door. To order prescriptions, choose one of the following options. In most cases, Express Scripts will contact your doctor directly to arrange 90-day prescriptions, plus refills.

- Visit Express Scripts at express-scripts.com/starthd, and select Register
- Download the Express Scripts mobile app and select Register
- Call Express Scripts at 1-800-892-5119 (TTY: 1-800-305-5376)
- Ask your doctor to e-prescribe a new, 90-day prescription to Express Scripts, or fax it to 1-800-837-0959
- Fill out the order form* and mail it to:

Home Delivery Service
PO Box 66566
St Louis, MO 63166-9967

How to Order Refills

- Log in to Express Scripts at express-scripts.com, select the medications to be filled, then click Add to Cart
- Call Express Scripts at 1-800-892-5119 (TTY: 1-800-305-5376), 24 hours a day

Have Your Prescriptions Refilled Automatically

Worry Free Fills® are available for qualifying maintenance medications. When enrolled, Express Scripts will calculate when you'll need your prescriptions and deliver them on time. They'll contact you before processing each fill to confirm delivery, and the delivery date. Enroll in Worry Free Fills by choosing one of the following methods:

- Visit Express Scripts at express-scripts.com, and select Automatic Refills
- When refilling a prescription, answer yes when asked to enroll in Worry Free Fills
- Call Express Scripts at 1-800-892-5119 (TTY: 1-800-305-5376)

Save up to

33%

When you use the mail order pharmacy.**

GENERIC MEDICATIONS - \$9.00 FOR 90 PROGRAM

The Details

- + Is available to you as a Blue Cross Blue Shield of Massachusetts member
- + Has an easy enrollment process in which you sign up either online or by phone
- + Gives you a 90-day supply of generics sent directly to your home through the Express Scripts Mail Service Pharmacy
- + Saves you more money than the \$4 generics retail benefit offered by Target and Walmart

How to Get Started:

Log in to Member Central and select Pharmacy Coverage under the "Using My Plan" tab. Then, select Mail Service Pharmacy from the navigation bar on the left. To see the list of available generic drugs, click on the link **View a list of \$9 generic medications**.

¹ Source: "Is Compliance Really Better in Home Delivery? Evidence Across Three Chronic Therapy Classes," Express Scripts Study, September 2008.^{*}

² Average percentage savings figure based on analysis of actual January-March 2012 claims for clients with a retail pharmacy and mail pharmacy benefit, excluding Medicare clients and clients participating in mandatory mail programs. Savings may vary based on your plan design.

Express Scripts' services are being provided on behalf of Blue Cross Blue Shield of Massachusetts.

You can save,
on average, 29%
in comparison
to standard
retail pharmacies.²



**For more
information**

If you have questions,
or would like to enroll in home
delivery, they can visit

www.express-scripts.com/startind

or call

877-509-5883.

1. SOURCE: "IS COMPLIANCE REALLY BETTER IN HOME DELIVERY? EVIDENCE ACROSS THREE CHRONIC THERAPY CLASSES," EXPRESS SCRIPTS STUDY, SEPTEMBER 2008. 2. AVERAGE PERCENTAGE SAVINGS FIGURE BASED ON ANALYSIS OF ACTUAL JANUARY-MARCH 2012 CLAIMS FOR CLIENTS WITH A RETAIL PHARMACY AND MAIL PHARMACY BENEFIT, EXCLUDING MEDICARE CLIENTS AND CLIENTS PARTICIPATING IN MANDATORY MAIL PROGRAMS. SAVINGS MAY VARY BASED ON YOUR PLAN DESIGN.

SMART 90 – RETAIL RX

With Smart90, you benefit by paying the same amount for a 90-day supply at a CVS retail pharmacy as you do through the Express Scripts® (ESI) mail service pharmacy.

As a Blue Cross Blue Shield of Massachusetts member, your medications are administered by Express Scripts, an independent company working on behalf of Blue Cross. With Smart90, you can save money by filling three-month supplies of your maintenance medications through the Express Scripts PharmacySM or now with the added convenience of picking up medications at CVS retail locations.

Smart90 Pharmacies

- Express Scripts mail service pharmacy
- CVS retail pharmacy™

What are the Advantages of Using Smart90

Smart90 offers you the choice of receiving a three-month supply of your maintenance medication through a CVS retail pharmacy or through the Express Scripts mail service pharmacy. By choosing a three-month supply, you're likely to pay a lower amount than you would with three, one-month supplies. You are also less likely to miss a dose, which can keep you healthier. If you prefer to pickup your medication in person, you now have that added option at a CVS retail pharmacy.



To Get Your 90-Day Supply By Mail:

- Log in to express-scripts.com/3month or call Express Scripts at 1-800-892-5119.

To Get Your 90-Day Supply At CVS:

- To find a CVS pharmacy near you, log in or register at express-scripts.com/3month and select "Prescriptions," and click "Find a Pharmacy."
- Talk to your provider and CVS. They can tell you how to transfer your prescription or start a new one.

HEALTH CARE DEDUCTIBLE (PPO ONLY)



A deductible is the amount you pay for certain medical services and prescriptions before Blue Cross begins to pay.



That means you'll pay for prescriptions and most medical costs until you meet your deductible.

If you have a family plan: You may have to meet the family deductible amount before Blue Cross starts to pay for any member on the plan.

If you haven't met your deductible yet, you'll pay for services like these.

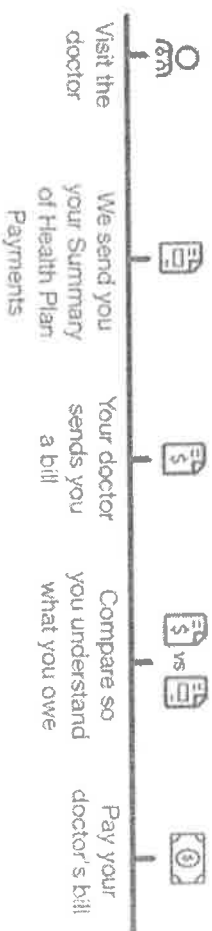
Go to myblue.bluecrossma.com to see more.

Surgery

(inpatient and outpatient)

- Biopsy
- Knee surgery
- X-rays, imaging, and tests
- Chest X-ray for a cough
- MRIs
- CT scans

What to expect when using your health plan



Lab tests and bloodwork

- Strep test if you have a sore throat
 - Testing for high cholesterol
 - Testing a polyp discovered during a colonoscopy
 - Monitoring your blood sugar quarterly
- Preventive care like annual checkups, vaccines, and cancer screenings are no cost to you.

PAYING THE PRICE

EMERGENCY ROOMS VS. URGENT CARE CENTERS

According to the U.S. Department of Health and Human Services, emergency room visits average \$1,327 per visit. The agency also found that some of these visits were avoidable and were the result of poor care management, inadequate access to care or poor choices on the part of the insured or beneficiaries. In fact, according to a 2013 study, emergency room visits for conditions that are preventable or treatable through primary physician care not only raise costs, they lower health-system efficiency.¹

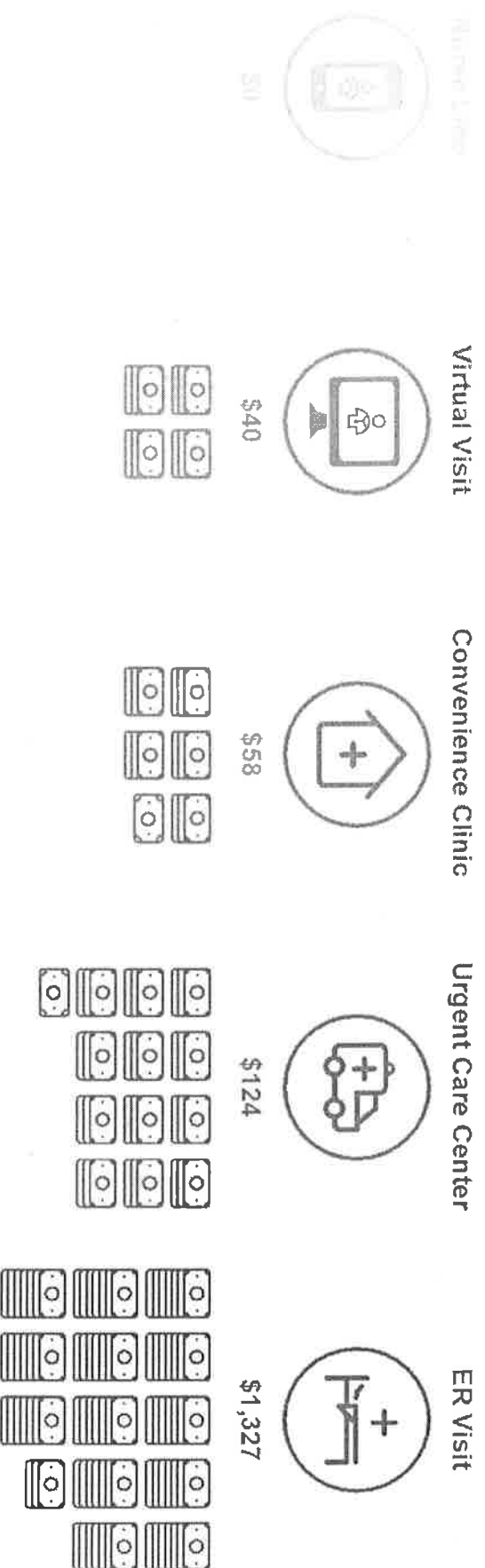
Strategy

Insurance providers, health care systems and employers are educating the insured and beneficiaries on both the exigent circumstances that warrant emergency room visits and alternatives for nonemergency health situations.

Rationale

An estimated 13 percent to 27 percent of emergency room visits in the United States could be managed in physician offices, clinics and urgent care centers, saving \$4.4 billion annually.²

For Emergency Care Alternatives, Consumers Can Expect to Pay on Average³:



¹ Reducing Preventable Emergency Department Utilization and Costs by Using Community Health Workers as Patient Navigators Kimberly R. Enard, PhD, FACHE, postdoctoral fellow and Deborah M. Ganejin, director

² (Weinick, et al., 2010)

³ UnitedHealthcare 2015 Commercial Historical Claims (estimated \$1,200 difference between the average emergency room visit and the average urgent care visit)

EMERGENCY ROOM ALTERNATIVES

Consider using one of the following emergency room alternatives next time you're sick or injured:

Care Options	Description	Types of Services They Can Provide			Hours	Relative Cost	How to Find One
Blue Care® Line	Explain your symptoms to a nurse over the phone, and they'll help you decide what to do next.	Assessment for the treatment of: • Fever • Dizziness • Cuts • General discomfort			24/7	No cost	Call the Blue Care Line at 1-888-247-BL UE (2583)
Well Connection	Live video visits with licensed doctors on your favorite device.	• Back pain • Bronchitis • Cough • Diarrhea	• Fever • Rashes • Respiratory infections • Sinus infections	• Sore throat • Skin conditions • Urinary tract infections	24/7 for medical care	\$	Download the Well Connection app, or visit wellconnection.com .
Limited Services Clinics¹	Clinics located within your local pharmacy that treat simple medical concerns.	• Cold & flu • Bronchitis • Sinus & respiratory infections • Sore throat	• Diarrhea • Gout • Strep throat • Urinary tract infections	• Pinkeye • Hypertension • Migraines • Pneumonia	Days, evenings, weekends	\$	Visit Find a Doctor at findadoctor.bluecrossma.com 1. Select Urgent Care Centers 2. Refine your results by choosing Limited Services Clinics or Urgent Care Center under Specialties
Urgent Care Centers²	Local clinics that treat conditions that aren't life-threatening but require immediate treatment.	• Broken bones • Digital X-rays • Drug tests • EKG test	• Lab tests • Minor burns or injuries • PPD/TB skin tests • Pregnancy test • Short-term (acute) illness	• Splints • Stitches • Sports & school physicals • Shots & vaccines	Days, evenings, weekends	\$\$\$	Results are determined by your selected location and providers that participate in your network.
		Plus, symptoms treated at limited services clinics					

Care Options	Description	Types of Services They Can Provide			Hours	Relative Cost	How to Find One
Emergency Room	Full hospital service for severe symptoms that could seriously jeopardize your health or the health of another (including an unborn child).	• Possible heart attack • Stroke • Poisoning • Loss of consciousness				24/7	• Call 911 or go to your nearest hospital

WellLife

TELEMEDICINE

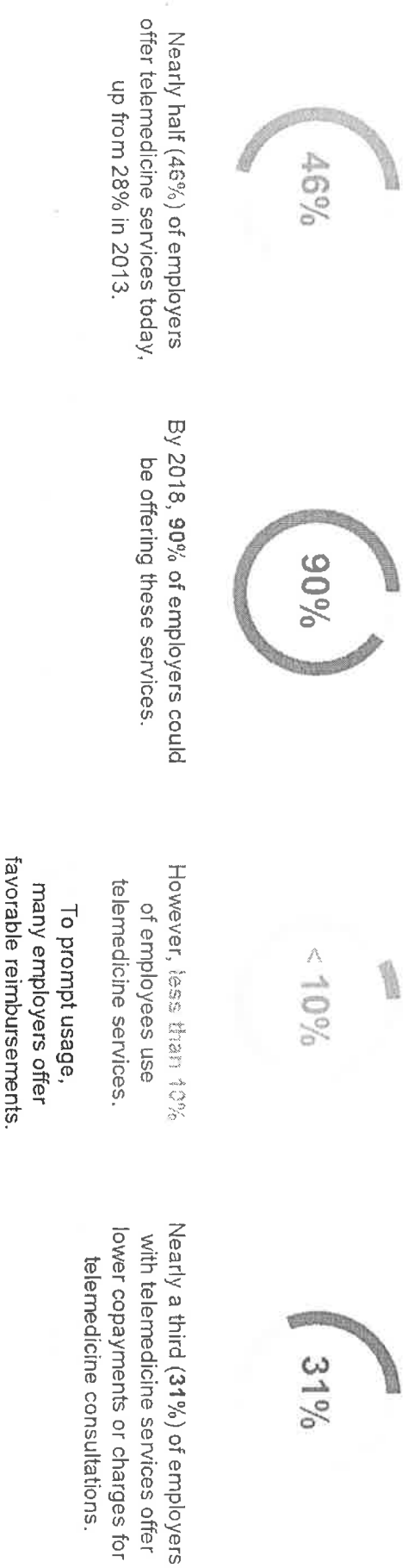
Strategy

- Organizations are looking to telemedicine as another way to reduce time spent in doctors' offices, which can provide easier, potentially less expensive access to care.

Rationale

- Today, many common, uncomplicated, non-emergent medical issues can be managed and treated through telemedicine, providing consumers with more immediate access to clinically sound medical advice and treatment options.
- The decrease in travel and wait times associated with visits to primary care physicians can have a direct impact on employee productivity.

Figure 1



BLUE CARE LINE

**Call 1-888-247-BLUE (2583)
for the Blue Care Line.**

We're here for you 24/7

Have a question about your health? You can talk to a professionally trained, registered nurse 24 hours a day, seven days a week. They're ready when you are—even at 4 a.m.

Know your options

Calling the Blue Care Line is a quick way to find out if you need to see a doctor, go to an emergency room or if you're able to treat it yourself at home.

We'll call you

Depending on your type of illness or injury, the registered nurse will call and follow up to see how you're responding to the self-treatment.

Confidentiality

Your information is kept in accordance with our policy on confidentiality.

FITNESS REIMBURSEMENT



Receive up to \$150 annually for participating in a qualified fitness program.¹

Qualified for Fitness Reimbursement:

Membership or fitness class fees at:

- A full service health club with cardiovascular and strength-training equipment like treadmills, bikes, weight machines, and free weights
- Starting in 2019—A fitness studio with instructor-led group classes such as yoga, Pilates, Zumba®, kickboxing, indoor cycling/spinning, and other exercise programs. Note: Reimbursement requests for the new 2019 programs must be submitted *after* your 2019 health benefits become effective.

Not Qualified for Fitness Reimbursement:

- One-time initiation or termination fees
- Fees paid for gymnastics, tennis, pool-only facilities, martial arts schools, instructional dance studios, country clubs or social clubs, sports teams or leagues
- Personal trainer sessions
- Fitness equipment or clothing

Get Reimbursed in Three Easy Steps



1. Choose

Start by picking a qualified fitness program.

2. Complete

Once you pay for the program, fill out the attached form.

3. Mail

Send the completed form to the address listed.

Important Information:

- Fitness reimbursement can be granted for any single member or combination of members enrolled under the same Blue Cross Blue Shield of Massachusetts health plan. Blue Cross will make a reimbursement decision within 30 days of receiving a complete request.
- Reimbursement requests must be submitted by March 31 of the following year.
- Keep copies of proof of payment in case we request it from you. Proof of payment includes:
 - Receipts (cash/check/credit/electronic) for membership or class fees clearly documenting your name, the fitness program name, and individual amounts charged with date paid.
 - Your fitness program membership or participation agreement clearly documenting your name and date signed.
- Reimbursement may be considered taxable income, so consult a tax advisor.

WEIGHT-LOSS REIMBURSEMENT



Receive up to \$150 annually when you participate in a qualified weight-loss program.¹

Qualified for Weight-Loss Reimbursement:

Participation fees for:

- Hospital-based programs and Weight Watchers[®] in-person
- Starting in 2019—Weight Watchers online and other non-hospital programs (in-person or online) that combine healthy eating, exercise, and coaching sessions with certified health professionals such as nutritionists, registered dietitians, or exercise physiologists. Note: Reimbursement requests for the new 2019 programs must be submitted *after* your 2019 health benefits become effective.

Not Qualified for Weight-Loss Reimbursement:

- One-time initiation or termination fees
- Food, supplements, books, scales, or exercise equipment
- Individual nutrition counseling sessions, doctor/nurse visits, lab tests or other services that are covered benefits under your medical plan

Get Reimbursed in Three Easy Steps



1. Choose

Start by picking a qualified weight-loss program.



2. Complete

Once you pay for the program, fill out the attached form.



3. Mail

Send the completed form to the address listed.

Important Information:

- Weight-loss reimbursement can be granted for any single member or combination of members enrolled under the same Blue Cross Blue Shield of Massachusetts health plan. Blue Cross will make a reimbursement decision within 30 days of receiving a complete request.
- Reimbursement requests must be submitted by March 31 of the following year.
- Keep copies of proof of payment in case we request it from you. Proof of payment includes:
 - Receipts (cash/check/credit/electronic) for participation fees clearly documenting your name, the weight-loss program name, and individual amounts charged with date paid.
 - Your weight-loss program membership or participation agreement clearly documenting your name and date of enrollment/participation.
- Your reimbursement may be considered taxable income, so consult a tax advisor.

SMART SHOPPER – CASH REWARDS



Get rewarded

Get cash rewards when you choose to save with SmartShopper on select medical procedures

List of Sample Procedures	SmartShopper Reward
Gall Bladder Surgery	up to \$250
Shoulder Surgery	up to \$250
Colonoscopy	up to \$250
MRIs	up to \$100
CT Scans	up to \$75
Mammograms	up to \$50



Receive cash

Expect payment in 6 to 8 weeks

Once you've earned your cash reward, and your claim has been paid, you'll receive a check from Vitalis® in the mail.

Questions?

For any questions regarding the use of SmartShopper, you can contact the Personal Assistant Team at 1-877-281-3722. Mon. – Thurs., 8:00 a.m. – 8:00 p.m., or Fri., 8:00 a.m. – 6:00 p.m.

SmartShopper is managed by Vitalis®, an independent company.

The money you receive may be considered taxable income. Consult your tax advisor.



Shop smart

1. Log In or Register (if you haven't already, create a MyBlue account at bluecrossma.com/myblue by selecting Register Now.

2. Shop—online or by phone

Online

- Select the Find a Doctor & Estimate Costs box
- On the Find a Doctor & Estimate Costs home page, select the Go to Find a Doctor & Estimate Costs button
- Next, select the SmartShopper incentive button

Phone

Have a member of the Personal Assistant Team find the best care options that return the biggest reward—simply call 1-877-281-3722. Monday–Thursday, 8:00 a.m.–8:00 p.m., or Friday, 8:00 a.m.–6:00 p.m.

3. Have the Procedure

Have your procedure at the eligible location of your choice, and earn cash rewards!

4. Receive Your Cash Reward

Once the claim for your procedure is processed, Vitalis will mail your reward check to you within 6 to 8 weeks.

**Shop smart.
Get rewarded.
Receive cash.
Repeat.**

Prices for identical medical procedures, like MRIs and CT scans, vary from hundreds to thousands of dollars depending on where you choose to go for your procedure.

With SmartShopper from Vitalis®, an independent company, you can comparison shop for eligible, competitively priced care, have your procedure, and then sit back and wait for your reward check to arrive in the mail!

COST CONTROL FACTORS – BEYOND WELLNESS

1. Intelligent use of co-pays, deductibles and co-insurance.
 - a. Consider frequency of use by group members vs. premium decrement.
2. Hospital “tiering”.
 - a. Industry ranking provide better patient outcomes with reduced cost.
3. “Geographic bias”.
 - a. Take advantage of reduced cost medicine at community providers and save Boston for serious issues.
4. Find municipal partners that are geographically located, similar claims and similar plan design.
 - a. Larger group helps mitigate poor claims cycles – mutual “win-win”.

COST CONTROL FACTORS – BEYOND WELLNESS

Freetown's Current Health Ins. Provider

MIIA

- Mass Interlocal Insurance Association
- Consortium of Municipalities, School Districts, etc.
- Provides Property/Casualty, Worker's Comp. and Health/Dental Insurance
 - Membership Open to ALL Cities, Towns, Schools, etc.
 - Current Membership is "Boston-Centric".



COST CONTROL FACTORS – BEYOND WELLNESS

Advantages of MIIA

- Provides “Safety Net” to Poor Claims Years.
- Combines Purchasing Power of Multiple City/Town/School Membership.
 - Offers Reasonable Plan Design Options.
 - Premiums Not Strictly Claims-Driven

COST CONTROL FACTORS – BEYOND WELLNESS

Disadvantages of MILA

- Good Claims Record is Only Partially recognized.
- Premium May be Higher Than Justified to Support Entire MILA Pool.
 - Limited to MILA Plan Design Offerings.
 - Limited to BCBS
- Will NOT Provide Claims Data to Subs. Under 100 – denies many cost-saving opportunities provided by claims analysis
- Does Not Allow Taking Advantage of Competitive Pricing.

COST CONTROL FACTORS – BEYOND WELLNESS

Disadvantages of MILA

But Most Importantly of All:

- Does Not Allow Taking Advantage of Competitive Pricing
With Multiple Carriers and Geographic Bias!!

COST CONTROL FACTORS – BEYOND WELLNESS

But are There Viable Alternatives to MIIA for a Small Town?

Group Insurance Commission

All advantages of MIIA and All Disadvantages Also,

PLUS

- No BCBS Plans
- No Local Control Over Future Plan Design Changes

THE BEST ALTERNATIVE - JPA'S

Is There Anything Better?

Yes – Joint Purchase Arrangements (JPA's)

- Provide ALL the Advantages of MIIA
- Correct ALL the Disadvantages of MIIA
- Combine with Area Communities/Schools

THE BEST ALTERNATIVE - JPA'S

ADVANTAGES

- Partner w/ Similar Communities/Schools
 - Maintain Local Control
- Take Advantage of Highly Competitive Marketplace
 - Access ALL Carriers
 - Take Advantage of Geographic Bias
- Obtain Complete Claims Info for Critically Important Analysis

THE BEST ALTERNATIVE - JPA'S

Two Alternatives

1. Join an Existing JPA – Gateway.
2. Start a New JPA.

THE BEST ALTERNATIVE - JPA'S

**But First a Claims/Plan Design Analysis
Must be Done...**

**But MILA will NOT Give Us Claims Data
(Freetown is under 100 subscribers).**

However, we have Identified an Opportunity for You!

THE BEST ALTERNATIVE - JPA'S

Freetown/Acushnet/Gateway/Freetown-Lakeville RSD FY '20 HMO Plan Design/Rate Comparison						
	Freetown	Acushnet	Gateway	Freetown/Lakeville RSD	Bristol County	
	Network Blue NE HMO	HPHC MA HMO Standard	Network Blue NE HMO	Network Blue NE HMO	Network Blue NE HMO- Trad.	
Deductible						
Single/Family	N/A	N/A	N/A	N/A	N/A	
Max Out of Pocket						
Medical	\$2500/\$5000	\$2500/\$5000	\$2,000/\$4000	\$2500/\$5000	\$2500/\$5000	
Pharmacy	\$1000/\$2000	\$1000/\$2000	\$2,000/\$4000	\$1000/\$2000	\$1000/\$2000	
PCP Copay	\$15	\$30	\$15	\$20	\$15	
Specialist Copay	\$15	\$30	\$25	\$35	\$15	
ER Copay	\$50	\$100	\$100	\$100	\$75	
High Tech Imaging	\$0	\$100	\$50	\$50	\$0	
Inpatient Hospitalization	\$250 per Admission	\$250 (\$1,000 calendar yr.)	\$0	\$250 per Admission	\$0	
Outpatient Day Surgery	\$0	\$150	\$50	\$150	\$0	
Retail Rx Copay	\$10/20/35	\$15/30/50	\$10/\$25/\$45	\$15/30/50	\$10/20/35	
Mail Order Rx Copay	\$10/20/35	\$30/60/100	\$20/\$50/\$90	\$30/50/90	\$20/40/70	
Premium						
Family	\$ 2,278.38	\$ 1,970.82	\$ 2,488.06	\$ 2,236.52	\$ 2,201.93	
EE+1	N/A	\$ 1,373.37	N/A	N/A	N/A	
Individual	\$ 859.59	\$ 686.68	\$ 920.17	\$ 851.92	\$ 826.68	
Premium Variation from Freetown						
Family		\$ (307.56)	\$ 209.68	\$ (41.86)	\$ (76.45)	
EE+1		N/A	N/A	N/A	N/A	
Individual		\$ (172.91)	\$ 60.58	\$ (7.67)	\$ (32.91)	

MAKE IT A HEALTHY LIFE!

We only live
once, snoopy.

Wrong! we only
die once.
We live every day!

