

MINUTES – APPROVED 5.13.10



Insurance Review Committee Meeting
McKenzie Building - 1st Floor - Room 106
Thursday, January 14, 2010 - 3:00 p.m.

Committee Members Present: Chairman David Zimmerman, Vice-Chairman Jim Carius,
Joyce Antonini, Janet Johnson, Tim Neuhauser, Julie Young

Committee Members Absent: Anna Godby, Jennifer Norman, Chris McKinney, Mic Seward,
Jennifer Stanton

Others Present: County Administrator David Jones,

Administrator Jones said that everything is in the system, claims are being adjudicated, they now have all of our contracts and reference manuals are being printed. Jones said that the changes on PBM are declining and that some drugs are on different formularies and that this has impacted the program, but most of the issues have been resolved.

Jones said that another issue has been the step therapy program and it is being worked through by employees trying a different drug and that this is a common practice. Jones said that the first claims were adjudicated this week and claims will be adjudicated weekly on the same day of each week. There are more checks and balances in this system than with Mutual Medical as we only supply HCH the exact amount of money needed to be sent out to adjudicate a claim that has been approved by us.

Administrator Jones said there were some claims that went back to November that were not paid and those will take a few weeks. Jones said that there are still some people who have not been approved for evidence of good health and this should be cleared up soon.

Jones said that regarding the PPO contracts, he had met with the CFO and the VP of Development with Methodist about the possibility of revisiting our agreement with them and these discussions are ongoing. Jones said that their concern is that we retain them as the PPO hospital. Jones said that if some employees had gone to a Methodist Medical Group doctor between April 15 and November 30, they may get a check from Methodist because there was an issue where we had increased our discount and that did not get into the Mutual Medical system. Jones said that the health plan will be receiving a large check because we had overpaid.

Administrator Jones said that he had conversations with OSF and Morton Pediatrics and they are not willing to do a stand-alone agreement with us. Jones said that we have a good contract with Methodist.

Jones said the Methodist agreement was negotiated in 2007 and is a five year agreement. Jones said there is a provision in it that says that at the three year mark, we can cancel the agreement at no cost, but that we do have aggressive pricing on non-cardio vascular cases and we are the only contract like that that is left. Jones said that he has some ideas to make the contract better if Methodist does agree to it.

Jones said that we need to look at where people are going outside of the network and that there is nothing in our agreement that would preclude us from revisiting OSF if we would want to. Jones said that they did freeze case rates and per diem rates for years two and four. Jones said we are now in year three and there is an increase for this year, but if the contract is kept, there would be no increase for year four with the fifth year up for renegotiation.

Jones said that this committee has worked hard to keep prescription costs down and that costs on prescriptions need to be managed to keep prices down. Administrator Jones said that there is a program called Split-the-Pill that has several drugs eligible for the program. Jones said that in this, the pharmacy would give a pill that is twice what the person should be taking and the pill is split in half and the cost is less and could save a lot of money, but it tends to scare the employees. Jones said this would have to be adopted formally by the board.

Member Johnson said that some employees have had issues with the medical reimbursement and Jones said that things will be different with HCH. Jones said that our plan does have a maximum benefit lifetime limit.

Jones said that there is a 12 month expiration on the MRP claims.

Chairman Zimmerman recessed the meeting at 3:43 p.m.

Transcription by Nina Schacherbauer