

STATE EMPLOYEE Health Commission

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STATE OF MAINE BUREAU OF HUMAN RESOURCES

Healthy Times

Employee Health & Benefits Newsletter – Winter 2010

HOSPITAL COSTS

Did you know that a colonoscopy in one Maine hospital can cost the health plan as much as 8 times more than the same procedure in another Maine hospital? Does it make sense that a gall bladder removal can be three times more costly in Hospital A compared to Hospital B? Why is there a nearly 60% difference in what the plan pays Maine hospitals for the same market basket of common procedures?

These questions have been troubling the State Employee Health Commission for several years. After examining claims for the past five years the Commission has found that there are significant differences in both the volume of certain procedures and the amount paid for those services. For example, a member of the State employee plan living in central Aroostook County is twice as likely to have an advanced imaging procedure (MRI or CT scan) than a member living in Cumberland County. Additionally, the average payment for these procedures varies greatly. The lowest payment for a CT scan of the head was \$329 while the highest payment for that procedure was \$1,235 – nearly four times more.

This issue of the newsletter includes a graph that shows the payment variation in Maine hospitals for a series of common procedures that are performed in all Maine hospitals. The vertical line at "0" is the state average. Everything to the right of that line is above the state average and everything to the left is below the state average. This graph is a clear illustration of the significant variance in payments among Maine hospitals.

So what can the Commission do to reduce this huge variation? One of the things under consideration is how to include comparative payments in the design for hospital benefits. Since 2006 the State employee plan has offered incentives for members to seek care from hospitals that meet certain patient safety and clinical quality standards. In the last newsletter issue we explained how hospital tiering has contributed to improved hospital performance. The Commission is now looking to introduce incentives to encourage members to seek care from high quality <u>and</u> efficient hospitals.

In order to continue providing a comprehensive health benefits package the Commission must slow the growth of health care spending in the State employee plan. One of many strategies to consider is linking costs to the tiered hospital benefit. More information will be forthcoming as the Commission examines its options for 2010 and beyond.

See page 3 for graph information

HOW TO REACH US

WORKERS' COMPENSATION

207-287-6655 Toll Free: 1-800-422-4503

EMPLOYEE BENEFITS www.maine.gov/beh/ 207-287-6780 Toll Free: 1-800-422-4503 TTY Toll Free: 1-888-577-6690 WELLNESS CENTERS http://inet.state.me.us/wellnesscenter Augusta: 207-287-9059 Bangor: 207-941-4774 Hours: Monday - Thursday

6:00 a.m. - 7:00 p.m. Friday 6:00 a.m. - 2:00 p.m. Saturday 8:00 a.m. - 2:00 p.m. (September - May)

POINT-OF-SERVICE

Anthem Member Services: 1-800-527-7706 TTY: 1-888-671-4333 24/7 Nurse Call Line: 1-800-607-3262

MEDICARE RETIREES

Anthem Smart Value First Impressions: 1-866-657-4970 TTY/TDY: 1-800-425-5705

E.A.P. Employee Assistance Plan

Contact us TOLL FREE at 1-800-451-1834

HOW TO READ OVER THE COUNTER (OTC) LABELS

Therapeutic substance in drug When not to use this drug, when to	Drug Facts Active ingredient (in each tablet) Purpose Chlorpheniramine maleate 2 mg Antihistamine		Product type
	Uses temporarily relieves these symptoms due to hay fever or other upper respiratory allerigies: ■ sneezing ■ runny nose ■ itchy, watery eyes ■ itchy throat		Symptoms or diseases the drug treats
	Warnings Ask a doctor before use if you have glaucoma a breathing problem such as emphysema or chronic bronchitis trouble urinating due to an enlarged prostate gland Ask a doctor or pharmacist before use if you are taking		
stop taking it, when to see a	tranquilizers or sedatives		
doctor, and possible side effects	 When using this procuct You may get drowsy Alcohol, sedatives, and tranquilizers may increase drowsiness Be careful when driving a motor vehicle or operating 		
	■ Excitability may occur, especially in children		
	before use. Keep out of reach of c	hildren. In case of overdose, get a Poison Control Center right away.	
	Directions Adults and children 12 years and over	Take 2 tablets every 4 to 6 hours; not more than 12 tablets in 24 hours	Read carefully: how much to take,
	Children 6 years to under 12 years	Take 1 tablet every 4 to 6 hours; not more than 6 tablets in 24 hours	how often to take it, and when to
	Children under 6 years	Ask a doctor	stop taking it
More information on how to store the drug	Other information Store at 20-25° C (68-77° F) Protect from excessive moisture		
	Inactive ingredients D&C yellow no. 10, lactose, magnesium stearate, microcrystalline cellulose, pregelatinized starch		Other things in the drug, such as colors or flavoring:

Source: U.S. Department of Health and Human Services.

Do You Know How to be a Good Healthcare Consumer? Joe Knows, and Now You Can Too!

The State Employees' Health Plan is pleased to introduce "Your Guide to Buying Healthcare". Your Guide to Buying Healthcare is a series of videos that follow the adventures of Joe – a nice guy, but a slightly befuddled healthcare consumer. With the help of his neighbor John, he tackles some of the most common health care issues, such as understanding bills and insurance paperwork, choosing the right plan and doctor, getting the best care for the money, comparing prescriptions for effectiveness and cost, and much more.

All members of the State health plan and dependents can view these videos online, free of charge, thanks to our partnership with the Maine Health Management Coalition. Each video contains helpful hints and interactive, entertaining tools for making better healthcare decisions. Laugh while you learn!

To find the videos, go to <u>www.mhmc.info</u> and click on the link for the Consumer Videos. Our username and password are both: stateofme (all lowercase). Percent Variance in Inpatient & Outpatient Hospital Allowed Payments, CY2005, Adjusted for Patient Mix by DRG & APG



Looking for a Way to Save on Taxes?

If you're thinking about how you can better manage your money in 2010, consider the retirement saver's tax credit. This credit rewards you for contributing to the Deferred Compensation Plan with a tax break of up to \$1,000. For example, if you owe federal income tax of \$1,200 and you qualify for the maximum retirement saver's tax credit of \$1,000, you write the IRS a check for \$200 instead of \$1,200.

Depending on how much you earn, you may have a tax credit equal to 10%, 20% or 50% of the first \$2,000 you contribute to the plan (if you contributed last year, you can take the credit when you file your 2009 taxes). The lower your income, the larger the percentage you receive.

For more information, consult your financial services organization (FSO) representative or visit http://www.irs.gov/publications/p590/ch05.html. FSO contact information is available at http://www.maine.gov/beh/DeferredComp/DeferredComp_Index.htm.

Notice for Active State Employees

It's the new year and a good time to review the premiums being withheld from your pay-check. If you have any questions regarding the deductions for your health, dental & vision insurance, deferred compensation or your flexible spending account(s), please call 287-6780 or 1-822-422-4503.

State Government Office Closures

The Department of Administrative & Financial Services (DAFS) has listed the following state government closure (shut-down) days for the remainder of fiscal year 2010.

Tuesday, February 16

Friday, March 12

Tuesday, April 20

Friday, May 28

STATE OF MAINE EMPLOYEE HEALTH & BENEFITS

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NEW HOSPITAL MEASURE INTRODUCED

As of February 1st a new measure of hospital performance was introduced in the State employee health plan criteria for preferred hospitals. Patient Experience has been added as a category for a hospital to qualify as a preferred hospital. The Patient Experience measure is the result of the national Hospital Consumer Assessment of Healthcare Providers and Systems (HCAHPS). Randomly selected patients are asked to respond to questions about important aspects of their hospital care.

The Maine Health Management Coalition website <u>www.mhmc.info/</u> displays the results of two measurement areas: Overall Rating of Hospital and Likelihood of Recommending Hospital to Family or Friends. Hospitals earning a blue ribbon scored equal to or better than the national average.

Because this is an addition to the criteria for preferred hospitals the State Employee Health Commission notified all Maine hospitals of the Patient Experience requirement in January, 2009. All Maine hospitals were reminded of this feature again in July, 2009.

Effective February 1st the requirement for designation as a preferred hospital includes achieving blue ribbons in the following categories:

- Patient Experience
- Patient Safety
- Select Clinical Quality *
 - Heart Attack
 - Heart Failure
 - Pneumonia
 - Surgical infection

* "Special Recognition" for mortality or readmissions for any of the Select Clinical Quality categories may substitute for blue ribbons.