Janet T. Mills
Governor

STATE OF MAINE
STATE EMPLOYEE HEALTH COMMISSION
61 State House Station
Augusta, ME 04333-0061

Jonathan French
Labor Co-Chair

Heather Perreault
Management Co-Chair

STATE EMPLOYEE HEALTH COMMISSION MEETING

Thursday, July 21st, 2022 @ 8:30am
Microsoft Teams Meeting

Commission Members in Attendance: Olivia Alford, Lois Baxter, Claire Bell, Cecile Champagne-Thompson, Jonathan French, Rebekah Koroski, Lew Miller, Peter Marcellino, Heather Perreault, Angela Porter, Shonna Poulin–Gutierrez, Heidi Pugliese, Joanne Rawlings–Sekunda, Jeremy Roberts, Kim Vigue & Frank Wiltuck (Total = 16)

Commission Members Absent: Diane Bailey, Lynn Clark Laurie Doucette, Kelly John, Robert Omiecinski
Vacant Seat(s): 3

Others Present: Nathan Morse, Roberta Leonard, Paige Lamarre, Emma–Lee St.Germain, Derek Malinowski, Emily Charlton, Devon French – Employee Health & Wellness; Breena Bissell & Michelle Probert – Bureau of Human Resources/DAFS; Sabrina Simmons & Kevin Fenton – Aetna; Lisa Lagios, Stephanie Pike & Kristine Ossenfort – Anthem Blue Cross and Blue Shield; Libby Arbour & Connor Huggins – MCD Public Health; Peter Hayes, Lisa Nolan, Peter Hayes – Healthcare Purchasers Alliance; Emily Kovalesky & Sarah Calder – Maine Health; Jackie Little – Legislature; Matt Stone & Judy Paslaski – MedImpact; Marie Bridges – Northeast Delta Dental; Cindy Walsh – Humana; Edward Pierce, Ken Ralff, Kelsey Russell, Mark Halloway & Amy Deschene – Lockton; Tricia Mahoney – Living Resources Program; Laura Robert – Sunlife

Agenda Item	Discussion	Action/Next Steps
I. Call Meeting to Order (8:33am)	Heather Perreault called the meeting to order.	
II. Introductions		
III. Review & Approval of Minutes (June 16th, 2022)		Heidi Pugliese made motion to accept the minutes; Peter Marcellino seconded the motion. Motion passed.
IV. Recurring Monthly Business		
a. Open Discussion/Questions on Vendor Reports (All)	Information contained in written reports; highlights and discussion noted below: • No questions or comments were brought to the commission.	
b. Highlights - Employee Health & Wellness - *Shonna Poulin-Gutierrez*	Information contained in written reports; highlights and discussion noted below:	

- Anthem Medical Highlights - July: Our membership has remained somewhat stable. The total population claims equated to $12,890,298 as reported in May 2022. The medical spend is up 2.5% from the prior period. Emergency Department visits have increased by 17% totaling 200 emergency department visits per 1,000 patients. Of that figure, 12% of those Emergency Department visits resulted in admission. The top five health conditions reported, per member, per month, is 40.8% higher than the benchmark for the total targeted conditions.
- State of Maine Aetna Medicare Advantage July Medical Highlights: There are currently 9,028 members enrolled in the Medicare Advantage plan. Emergency Department visits have increased by 31.1%. An increase of 16.6% ($6,815) in ambulatory paid per member was observed in the month of July. The top specialty physician visits were in Dermatology with 304.4 visits per 1,000 patients.
- Pharmacy Highlights: There's been over 5M in spend & the total cost per member per month was $200.06. Members under the age of 65 represented a $160.00 spend per member per month. We are still seeing good utilization for generic prescriptions.
- Wellness Highlights: WondrHealth saw a total member enrollment of 285 with a total pounds lost of 1,197. A total of 37% of members achieved a 3% weight loss with 2,632 total sessions engaged. Employee Health & Wellness received multiple training requests for the LivingResources Program that cover the same topic from different departments. In response we're working with our LivingResources Program to develop a regularly scheduled training series that will be offered to all State of Maine employees.
- Communication Highlights: A Statewide e-mail was distributed to all State of Maine employees on June 30th as a reminder of the new plan updates as of July 1st. A letter was also mailed in June to all Non-Medicare retirees to announce the 2022-2023 plan year changes. In addition to that, two Constant Contacts were sent via e-mail in the Month of June – one to promote the updated walk-in clinic listing and

	the other to promote Great Outdoors Month and State Park resources. Both saw open rates above book of business. • Contract Highlights: The dental request for proposal bidders conference was held on June 12th. The medical request for proposal has been drafted and should be out in the coming months. The vision request for proposal review is complete.	
c. Financial Update – *Frank Wiltuck*	Information contained in written report; highlights and discussion noted below: • Expenses Over Revenue: The current expenses over revenues are approximately $6M. • Balance Sheet: There was $206M in equity for State fiscal year 2022. • Operating Statement: The revenues over expenses total ($6,323,031.00). Comparing year to year, 2022 was a big year due to the premium holiday to use up the unappropriated surplus.	**Jonathan French asks:** Do we know if we will be seeing the $7.1M in rebates from last year any time soon? **Frank Wiltuck asks:** When payments were made, is that the day they recoded in an advantage? **Frank Wiltuck responds:** He will go back in to look at the detail & we'll clear that up to make sure how many quarters worth of rebates there were – because if we were rewarded a rebate in June but we did not receive the check until July it would be recorded as a July rebate. Frank states he is unsure how many quarters are included in this – if it is normally running late, we could be owed the money and paid the money. **Heather Perreault responds:** We will get an answer for this.
V. QUARTERLY PLAN UPDATES		
a. Healthcare Purchaser Alliance – *Peter Hayes*	Highlights and discussion noted below: • Spending on Health Care Crowds Out Other Priorities: Healthcare is taking more and more of the family budget; some articles suggest it is taking 30% of the family budget. As we spend more on healthcare it really is a spiral that contributes to cost increases.	**Joanne Rawlings–Sekunda asks**: Does the fiduciary responsibility mean that we would have to do audits?

	• Price, Not Utilization, Drives Costs: From 2015 to 2019 utilization was not driving healthcare costs. The major driver was the prices of healthcare & hospital pricing has gone up 31%. Prescriptions had a two-fold increase while outpatient utilization increased by 7%. • Price & Utilization 2014-2018: Maine VS. US: From 2014 to 2018 prescription prices continued to increase but utilization was down. • Price Changes - 2000-2021: Price changes from 2000 to 2021 markets with quality transparency and competition created higher value & the top increase by 2.5 times was hospital services. • Indiana Dashboard – SAGE Transparency: Data sources for the public include RAND 4.0, National Academy for State Health Policy Hospital Cost Tool & Centers for Medicare & Medicaid Services Hospital Star Rating. • Medicare Reference Pricing: To compare hospitals' commercial prices more easily, some entities are starting to consider reference-based pricing, which converts hospital prices to percentages of Medicare. • RAND 4.0 – Total Hospital Commercial Prices Relative to Medicare: The US Average for total hospital commercial prices relative to Medicare is at 224% with Maine at 275% for impatient, outpatient & professional services. • RAND 4.0 – No Correlation Between Prices & Quality 2018-2020: From 2018 to 2020 there has been no correlation between prices and quality for Maine inpatient/outpatient hospital services. • National Academy for State Health Policy Hospital Cost Tool: The National Academy for State Health Policy (NASHP) has developed a tool that provides detailed data on hospital costs and revenues by payer (Medicare, Medicaid, commercial, charity/uninsured), as well as a broad range of other hospital financial data. The tool leverages publicly available Medicare Cost Reports, which all hospitals serving Medicare patients must prepare and submit to the Centers for Medicare and Medicaid Services (CMS). • What Goes into Medicare's Reimbursement Calculation?: Medicare's reimbursement calculation includes the cost of providing hospital patient services, under payment from public coverage programs, uncompensated care, research, cafeteria expenses, advertising,	**Shonna Poulin–Gutierrez responds**: We will need to dig a little deeper into this. **Joanne Rawlings–Sekunda asks**: The State employee plan & MaineCare; who are doing some of there services referenced based, does it make sense for the two groups to combine forces so that it is that much more of a heavy hitter in the market? **Heather Perreault responds:** This is something we should keep in mind as we try to figure out how to make sure our members continue to get the services they need where they need them.

	hospital non-operating income and expenses as well as other expenses including landscaping costs. • Sage – Maine Med: Sage data suggests that Maine Med's pricing is higher than the national average. • Sage – MaineGeneral: Maine General's pricing is slightly under the state average and slightly higher for the national benchmark. • National Academy for State Health Policy – MaineGeneral: The public pay is having an impact on MaineGeneral. • National Academy for State Health Policy – Sample Snapshot: The median percentage of net patient revenue they are paying out for charity cases nationally is 1.6%, and in Maine is .8%. • Hospital Cash Prices Lower than Insurers: Cash prices determined unilaterally by hospitals are often lower than commercial prices negotiated between hospitals and insurers. Uninsured and underinsured patients who choose to take the cash price offered by hospitals might benefit financially. • Who is a Fiduciary?: A Fiduciary is anyone who exercises discretion over plan assets, almost always the Plan Sponsor & Claims Administrators. • What Does it Mean to be a Fiduciary?: The Employee Retirement Income Security Act requires fiduciaries to discharge their duties for the exclusive benefit of plan & participants, using the skills of a prudent person, in accordance with the plan's documents. • What are the Consequences of a Breach of Fiduciary Duty?: The consequences for a breach of fiduciary duty include a personal liability to restore any losses to the plan resulting from their actions or inaction, a 20% penalty assessed by the Department of Labor, removal from their fiduciary status and possible criminal penalties. • The Fiduciary Dilemma: The Consolidated Appropriations Act reinforces fiduciaries should pay a fair price for services provided. • Getting to "Fair Price": A relatively efficient hospital can manage close to Medicare on average and lack of market pressure is more common in markets where few providers dominate and have negotiating leverage over payers.	

	• National Trend – What is Happening Next: In national trends, what we are seeing next are direct contacting, transparency tools, advanced primary care and referenced based pricing.
	• Key Takeaways: The key take always from this presentation are –
	  ○ Hospital prices are drive cost increases.
	  ○ New transparency tools are creating fiduciary risk.
	  ○ Employers need to pay fair and reasonable reimbursements to providers.
	  ○ Employers will need to have a strategic plan to mitigate risk.	

	VI. EDUCATION	
a.	Highlights and discussion noted below: • No items brought to the commission.	
	VII. SEMI-ANNUAL UPDATES	

a. Compliance Review	Highlights and discussion noted below:
	• **State, Anthem – *Kristine Ossenfort***
	  ○ Legislative Document 441, An Act to Expand Adult Dental Health Insurance Coverage: Part A of legislative document 441 bill requires health insurance carriers to provide coverage for comprehensive dental services.
	  ○ Legislative Document 665, An Act to Promote Better Dental Care for Cancer Survivors: Legislative document 665 requires a health plan to include coverage for medically necessary dental procedures that are medically necessary to reduce the risk of infection or to eliminate infection or to treat tooth loss or decay in an enrollee prior to beginning cancer treatment or that are the direct or indirect result of cancer treatment.
	  ○ Legislative Document 1003, An Act to Improve Outcomes for Persons with Limb Loss: Legislative document 1003 states that this bill requires coverage of one prosthetic device designed to meet the enrollee's medical needs for the purpose of recreation for enrollees under 18 years of age.
	  ○ Legislative Document 1357, An Act to Clarify Health Insurance Coverage for Postpartum Care: Legislative Document 1357, as enacted, the bill requires maternity benefits provided by health insurers include coverage for 12	

		months of postpartum care that meets the recommendation of benefits of the American College of Obstetricians. ○ Legislative Document 1539, An Act to Provide Access to Fertility Care: In Legislative Document, this bill requires carriers offering health plans in the State to provide coverage for the fertility diagnostic care, for fertility treatment if the enrollee is a fertility patient and for fertility preservation services. ○ Legislative Document 1798, An Act to Ensure Health Insurance Coverage for Certain Adults with Disabilities: In Legislative Document 1798, as amended, the bill requires health insurance policies the offer coverage for a dependent child to offer coverage for adults with disabilities who are unable to sustain themselves through employment in the same manner as for a dependent child on a parent's policy. ○ Legislative Document 1822, An Act to Improve Access to Behavior Health Services by Limiting Cost Sharing by Insurers: In Legislative Document 1822, this legislation expands upon the requirements established in legislative document 2007 and requires that the copay amount for behavioral health office visits may not be greater than the copayment amount for the primary care office visit and a behavioral health office visit must count toward the deductible. ○ Legislative Document 1954, An Act to Ensure Access to Prescription Contraceptives: In Legislative Document 1954, this bill requires health insurance policies to cover all contraceptive drugs, devices, and products approved by the FDA without any deductible, coinsurance, copayment or other cost-sharing requirement. ○ Legislative Document 1636, An Act to Determine Potential Savings in Prescription Drug Costs by Using International Pricing: In Legislative Document 1636, beginning in January 1, 2023, the bill as amended requires the Maine Health Data Organization to annually report on the 100 most costly prescription and the 100 most utilized drugs in the State	

	determined based on the payments reported in the Maine Health Data Organization's database for the most current 12-month period and determine the potential savings that would be achieved by subjecting those drugs to a referenced rate. ○ Legislative Document 1706 An Act to Require Appropriate Coverage of and Cost-Sharing for Generic Drugs and Biosimilars: In Legislative Document 1706, this bill requires that formularies for prescription drugs approved for coverage under a health plan contain tiers of generic drugs, and that the cost-sharing through coinsurance or copayment make the cost of the generic drug or biosimilar meaningfully lower than the cost of the equivalent branded drug. ○ Legislative Document 1776, An Act to Pharmacists to Dispense an Emergency Supply of Chronic Maintenance Drugs: In Legislative Document 1776, as amended, the bill allows pharmacists to dispense an emergency supply of a chronic maintenance drug to a patient without a prescription if the pharmacist is unable to obtain authorization to refill the prescription from a health care provider and the pharmacist has a record of the prescription in the name of the patient, including the amount of the drug dispensed in the most recent prescription or the standard unit of dispensing the drug. ○ Legislative Document 1783, An Act to Require Health Insurance Carriers and Pharmacy Benefits Managers to Appropriately Account for Cost-sharing Amounts Paid on Behalf of Insureds: In Legislative Document 1783, as amended, the bill is based on model National Council of Insurance Legislators legislation. It requires health insurance carriers and their Pharmacy Benefit Manager's to include cost-sharing amounts paid on behalf of an insured when calculating the insured's contribution to any out-of-pocket maximum, deductible, or copayment when a drug does not have an alternative equivalent or was obtained through prior authorization, a step therapy override exception or an exception or appeal process.	

	○ Legislative Document 1938, An Act to Prohibit Discriminatory Practices Related to the 340B Drug Pricing Program: In Legislative Document This bill proposes to place restraints on the ability to incentivize the use of mail order pharmacies and to limit the ability of a carrier or PBM to access 340B pricing or require that the 340B pricing be passed on to the member on/or the carrier. ○ Legislative Document 1608, An Act to Expand the MaineCare Program to Cover All Citizens of the State: In Legislative Document 1608, This bill establishes a single-payer health care program in the State to provide health care services for Maine residents. The bill directs DHHS to consult with the Dept. of Labor and the Bureau of Insurance to develop the program. ○ Legislative Document 1778, An Act to improve Health Care Affordability and Increase Options for Comprehensive Coverage for Individuals and Small Businesses in Maine: Legislative Document 1778 states as amended, the bill directs the Office of Affordable Health Care, beginning in 2023, to analyze barriers to affordable health care and coverage and develop proposals on potential methods to improve health care affordability and coverage for individuals and small businesses in the State. ○ Legislative Document 1196, An Act Regarding Reporting on Spending for Behavioral Health Care Services and to Clarify Requirements for Credentialing by Health Insurance Carriers: As originally proposed, Legislative Document 1196 sought to establish spending targets for primary and behavioral health care. Part A of the amendment requires the Maine Quality Forum to submit an annual report, beginning January 15, 2023, for behavioral health care spending based on claims data reported to the Maine Health Data Organization and information on methods of reimbursement reported by insurers. ○ Legislative Document 1463, An Act to Make Health Care Coverage More Affordable for Working Families and Small	

	Businesses: Legislative Document 1463 would re-establish the federal health insurance tax at the state level. It would impose an assessment of 2.85% of net written premium on health insurance carriers to fund the Maine Health Care Affordability Fund "MHCAF"), which would be used to address the "family glitch" or provide state level subsidies. ○ Legislative Document 1266, An Act to Require Dental Plan Medical Loss Ratio Reporting and Review: Legislative Document 1266, as amended, establishes a medical loss ratio reporting requirement for dental plans and the publication of carrier-specific annual loss ratio levels on the Maine Bureau of Insurance's website • **Federal, Lockton** – ***Mark Holloway & Amy Deschene*** ○ Upcoming Regulatory Changes: There has been a "No Surprise Act" put into law which protects individuals from balance billing if they get an out-of-network service at an in-network facility, emergency care or air ambulance bills. ○ Mental Health Parity: The Consolidated Appropriations Act strengthens the call to ensure mental health & substance use disorder benefits are on par with medical/surgical per The Mental Health Parity Act rules. ○ Department of Labor Mental Health Parity & Addiction Equity Act (*MHPAEA*) Enforcement Snapshot Fiscal Year 2020: The types of plans reviewed for fiscal year 2020 were combo, fully insured & self-insured. ○ Non-Quantitative Treatment Limitation Red Flags: Non-Quantitative Treatment Limitation Red Flags include failure to document comparative analysis before designing and applying the Non-Quantitative Treatment Limitation, conclusory assertions lacking specific supporting evidence or detailed explanation & lack of meaningful comparison or meaningful analysis. ○ What do Non-Quantitative Treatment Limitations Have We Seen the Department of Labor Targeting?: The Non-Quantitative Treatment Limitations we've seen the Department of Labor targeting are limits/exclusions on	

	applied behavior analyses to treat autism spectrum disorder as well as additional pre-authorization requirements. ○ Annual Cost Reporting**:** Annual cost reporting to federal authorities for medical plans requires the beginning and end dates of the plan year, the number of participants and beneficiaries, that each state in which the plan or coverage is offered & prescription drug costs. ○ Other Issues: Other issues worth mentioning are that Patient-Centered Outcomes Research Institute filing due August 1 & that public health emergency is still ongoing.	
b. Living Resources Program – *Tricia Mahoney*	Highlights and discussion noted below: • Behavioral Health Trends – Pandemic Impacts: When looking at behavioral health trends, 40% of U.S. Adults reported struggling with mental health or substance use. There have been disproportionally high mental health effects on young adults, Hispanic persons, Black persons, essential workers, unpaid care givers and those with existing mental health conditions. • Expanding Accessibility: To expand accessibility, the LivingResources program has expanded the Telepsych network. They've also implemented GuidanceConnect digital intake, referral, and scheduling expansion. • Program Utilization Snapshot: In 2022 year to date, program utilization was at the highest it's been, 29%. The book of business closure rate for a similar session program is approximately 89%. • Client Demographics and Top Referral Resources – Live: Of the clients utilizing the LivingResources program, employees make up 84% and spouse/dependents make up 16% with the top referral source being LivingResources. • Service Access Points – Live Access (Cases): Each year, utilization of the LivingResources program increases. The most requested service is the Employee Assistance Program for counseling. • Top Presenting Live Issues: In 2022, year to date, the top Employee Assistance Program needs were Psychological, Stress & Anger. • Service Access Points – Online Access: Observations and comments made for service access points – online access state that legal	

	resources showed a significant increase in 2022, year to date. The top three searches are consistently for lawyers, financial planners, and childcare. • 2022 Year to Date Key Metrics: In the area of call volume, there were 917 calls made for assistance in 2022. • Healthy Guidance Counseling: For those who called in for Health Coaching Service Requests, weight management was the most discussed topic resulting in 10 health coaching sessions. • 2022 Year to Date: LivingResources Program Recommendations: CompPsych is recommending that there be monthly trainings to drive awareness and support areas of interest identified in their report. • Program Model for the State of Maine: The program model for the State of Maine includes, Clinical Support, Human Resources Assistance, LegalConnect, FinancialConnect, Family Source, Guidance Resources Online, Critical Incident Stress Management Training, Estate Guidance, and Healthy Guidance Coaching.	
VIII. OTHER BUSINESS		
a. Open Discussion	Information contained in written report; highlights and discussion noted below: • No items brought to the commission.	
IX. REQUEST MOTION TO ADJOURN		
b. X. Adjourn Meeting (11:47pm)		Lois Baxter made a motion to adjourn; Heidi Pugliese seconded the motion. Motion passed.

2022 meeting schedule available at www.maine.gov/bhr/oeh