



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, October 20th, 2022 @ 8:30am  
Microsoft Teams Meeting**

Commission Members in Attendance: Olivia Alford, Diane Bailey, Lois Baxter, Claire Bell, Cecile Champagne-Thompson, Lynn Clark, Laurie Doucette, Jonathan French, Kelly John, Rebekah Koroski, Peter Marcellino, Lew Miller, Heather Perreault, Angela Porter, Shonna Poulin-Gutierrez, Heidi Pugliese, Joanne Rawlings-Sekunda, Kim Vigue & Frank Wiltuck  
(Total = 19)

Commission Members Absent: Robert Omiecinski, Jeremy Roberts

Vacant Seat(s): 3

Others Present: Nathan Morse, Roberta Dupont, Paige Lamarre, Emma-Lee St.Germain, Emily Charlton, Devon French, Doris Pietroski – Employee Health & Wellness; Breena Bissell – Bureau of Human Resources/DAFS; Sabrina DeGuzman-Simmons & Kevin Fenton – Aetna; Lisa Lagios, Jonathan Edwards, Kim Parker, Stephanie Pike & Kristine Ossenfort – Anthem Blue Cross and Blue Shield; Libby Arbour & Connor Huggins – MCD Global Health; Lisa Nolan, Peter Hayes & Trevor Putnoky – Healthcare Purchasers Alliance; Emily Kovalsky & Liam LaFountain – Maine Health; Lynn Hadley, Matt Stone & Judy Paslaski – MedImpact; Marie Bridges – Northeast Delta Dental; Ken Ralff & Amy Deschene – Lockton; Jodi Wallace, Fanny Li & Christoph Dankert – Carrum Health Program; Lynn Hadley; Jacqueline Scherer – Lockton; MaryAnne Turowski – Legislature; Jason O’Riordan

<b>Agenda Item</b>	<b>Discussion</b>	<b>Action/Next Steps</b>
<b>I. Call Meeting to Order (8:32am)</b>	Jonathan French called the meeting to order.	
<b>II. Introductions</b>		
<b>III. Review &amp; Approval of Minutes (September 15<sup>th</sup>, 2022, and October 4<sup>th</sup>, 2022)</b>		<p>Peter Marcellino made motion to accept the September 15<sup>th</sup>, 2022, minutes; Angela Porter seconded the motion. Motion passed.</p> <p>Lois Baxter made motion to accept the October 4<sup>th</sup>, 2022, minutes; Peter Marcellino seconded the motion. Motion passed.</p>
<b>IV. Recurring Monthly Business</b>		
<b>a. Open Discussion/Questions on Vendor Reports (All)</b>	Information contained in written reports; highlights and discussion noted below:	



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

	<ul style="list-style-type: none"> <li>No questions or comments were brought to the commission.</li> </ul>	
<b>b. Highlights - Employee Health &amp; Wellness - Shonna Poulin-Gutierrez</b>	<p>Information contained in written reports; highlights and discussion noted below:</p> <p>Medical Highlights – October:</p> <ul style="list-style-type: none"> <li><u>Anthem</u>: For Anthem, the average member age is 39, with the average employee age being 50. Our contract size is 1.8. Per member per month average spend for employees is \$641.98. Well Adult visits for men (18-64) have increased by 16% as well as adolescent (12-17) visits which are up 15.2%.</li> <li><u>State of Maine Aetna Medicare Advantage</u>: As of June 30th, 2022 -the average age for a State of Maine Aetna Medicare Advantage member is 75. Office visits have increased by 7.3% with total medical catastrophic claims reaching \$12.5M. The top specialty for this demographic is dermatology with 306.2 visits per 1,000.</li> </ul> <p>Pharmacy Highlights – October:</p> <ul style="list-style-type: none"> <li><u>KPI Summary – State of Maine August 2022</u>: The total prescription count for August 2022 for the State of Maine Plan was 21,057. There are 36.8% active employees and 55.7% retirees unitizing this portion of the plan. The generic substitution rate for active employees was 96% and for retirees it was 97.5%. The plan paid, per member per month, \$197.68 for active employees and \$474.01 for retirees.</li> </ul> <p>Wellness Highlights – October:</p> <ul style="list-style-type: none"> <li><u>2023 Health Premium Credit Program Status Update</u>: In the first month of the 2023 Health Premium Credit Program, WellStarMe states that 2,345 participants have completed the wellness questionnaire. 2,120 participants have completed the video and quiz and 80 people have participated in Health Navigation events. 11.9% of eligible participants have completed the program as of October 14<sup>th</sup>, 2022. The deadline for the Health Premium Credit Program is April 30<sup>th</sup>, 2023, at 11:59pm.</li> </ul>	



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*

	<ul style="list-style-type: none"> <li>• <u>Vaccination Clinics</u>: The Fall 2022 vaccination clinics continue to be a huge success. As of 10/14/2022, 56 clinics have been completed and we have 21 upcoming clinics scheduled. 48 of our clinics have administered 742 Bivalent Boosters, and 1,326 Flu Shots – with 8 clinics yet to report.</li> <li>• <u>ComPsych – LivingResources Support</u>: ComPsych, our LivingResources Employee Assistance Program provider has provided some excellent support to the State of Maine employees so far in 2022. State of Maine utilization is currently at 32%. Book of business for ComPsych typically averages 17%.</li> </ul> <p>Communication Highlights – October:</p> <ul style="list-style-type: none"> <li>• <u>Health Premium Credit Program</u>: Communication channels to promote the launch of the 2023 Health Premium Credit Program included a statewide email, a postcard home mailer, a Constant Contact blast, and emails to the Wellness Ambassador Network. Communications will continue to roll out as the program runs through April 2023.</li> <li>• <u>Vaccination Clinics</u>: A statewide email was distributed on September 29<sup>th</sup> to promote ongoing vaccination clinics. The Employee Health &amp; Wellness website is updated weekly to reflect the updated clinic schedule.</li> <li>• <u>Constant Contact</u>: Two Constant Contacts were distributed in the month of September – one to promote the 2023 Health Premium Credit Program with an open rate of 42% and the other to promote the LivingResources program training with an open rate of 44%.</li> </ul> <p>Contract Highlights – October:</p> <ul style="list-style-type: none"> <li>• <u>Medical Request for Proposal (RFP)</u>: The Medical request for proposal will begin by the end of the month.</li> </ul>	
<b>c. Committee Update</b>	<p>Information contained in written report; highlights and discussion noted below:</p> <p>i. Financial Update – <i>Heather Perreault (Standing in for Frank Wiltuck)</i></p> <ul style="list-style-type: none"> <li>• <u>Operating Statement</u>: Through September 30<sup>th</sup>, 2022, which includes two months, August and September, of the premium holiday – what</li> </ul>	<p>Laurie Doucette makes the motion to move to Executive Session, Peter Marcellino seconded the motion; motion passed.</p> <p>Lois Baxter makes the motion to accept the Medicare Advantage Renewal Plan Design</p>



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

	<p>we are seeing is a decrease in net expenses over revenues of about \$29M year to date. We're averaging about \$14M reduction to our fund balance per month of this premium holiday. When the plan design and premiums were set early last spring we were estimating total premiums collected by the plan should be about \$20M a month, so at \$14.5M dollars in savings, we may still end up not reducing our surplus as much as we had planned to. Claims predictions have been very difficult. Year to date, we do have reduction in our surplus by about \$29M.</p> <ul style="list-style-type: none"> <li>• <u>Balance Sheet</u>: At this point, just looking at equity section, we have a required reserved number of about \$71M. We are showing an unappropriated surplus of just under \$110M which is a reduction.</li> </ul> <p>ii. Plan Design – Medicare Advantage Plan Renewal Lockton – <i>Amy Deschaines</i></p> <ul style="list-style-type: none"> <li>• <u>2023 Plan Design Recommendations</u>: The following Plan Design changes are recommended by the Plan Design committee: <ul style="list-style-type: none"> <li>○ Add Personal Emergency Response (Medical Alert)</li> <li>○ Hearing Aid Reimbursement Increases (Current \$3k – Increase to \$6k)</li> <li>○ Over the Counter Reimbursement Increases (Currently \$30 – Increase to \$60 per quarter)</li> <li>○ Meal Option Increases (Currently 14 – Increase to 42)</li> </ul> </li> </ul>	<p>recommendations; Diane Bailey seconded the motion; motion passed.</p>
<b>V. QUARTERLY PLAN UPDATES</b>		
<p><b>a. Healthcare Purchaser Alliance – Peter Hayes</b></p>	<p>Highlights and discussion noted below:</p> <ul style="list-style-type: none"> <li>• <u>About the Healthcare Purchaser Alliance</u>: The Alliance is a purchaser-led nonprofit organization working to make healthcare benefits higher quality and more affordable for Maine organizations and their employees. There is 60+ Members, 150k+ Commercially Insured Lives, &amp; the Annual Spend is \$1B+.</li> <li>• <u>Health Purchasers Alliance Mission</u>: The Alliance is a purchaser-led partnership of multiple stakeholders working collaboratively to improve health and to maximize the value of healthcare services in Maine.</li> </ul>	<p>01:41:00</p>



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's Mission: The State Employee Health Commission's mission is to create a labor and management partnership that ensures the highest value health and wellness services are accessible to its members. The Commission is committed to collaborating with plan members, providers, and others to improve health and wellness.
- What We Do: The Healthcare Purchasers Alliance partnered with the State Employee Health Commission work together to manage healthcare cost containment, purchaser advocacy, networking and learning, and custom analytic services.
- Health Purchasers Alliance Group Purchasing: The Health Purchasers Alliance (HPA) vendors are extensively researched and vetted. HPA negotiates preferred pricing and contract terms such as performance guarantees. The HPA can also facilitate program quotes and evaluation upon request.
- 2022 Vendor Evaluations: Health Purchasers Alliance staff evaluated nearly 70-point solution vendors to validate their programs and ensure that purchasers have information to make savvy decisions.
- Thought Leadership and Advocacy: The Health Purchasers Alliance leverages relationships with subject matter experts from around the country to identify healthcare solutions and bring them to purchasers in Maine. In Maine, the Health Purchasers Alliance staff serve on several boards.
- Education: Some of the educational opportunities provided to members include:
  - Member meetings with local and national speakers
  - Webinars on timely topics and emerging strategies
  - Best practice contracting toolkits (ex: Third Party Administrator, Pharmacy Benefits Manager)
  - Trainings (ex: Human Resources Healthcare Bootcamp)
  - Employee education and orientation
- Health Purchasers Alliance Analytics Highlights: There are 150K Maine commercially insured lived in benchmark, or about 1/4 commercial lives. The standard reporting is robust and offers custom analytics. There is a rapid turnaround time of the reporting requests. Data



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

	<p>continuity continuers across carrier changes and the Health Purchasers Alliance offers high value, non-profit pricing.</p> <ul style="list-style-type: none"> <li>• <u>2022 Health Purchasers Alliance Analytic Work for the State Employee Health Commission</u>: There has been a lot of work done on Pharmacy Benefit Managers and nationally there has been a lot of work done on the Purchaser Business Group on Health with wasteful drug formularies. We've also looked at Behavioral Health Services and looked at the adequacy of the networks as well as usage.</li> </ul>	
<b>VI. EDUCATION</b>		
<p><b>a. Beyond Hospital Transparency – Getting to Fair Value: Health Purchaser Alliance – Peter Hayes</b></p>	<p>Highlights and discussion noted below:</p> <ul style="list-style-type: none"> <li>• <u>New Transparency Tools</u>: New transparency tools include RAND 4.0, National Academy for State Health Policy's hospital cost tool, Sage Transparency, and Federal Transparency Mandates.</li> <li>• <u>RAND 4.0</u>: Across the country, there is a huge variation of what we are paying in hospital services. The US Average is 224% use of Medicare. In Maine we are seeing 275% use of Medicare.</li> <li>• <u>National Academy for State Health Policy's Hospital Cost Tool</u>: What this looks at – is across Maine, of the hospitals profiled, you can see significant variation across our hospitals and discussions about a "fair and reasonable" price still need to be had. In corporate America, the average profit is 7%, but in some of the Maine hospitals represented you can see a higher margin than that.</li> <li>• <u>Federal Transparency Rule File</u>: The data collected suggests for select medical services amenable to shopping, the cash prices reported by hospitals is lower than the highest insurer-negotiated price 87% of the time - lower than most major insurers' negotiated prices 55% of the time; and lower than even the lowest insurer-negotiated price 43% of the time.</li> <li>• <u>The Fiduciary Dilemma</u>: Federal legislation reinforces that fiduciary should pay fair price for services provided. RAND and National Academy for State Health Policy data suggests some health systems are charging well beyond fair price.</li> <li>• <u>The Who, What &amp; Why</u>: A fiduciary is anyone who exercises discretion over plan assets, and almost always the plan sponsor. Employee Retirement Income Security Act requires fiduciaries to discharge their duties for the exclusive benefit of plan and</li> </ul>	<p>Olivia Alford asks: What information are we using in negotiations and what conversations are being had with the Health Commission &amp; who is negotiation on behalf of the Commission with the hospitals?</p> <p>Shonna Poulin-Gutierrez responds: It is important for us to make note of those in the meeting minutes.</p> <p>Peter Hayes asks: Should I send the National Alliance playbook as a tool for the Commission?</p> <p>Heather Perreault responds: I think it would be something helpful to have available.</p>



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

participants. Some of the consequences for breach of fiduciary duties include personal liability to restore any losses to the plan resulting from their actions or inaction as well as a 20% penalty assessed by the Department of Labor.

- Process to Achieve a Fair Price: In Maine – the average for breakeven for hospitals is 123% of Medicare. The three-step process to achieve a fair price include comparison to costs, comparison to peers and fair market price.
- Determining What the Hospital Needs to Charge: Determining a fair price relative to Medicare is a helpful benchmark because Medicare uses an objective approach by adjusting for factors that include cost of living, whether the facility's a teaching hospital, and uncompensated care. Accordingly, National Academy for State Health Policy developed a commercial breakeven calculation that accounts for revenue vs. expenses for charity care, uncompensated care, and other payers, such as Medicare and Medicaid.
- Determine if a Hospital's Prices are in Line with Those of Competitors: The action steps to determine if a hospital's prices are in line with those of competitors include:
  - Consider regional peer-group
  - If there are no regional peers, develop a national peer-group
  - Compare hospitals to commercial breakeven and peer-group hospitals
- Determining Whether There is a Justifiable Reason (ex: Better Outcomes) for Significantly Higher Prices Compared to Peer Groups or Medicare: The key to achieving the highest quality care for the lowest cost is to identify which hospitals in your market is performing better and at lower cost than other hospitals. Ideally, your hospital falls in the lower-right quadrant in the graph at right (the blue star), providing the highest quality care for the lowest price.
- Market Strategies to get to Fair Price: Market strategies to get to a fair price include-
  - Rebasing contracts to a percentage of Medicare (ex: reference-based pricing)
  - Tiered networks, centers of excellence, episodes of care



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

- Lower cost sites of care and use of non-system owned providers
- Direct contracting with providers
- Policy-Based Strategies to get to a Fair Price: Policy-based strategies to get to a fair price include-
  - Rate regulation (ex: standard fee schedule)
  - Global budgets (ex: population-based spending budgets)
  - Healthcare cost growth caps (ex: cap on year-over-year total increase in spend)
  - Public option (Medicare-based consumer plan option)
  - Anti-competitive practices/anti-trust enforcement (ex: steerage prohibition in hospital contracts)
  - Surprise billing (ex: out-of-network providers within in-network facilities)

**VII. SEMI-ANNUAL UPDATES**

**a. Carrum Health Program –  
Jodi Wallace, Fanny Li &  
Christoph Dankert**

Highlights and discussion noted below:

- What is Carrum Health: Carrum Health is a special medical and surgery benefit sponsored by the State of Maine. Carrum partners with top hospitals, or Centers of Excellence to give plan participants access to high-quality doctors and appropriate care.
- What are the Benefits of Using Carrum: The benefits of using Carrum include the absolute best care, no medical bills and it is easy to use.

2022 Year to Date:

- State of Maine Performance Overview – Year to Date: The State of Maine accounted for 6 surgeries, with one avoided surgery. There was over \$150k in savings and a Net Promoter Score of 96.
- Program Engagement: For 2022, quarter 1 there were 40 total registrations and 16 total episodes. In quarter 2 there were 84 total registrations and 57 total episodes and in quarter 3 there were 105 total registrations and 77 episodes.
- Current Active Cases – Surgeries and Consults: The current active cases for surgeries and consults include 3 created cases, 14 requirements met, 3 members in the pending consulting stage, with 2 pending procedures and 2 members in post op.





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*

Plan Design:

- Exceptions Process: Members have the option to go through an exceptions process if necessary. This includes the member contacting Carrum. Then Carrum's Care Team will send an Exception Initiation form to the Member, with approval or denial happening within 7 days. Once the exception is approved Carrum securely emails Anthem to transfer member care clearing them to receive standard coverage through Anthem's network.
- Approved Exception Requests: Reasons exception request are approved include inability to secure a travel companion, if the member is medically unsafe to travel, the Center of Excellence clinical criteria is not met and when the grace period comes into play.

Center of Excellence Qualification:

- Proprietary Quality Methodology: Carrum's proprietary quality methodology ensures only the top facilities and physicians are included. Standards include the facility and physician being evaluated annually, along with 50+ other quality metrics. There is a focus on appropriateness and warranty on every bundle.

Roadmap:

- Center of Excellence Roadmap: Northeast & East: There are currently 14 Centers of Excellence peppered down the east coast – all either live, being implemented, or in negotiations.
- Updated Member Experience: Carrum continues to incorporate member feedback in their App. The new App has an improved member orientation as well as the Center of Excellence and Doctor selection, and they have added procedure descriptions and video to enhance the member experience.

**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**



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*

**b. X. Adjourn Meeting  
(11:47pm)**

Peter Marcellino made a motion to adjourn;  
Lois Baxter seconded the motion. Motion  
passed.

2022 meeting schedule available at [www.maine.gov/bhr/oeh](http://www.maine.gov/bhr/oeh)