



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, April 21, 2022 @ 8:30am
Microsoft Teams Meeting**

Commission members in attendance: Diane Bailey, Lois Baxter, Claire Bell, Cecile Champagne-Thompson, Laurie Doucette, Jonathan French, Kelly John, Rebekah Koroski, Peter Marcellino, Lew Miller, Robert Omiecinski, Heather Perreault, Heidi Pugliese, Shonna Poulin-Gutierrez, Joanne Rawlings-Sekunda, Kim Vigue & Frank Wiltuck.
(total = 18)

Commission members absent: Deidre Kinney, Angela Porter, Michelle Probert, Jeremy Roberts
Vacant seat(s): 2

Others present: Lilianne Ford, Paige Lamarre & Roberta Leonard – Employee Health & Wellness; Breena Bissell – Bureau of Human Resources/DAFS; Sabrina DeGuzman-Simmons & Kevin Fenton – Aetna; Lisa Lagios & Jonathan Edwards- Anthem Blue Cross and Blue Shield; Amy Deschaines, Ken Ralff & Kelsey Russell – Lockton; Libby Arbour & Connor Huggins - MCD Public Health; Peter Hayes, Lisa Nolan & Trevor Putnoky – Healthcare Purchasers Alliance; Emily Kovalesky – Maine Health; Jackie Little – Legislature; Laura Roberts – SunLife; Judy Paslaski & Matt Stone - MedImpact

Agenda Item	Discussion	Action/Next Steps
I. Call Meeting to Order (8:34am)	Jonathan French called the meeting to order.	
II. Introductions		
III. Review & Approval of Minutes (March 17, 2022 and April 14, 2022)		Lois Baxter made motion to accept the minutes; Peter Marcellino seconded the motion. Motion passed.
	IV. Recurring Monthly Business	
a. Highlights - Employee Health & Wellness - Shonna Poulin-Gutierrez	Information contained in written reports; highlights and discussion noted below: <ul style="list-style-type: none"> <u>Anthem Medical Highlights:</u> The most recent Anthem report indicates that membership has decreased by 3.0%. There is a total of 25,524 members. The average member age is 39 years old, and the average employee age is 50 years old. Current medical spend is up 17% from prior period. 	The Aetna report will be corrected and sent out to commission members soon.



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	<ul style="list-style-type: none"> • <u>Top Ten Chronic and Complex Conditions (PMPM)</u>: Osteoarthritis, stress/anxiety/depression, obesity, type 2 diabetes, and low back problems. • <u>Medicare Medical Highlights</u>: There is 9,016 members and the average age of these members is 75 years old. There is a 10% increase in office visits for the month of April. • <u>Committees</u>: Plan Design, Wellness Committee, and the Legislative Committee met in March and April. • <u>Communication Highlights</u>: The 2022 Health Premium Credit Program will be ending this month and plan members have until 11:59 on April 30th to complete their requirements for the 2022 program year. The State Employee Health Plan has had 5,421 members complete all of their requirements for this credit to date. • <u>COVID-19 Vaccine Booster Clinics</u>: WellStarME continues to support our office through the coordination of COVID-19 Vaccination clinics and is working with Osco pharmacies to coordinate second dose booster clinics at various Shaw's locations. • <u>Contracts</u>: The Office of Employee Health and Wellness continues to review contract timelines. The RFP on vision is in the proposal review process. The Dental RFP has experienced delays in release. 	
b. Financial Update – Frank Wiltuck	<p>Information contained in written report; highlights and discussion noted below: March 31, 2022 Update</p> <ul style="list-style-type: none"> • <u>Balance Sheet</u>: \$200M in Equity for State Fiscal Year 2022 • <u>Operating Statement</u>: Revenues over Expenses \$-11.7M 	
c. Plan Design Committee Update – Lockton – Amy Deschaines	<p>Information contained in written report; highlights and discussion noted below:</p> <ul style="list-style-type: none"> • <u>Plan Design Committee</u>: All plan design changes have been communicated with respective partners. 	
d. Wellness Committee Update – Rob Omiecinski	<p>Information contained in written report; highlights and discussion noted below:</p> <ul style="list-style-type: none"> • <u>Wellness Committee</u>: The committee met on March 25th to discuss improvements and additions to wellness programs. Although in the 	



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	beginning stages, there are plans to improve health coaching, wellness coaching, weight management, live fitness events, mental health and wellbeing services, counseling services, telephonic health coaching, mindfulness pilots, and financial wellness modules.	
	V. QUARTERLY PLAN UPDATES	
a. Health Purchaser Alliance – Peter Hayes	<p>Information contained in written report; highlights and discussion noted below:</p> <ul style="list-style-type: none"> • <u>New Price Transparency Tools:</u> New tools have recently emerged that offer employers an unprecedented view into hospital pricing and costs: RAND 3.0 Hospital Price Transparency Analysis, and NASHP Hospital Cost Tool. Plan sponsors throughout the US are using these tools to start conversations with hospitals in their local markets about hospital pricing and alternative pricing models. • <u>Why Transparency Is Needed?</u> Hospital prices for commercial customers are based on opaque chargemasters, making comparisons among hospitals is difficult. Studies consistently show substantial price variation among hospitals and prices that are multiples higher than what Medicare pays hospitals. • <u>Why Medicare?</u> Medicare is the largest purchaser. They provide transparency and the available rate-setting process is publicly known. Medicare includes adjustments for patient acuity, geographic market, intensity of services, percent of medically underserved, teaching hospital status, etc. They also offer an objective framework for determining reasonable payments. • <u>RAND 3.0:</u> Conducted by the RAND Corporation which converts commercial hospital prices to a percent of Medicare. According to RAND< commercial hospital prices nationwide are 247% of Medicare; in Maine, hospital prices average 252% percent of Medicare. Commercial prices for Maine hospitals range from 219 to 360 percent of Medicare. RAND 4.0, with updated claims data and additional payer information, is due to launch this summer. • <u>NASHP Hospital Cost Tool:</u> 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). Purchasers and state alliances are 	



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	<p>pairing this tool with RAND 3.0 data to compare a hospital's breakeven point (as a percent of Medicare) to its actual prices.</p> <ul style="list-style-type: none">• <u>Impact on Fiduciary Responsibility:</u> RAND 3.0 and the NASHP tool provide plan sponsors with detailed and comparable data on hospital pricing costs. These tools help plan sponsors meet with fiduciary responsibility to ensure that they are paying on reasonable plan expenses. Such tools also create a responsibility for plan sponsors to review and utilize this new information as part of their fiduciary responsible to pay on reasonable plan expenses.	
	VII. EDUCATION	
<p>a. Reference Based Pricing – Health Purchaser Alliance – Peter Hayes</p>	<p>Information contained in written report; highlights and discussion noted below:</p> <ul style="list-style-type: none">• <u>Reference Based Pricing:</u> An alternative reimbursement approach. A strategy that is gaining traction with some employers and carriers is to move away from discount-off-chargemaster pricing and instead base prices on a percentage of Medicare. All providers are typically paid the same percentage of Medicare and members pay the same cost sharing for a procedure regardless of which hospital they use. There is no network; members can choose whichever hospital they prefer and not worry about whether it's in or out of network.• <u>Pathways to Reference Based Pricing:</u> Some large employers have begun to execute these contracts directly with hospitals. Some employers also work with RBP vendors who pay hospitals to set percentage of Medicare, which ranges from 120-200%, depending on the vendor. Many organizations implement RBP alongside traditional PPO plans to minimize disruptions.• <u>Meeting Fiduciary Duty and Lowering Patient Costs:</u> Transitioning from a discount off charged methodology to a system that reimburses hospitals based on reasonable percent of Medicare can remove unwarranted price variation and lower costs for employees. These savings can lower employee premiums and cost-sharing, or increase wages or add other benefits, such as tuition assistance and loan forgiveness, etc.	



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VIII. OTHER BUSINESS

a. Open Discussion	Highlights and discussion noted below: <ul style="list-style-type: none">Jonathan French shared a personal story. There is an opportunity for the State of Maine to educate members on vaccinations of all sorts, to provide employees and family members with proactive healthcare approaches.	
	<i>IX. REQUEST MOTION TO ADJOURN</i>	
X. Adjourn Meeting (10:21am)		Laurie Doucette made a motion to adjourn; Robert Omiecinski seconded the motion. Motion passed.

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