

Jordan School District
Insurance Advisory Committee
November 10, 2004

Minutes

Committee Members in attendance:

Lorelee Mitchell, Chairperson
Scott Berryessa, Co-chairperson
Patricia Thompson, Co-chairperson
Lucille Bateman
Jennifer Buttars
Kathy Ridd
Carole Stott

Committee Members excused:

Susan Callister
Gary Garcia
Janet Tufts

Others in attendance:

Monte Fautin
Sherry Anderson
Debbie Herbert
Mike Havnes

The meeting came to order at 4:00 p.m. in the District Administration Building. Committee members were welcomed.

General Business Items

A motion was made by Scott Berryessa to approve the minutes of the October 13 meeting as written. Jennifer Buttars seconded the motion and the vote was unanimous.

Special Business Items

None

Informational Items

Committee members were provided the following information:

A. October Claims

1. Medical \$1,340,305.86
2. Pharmacy \$1,176,996.96

B. Workers' Compensation Accidents

There were 24 workers' compensation accidents reported to Pinnacle Risk Management during the month of October.

C. Employees Assistance Program (EAP) Quarterly Report

The EAP report showed 15.2% of those employees enrolled in a medical insurance plan utilizing the services of Blomquist Hale. Of the 15.2%, 85% received assistance by Blomquist Hale counselors and 15% were referred out to counselors in the medical plan.

D. Insurance Consultant Review

Monte Fautin and Mike Havnes reviewed the medical and pharmacy claims expense for the Sept. 1, 2003 through Aug. 31, 2004 insurance year. Comparisons were made with PEHP's other group plans and costs were shown on a per member per month basis.

<u>Category</u>	<u>JSD</u>	<u>PEHP</u>	<u>Difference</u>
Inpatient	\$44.10	\$44.69	(\$0.59)
Outpatient	22.49	24.36	(1.87)
Professional Fees	48.28	41.23	7.05
Lab & X-Ray	26.14	21.79	4.35
Pharmacy	60.76	34.68	26.08
Other	12.82	16.37	(3.55)

A cost comparison was provided on a per member per month basis for the three District plans. Committee members noted the higher cost of the Preferred plan and questioned whether or not it was self-sustaining.

<u>Category</u>	<u>Exclusive</u>	<u>Summit</u>	<u>Preferred</u>
Inpatient			
Surgery	\$35.42	\$46.16	\$ 89.32
Mental Health	1.12	0.00	3.58
Outpatient			
Emergency Room	3.59	4.47	7.12
Surgery	17.08	9.59	36.64
Professional Fees			
Anesthesiology	3.92	3.99	6.08
Hospital Visits	2.53	1.98	4.73
Office Visits	15.13	14.26	24.84
Injections	5.96	1.91	7.51
Surgery	17.54	19.39	24.10
Urgent Care	1.29	.29	1.29
Lab	12.49	9.58	18.27
X-Ray	12.54	11.58	20.63
Pharmacy	69.21	44.66	82.04
Other	12.87	10.80	22.92
Total	\$210.69	\$178.66	\$349.07

Committee members reviewed the following statistics associated with the pharmacy benefit:

➤ Prescription cost by age category:

<u>Age</u>	<u># of Members</u>	<u>Average Member Cost</u>	<u>Total Cost Per Age Category</u>	<u>% of Total</u>
0 to 10	1,075	\$ 203.70	\$ 218,979	2.10%
10 to 20	1,987	437.06	868,429	8.34%
21 to 30	1,426	443.28	632,111	6.07%
31 to 40	953	812.62	774,423	7.43%
41 to 50	1,840	1,180.15	2,171,476	20.84%
51 to 60	2,656	1,589.71	4,222,283	40.53%

<u>Age</u>	<u># of Members</u>	<u>Average Member Cost</u>	<u>Total Cost Per Age Category</u>	<u>% of Total</u>
61 to 70	909	1,627.00	1,478,941	14.20%
Over 70	37	1,406.70	52,048	.50%

➤ Medical conditions which account for 43% of the prescription budget:

<u>Category</u>	<u># of Members</u>	<u>Average Member Cost</u>	<u>Total Cost Per Category</u>	<u>% of Total</u>
Heart Disease	2,546	\$ 607.90	\$ 1,547,718	15%
GI Disease	1,320	689.92	910,695	9%
Diabetes	577	802.38	462,971	4%
Depression Related	2,324	500.41	1,162,951	11%
Asthma	1,120	326.61	365,802	4%

➤ Top ten drugs by cost which account for 20.6% of the prescriptions filled:

<u>Drug</u>	<u>Member Cost</u>	<u>% of Total Cost</u>	<u>Common Treatment</u>
Zocor	333,001	3.20%	High cholesterol
Prevacid	291,200	2.79%	Ulcers/Acid reflux
Lipitor	241,740	2.32%	High cholesterol
Nexium	203,509	1.95%	Ulcers/Acid reflux
Enbrel	202,211	1.94%	Arthritis
Effexor XR	192,445	1.85%	Depression
Zolof	190,821	1.83%	Depression
Vioxx	174,583	1.68%	Arthritis & Pain
Celebrex	158,367	1.52%	Arthritis & Pain
Advair Diskus	157,238	1.51%	Asthma

Insured members paid 11.7% of the total cost of medications and the plan paid 88.3%. It was noted that other plans administered by Medco paid between 75.5% and 86.4%.

Discussion Items

A. Insurance Committee Items

Committee members asked that additional meetings be scheduled beginning in January to explore possible options for the next insurance year.

The meeting adjourned at 5:30 p.m.

The next meeting will be held on Wednesday, December 8, 2004, at 4:00 p.m. in the District Office.