College Benefits Council Meeting Minutes  
June 13, 2014, 2:00 pm - 4:00 pm  
Human Resources Training Room  

Members present: Rich Howarth (Chair), Patti Bacon, Tricia Cornelius, Bob Hawley, Allan Gulledge, Kate Soule, Harold Frost, Ethan Lewis and Carrie Colla  
Members absent: Ginny Hazen, Katrina Davis, Richard Sansing, Gwen Williams, Ronald Green and Andrea Tarnowski  
Also present: Rick Mills, Lynn Baker, Tricia Spellman, Courtney Rotchford and Alice Tanguay  
Minutes: Krystal Knowlton  

1. Review and Approval of Meeting Minutes from April, 2014  
There was a motion to approve the April, 2014 minutes with a correction to two typos. The motion was approved.  

2. Health Plan Design Recommendation  
• In a previous meeting, committee members asked what the plan design would look like if the goal was to avoid the excise tax in 2018.  
  o The design was structured assuming the trend of 6% increase year to year would continue and that Dartmouth and employees would continue to fund FSA dollars.  
  o Would move to one OAP and a HDHP – there would be high level design changes to the OAP plan (deductibles at $800 for individual and $2,400 for family, coinsurance at 80%, office visit copays $25 for PCP and $45 for specialist, etc.)  
  o Even with these extreme changes, the OAP plan would barely miss the tax in 2018 and would likely hit the threshold in 2019.  
  o Actuarial value of the OAP plan would decrease from 87% to 78%.  
• The proposed recommendation for 2015 included the following components:  
  o Retain three health plans – OAP1, OAP2, HDHP  
  o Make OAP1 and OAP2 the same except for cost sharing (differences in Lab work, X-Rays, eyeglasses and DME would be removed)  
  o Add coinsurance to HDHP – increased total out of pocket cost to reflect the addition of coinsurance  
  o Incentivize movement to higher cost sharing plans through premiums  
  o Provide seed money to HSA and FSA  
  o Focus on medical education and management and begin to talk about future changes, including the upcoming excise tax in 2018  
• The CBC discussed the proposed recommendation for 2015 plan design.  
  o Employees who elect the HDHP and do not use health care will see a significant decrease in premium for 2015. (Example: Employee making $40k/year would see an increase for the family out of pocket maximum by $3,000 – however; premiums would decrease by $1,932. This means the additional out of pocket costs would really be just over $1,000 in 2015, minimizing the exposure for those individuals who currently reach their deductible due to the decreased premiums.)  
  o The $250 FSA contribution would be moved to HSA for those electing the HDHP – this rolls over year to year  
  o The projection for decreased premiums for both OAP2 and HDHP assumes 200 individuals move to OAP2 and 300 move to HDHP
These design changes will move Dartmouth in the right direction, assuming the excise tax in 2018 does not change.

Communicating with employees will be a key objective over the next few years. Dartmouth needs to work on educating employees about the risk involved in each plan and assist them in making the right decision for their individual situation.

Committee members think it will be important to tell employees why these changes are taking place – part of education sessions should include the objective of the changes is to avoid the excise tax, not to save Dartmouth money.

Committee members have pointed out multiple times that not all employees get all benefits; the general population may benefit more (and be happier) if they were paid more rather than receiving additional benefits that may or may not be utilized – should be taken into consideration if leadership is looking at total compensation.

Taking the discussion into consideration, the CBC recommends the "scenario 3" plan design subject to:

- Continued education on health care options
- Enhanced benefit choice support
  - Have active open enrollment
  - Consider defaulting premium savings in HDHP to HSA contribution
- Have match for HDHP HSA contribution up to a certain limit as a transition measure (2 years)
- Default new employees to HDHP

Motion to recommend with the details outlined above – unanimous vote to recommend

3. Pharmacy Savings Programs

- Voluntary Maintenance Choice
  - To fill a 90 day prescription at a retail location, would have to use a CVS pharmacy
  - Could continue to receive 90 day prescriptions by mail order
  - Can fill a 30 day prescription anywhere in network, just not 90 day
  - CBC members still feel uneasy about encouraging employees to use all CVS pharmacies – but given there are other options to use mail order or fill 30 day prescriptions elsewhere and the 90 day at CVS will be a cost savings to Dartmouth and the employees
  - The CBC approved the Voluntary Maintenance Choice program to move forward in January 2015.

- Exclusive Specialty Pharmacy
  - CVS Specialty pharmacies would be the single point of contact when filling a prescription for a specialty medication
  - Members taking specialty drugs that are not provided through CVS would need to switch pharmacies – currently 54 members who do not already use CVS
  - Potential savings of $16k but would increase over time as cost of specialty drugs continue to rise
  - Members of the committee don’t believe a potential savings of $16k makes a big enough impact on the budget to offset forcing 54 members to switch to a CVS specialty pharmacy
  - A motion was made to recommend that the administration not move forward with the Exclusive Specialty Pharmacy program in 2015 – unanimous vote to recommend not moving forward with the program

- Specialty Guideline Management
  - An approval from CVS Caremark will be required prior to starting a specialty drug
  - Proposed savings of between $71k and $104k in the first year
CVS can grandfather current members for their specific specialty medications; if the member moves to a different drug, they will then need to go through the authorization.

There is an appeals process if a member is denied – if provider is able to document why the employee needs a specific drug (may have tried another drug, allergies, etc.), it would likely be approved.

Specialty drugs are usually ordered and are not held at every pharmacy; the time a member will need to wait for their medication will not be extended by the review process.

A motion was made to recommend that Dartmouth implement this program, including grandfathering of current members with their specialty medications; subject to review of denials and appeals as data is collected in 2015. There were 7 votes for and 2 undecided.

Specialty Preferred Drug Plan Design

- Step therapy program for certain therapy classes (auto-immune, multiple sclerosis, and infertility) which encourages utilization of clinically appropriate and lower net cost medications.
- Members newly prescribed these drugs will be required to take preferred drug first, with some exceptions.
- Dartmouth could grandfather current utilizers and could allow new hires who have been successful in taking a particular drug continued access to the drug with a few questions answered by the members physician.
- CBC members concerned with the timing and have additional questions – how long does a member need to try the preferred drug if they are not seeing positive results?
- A motion was made to recommend that Dartmouth not to move forward with implementing this program for 2015 – unanimous vote to not recommend at this time.

4. Domestic Partners

Currently, Dartmouth provides medical coverage to same sex domestic partners.

- With the passing of DOMA, all married couples (same sex and opposite sex) are able to be covered.
- With Dartmouth continuing to cover same sex domestic partners there is disparate treatment of opposite sex domestic partners.
- Based on a high level estimate, the cost to add opposite sex domestic partners is $150k – $175k (approximately 20 individuals).
- With the marketplace exchanges available there are additional options for domestic partners to have coverage outside of their partners employer.
- The CBC did not make a recommendation on this topic.

The meeting was adjourned at 4:00pm.