

A photograph of the Colorado State Capitol building, featuring its prominent green copper dome and classical columns. The building is set against a backdrop of a city and snow-capped mountains under a cloudy sky. The text "Key Healthcare Issues" is overlaid in a large, bold, dark blue font on the right side of the image.

Key Healthcare Issues

Employer Event 2022

COVID IMPACT

Hospitalizations

- 728 at \$41,000 Per
- Total of \$30M

Life Insurance Claims

- 51 at \$84,000 Per
- Total of \$4.3M

State Vaccine Incentive

- 7272 with 90% for Booster

COVID Spread Trajectory

Run Out Period

Apr 19, 20

Jul 12, 20

Oct 4, 20

Dec 27, 20

Mar 21, 21

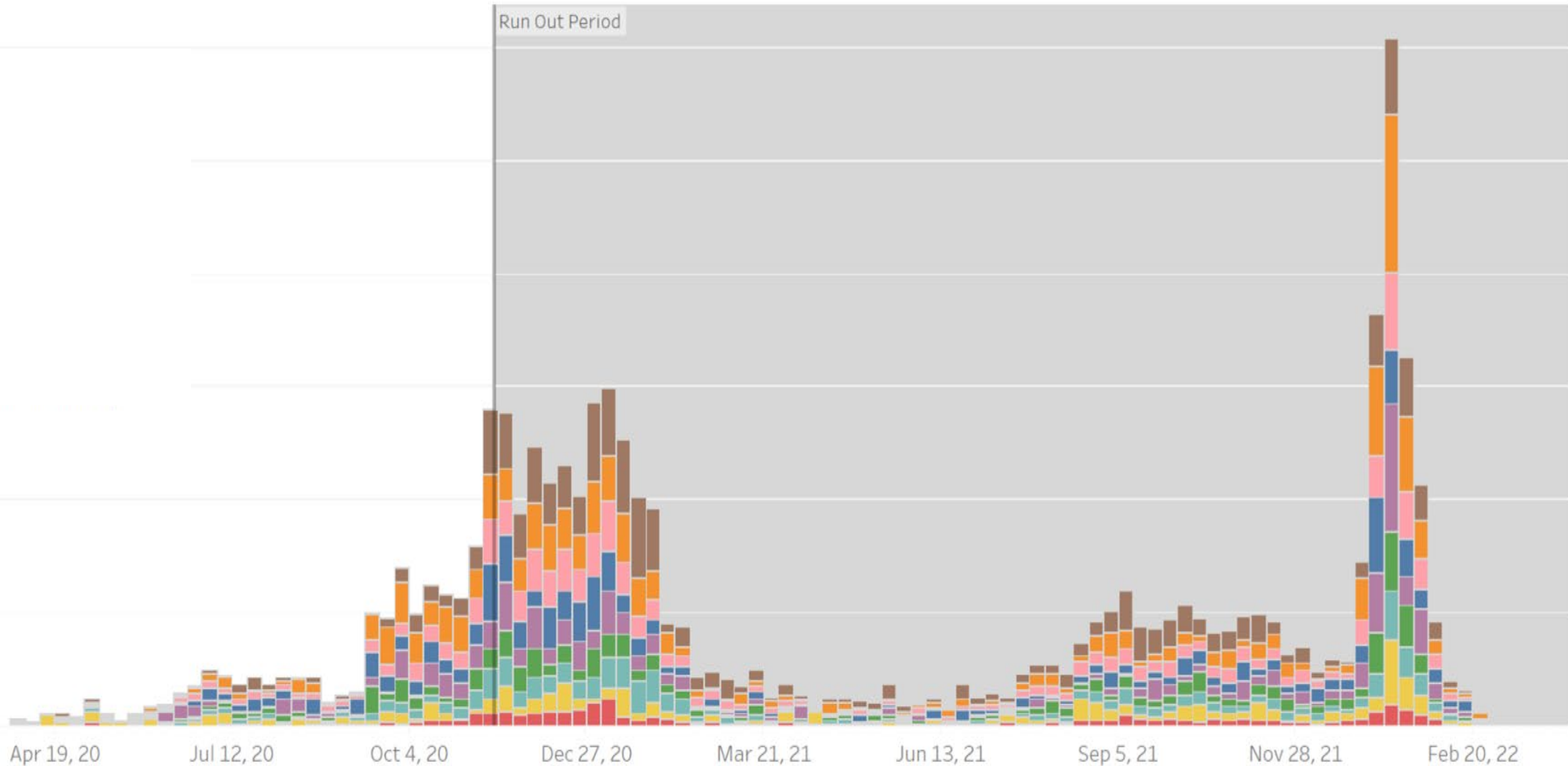
Jun 13, 21

Sep 5, 21

Nov 28, 21

Feb 20, 22

Week of COVID Diagnosis



Mental health resources include:

- An assessment to determine treatment
- Outpatient treatment by a therapist
- Peer support services

Must be given to:

- All first responders
- Spouse and children of first responders
- Surviving spouses of first responders who died in the line-of-duty
- Retired first responders

Integrating into Different Programs

Enroll in Regular Employee Assistance Counseling

- Should be easy to do

Secure Peer Support Services

- May be available through EAP
- Joint Contract with Other Agencies

Outpatient Treatment Options

- Pay for Cost Sharing of Existing Health Plan
- Pay from Agency Budget
- Enroll on Health Plan for Mental Health Only

\$5M Grant Program

State-paid Insurance Coverage for Rural EMS Volunteers

- Funding for 259 Volunteers
- Family members paid at 75%
- No other coverage government or employer available
- Respond to at least 20% of calls

SB 19 Pilot for Infertility Coverage

\$4,000 Infertility Benefit Per Implant

- Pilot for the State Health Insurance Plan
- Health Plans Already Pay for ART Births
- Complications from Multi-Embryo Implants
- Condition \$4,000 Payment on Single-Embryo Implant
- Standard PEHP Benefit

Understanding Rebates

- Full Retail Rate Paid at Pharmacy
- Drug Manufacturers Give Post-Sale Rebates
- Rebates can be Significant
- Flow from Manufacturer, to PBM, to Plan, to Group

Problems with the System

- Incentive for High-Rebate Drugs Regardless of Costs
- Temptation for Skimming off Rebate

Ask Questions

- (1) Do we get the full value of rebates?
- (2) What is the PMPM costs for RX?

PMPM = Per Member Per Month

Copay Assistance Gets Around Payment Tiers

	Cost	Group Cost	Member Cost	Coupon	True Member Cost
Drug A	\$4,500	\$4,225	\$225	\$220	\$5
Drug B	\$2,700	\$2,550	\$150	\$0	\$150

SB 139 Prescription Cost Amendments

If You Can't Beat Copay Assistance, Maximize It

	Drug Cost	Group Cost	Member Cost Before Coupon	Manufacturer Coupon Pays	True Member Cost
Traditional Copay	\$5,000	\$4,775	\$225	\$220	\$5
Targeted Coinsurance	\$5,000	\$3,500	\$1,500	\$1,495	\$5

SB 139 Prescription Amendments

Applying Drug Company Coupons to Deductible & Maximum Out of Pocket

	Maximum Out of Pocket	Drug Cost – 2 months	Member Cost Sharing 30%	Value of Coupon	True Member Cost	Remaining Out of Pocket Max	Total Savings from Coupons	Total Cost to Employer
Only Apply member \$	\$3,000	\$10,000	\$3,000	\$2,995	\$5	\$2,995	\$17,970	\$42,030
Apply Drug Company \$	\$3,000	\$10,000	\$3,000	\$2,995	\$5	\$0	\$2,995	\$57,005

SB 139 Prescription Cost Amendments



\$2.2M Total for the State Health Plan

- \$382,000 in Lost Member Cost Sharing
- \$58,000 in Additional Medical Services
- \$1.8M in Lost Copay Assistance/Revenue for Drug Companies
- Only Looking at about 400 people on Specialty Drugs

Bill Did Not Pass

- Pharmacy is complex
- Cost Savings Strategies are Important

HB 358 Mental Health Parity

Should Governments be Able to Opt Out of Federal Law?

- Mistake to Voluntarily Accept Compliance Risk
- Hard to Make Exactly Equivalent

Agreed Upon Approach for HB 358

- Substantial Compliance in Good Faith under State Law
- Tied Residential Treatment to Step-down Nursing Home Care

Bill Did Not Pass

- Coverage, including Residential Treatment, is Important
- Residential Treatment Poses Unique Challenges

Gender Dysphoria Coverage

Gender Dysphoria

- Don't Identify with Birth Gender
- Considered a Mental Health Condition
- Qualifies for Medical Coverage

Coverage

- Many Health Plans Cover Therapy & Drugs
- Many Exclude Gender Reassignment Surgery

Legal Question under Title VII

- Some Cases Say Illegal to Exclude
- Ultimately a Question of Risk for Employers

No Surprises Act

Very, Very Big Deal

- Don't Need to Worry About Finding an In-Network Hospital When Experiencing an Emergency
- Don't Need to Worry About Getting Gouged by Air Ambulance
- Still Too Early to Say How the Backend is Going.

Governor's Health Sustainability Initiative

- Can't Succeed Without Voice of Employers
- The System Works for You

Horizon Issues

- Value-based Healthcare – Incenting Savings
- At-Home Services – Disrupting Traditional Models
- Gene Therapy Drugs – Expensive Futurist Cures
- Fair Pricing – Benchmarking Medicare

Refining Our Focus

Simplicity

Technology

Outcomes

MRI Costs & Cash Back

TREATMENT COSTS



Search

MRI of Back

Up to \$2,000!

Search Results for: **MRI, inner spine (canal)**

Facility Type

Common Cost ?

Office or Clinic

Cash Back Opportunity

Must contact PEHP *before* receiving services. Call (801) 366-7555 to apply, or submit the [Cash Back Form](#) via the Message Center (Cash Back) to start your application.

Radiologist

Outpatient Hospital

View

\$1,834

Facility

\$1,721

Radiologist

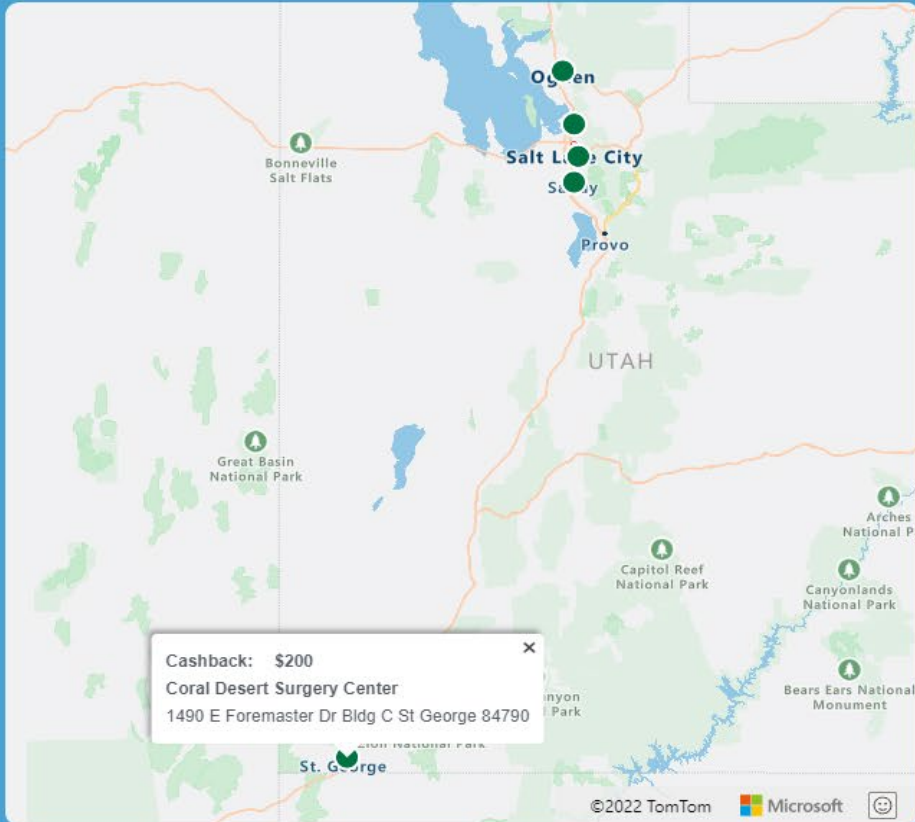
\$113

Treatment Category:

Surgical - Leg/Knee

Sub-Category:

Repair knee ligament



5 Results for Repair knee ligament

Cashback:	\$200
Coral Desert Surgery Center	
1490 E Foremaster Dr Bldg C St George 84790	
Cashback:	\$150
Lone Peak Surgery Center - Mtn Star	
96 E Kimballs Ln Ste 100 Draper 84020	
Cashback:	\$150
Mountainwest Surgical Center - Mtn Star	
1551 Renaissance Towne Dr Ste 200 Bountiful 84010	
Cashback:	\$150
Mt Ogden Surgical Center - Mtn Star	
4364 Washington Blvd Ogden 84403	
Cashback:	\$150
St Marks Outpatient Surgery Center	
1200 E 3900 S, Millcreek, UT 84124	

You must request cashback **before** receiving services.

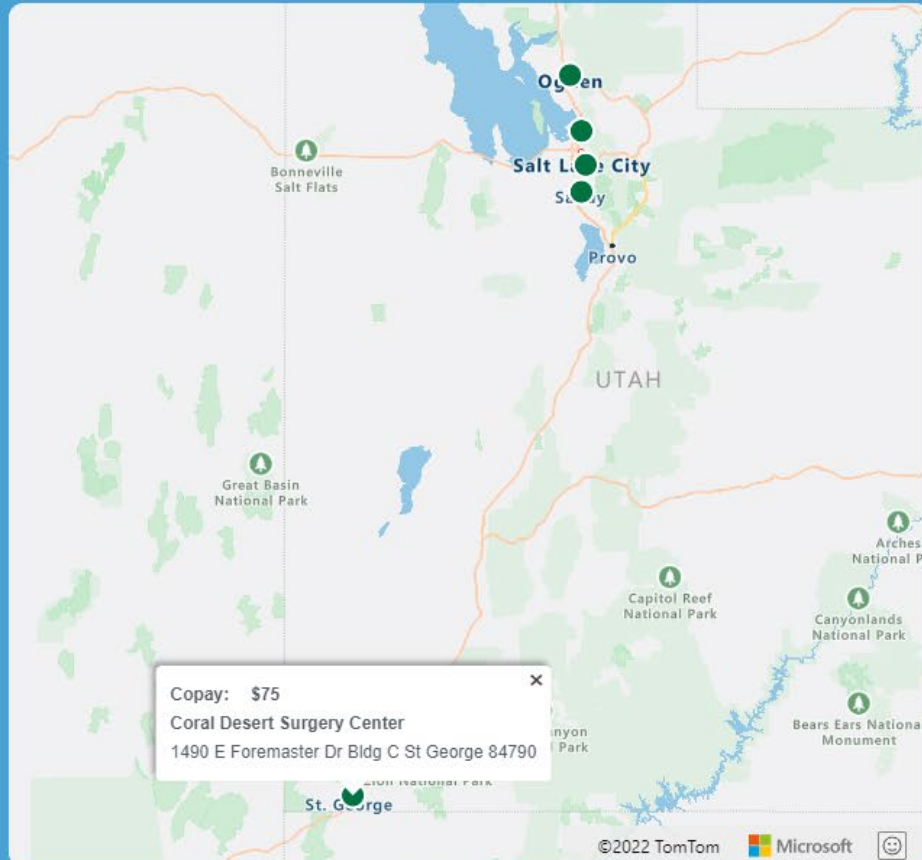
[Request Cashback](#)

Treatment Category:

Surgical - Leg/Knee

Sub-Category:

Repair knee ligament



5 Results for Repair knee ligament

Copay:	\$75
Coral Desert Surgery Center	
1490 E Foremaster Dr Bldg C St George 84790	
Copay:	\$125
Lone Peak Surgery Center - Mtn Star	
96 E Kimballs Ln Ste 100 Draper 84020	
Copay:	\$125
Mountainwest Surgical Center - Mtn Star	
1551 Renaissance Towne Dr Ste 200 Bountiful 84010	
Copay:	\$125
Mt Ogden Surgical Center - Mtn Star	
4364 Washington Blvd Ogden 84403	
Copay:	\$125
St Marks Outpatient Surgery Center	
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Copay amounts will be automatically charged by the service provider.

In Sum...

- COVID: Real & Rollercoaster Impact
- 1st Responder Coverage & Rural Opportunity
- Case for Covering ART Treatment
- Pharmacy is Complex and Important
- Positive Path Forward for Mental Health Parity
- Legal Review of Gender Reassignment
- Out-of-Network ER is No More
- Remember You're the Boss in Healthcare
- Keeping an Eye on Everyone's Bottom Line

Thank You

R. Chet Loftis

chet.loftis@pehp.org

801.694.0404