

Greater Tompkins County Municipal Health Insurance Consortium (GTCMHIC)  
Wellness Presentation

City of Ithaca, City Administration Committee  
Wed. August 15, 2018, Council Chambers,  
City Hall, Ithaca, NY

Leslie Moskowitz, Manager of Organizational Development, City of Ithaca

Don Barber, Executive Director of the GTCMHIC

Michelle Courtney Berry, Wellness Consultant for the Consortium

“We believe that building a culture of preventative care not only makes us happier and healthier, but also reduces health care costs.”

*Don Barber, Executive Director*

*Greater Tompkins County Municipal Health  
Insurance Consortium*

# STABILITY AND SECURITY

The Greater Tompkins County Municipal Health Insurance Consortium stabilizes premiums and provides security to the City and their subscribers.

01

## FINANCIAL STRENGTH

Managing reserves and maintaining a healthy fund balance.

03

## EFFECT OF EFFICIENCY

Rate increase (comparison to Excellus).

02

## EFFICIENCY

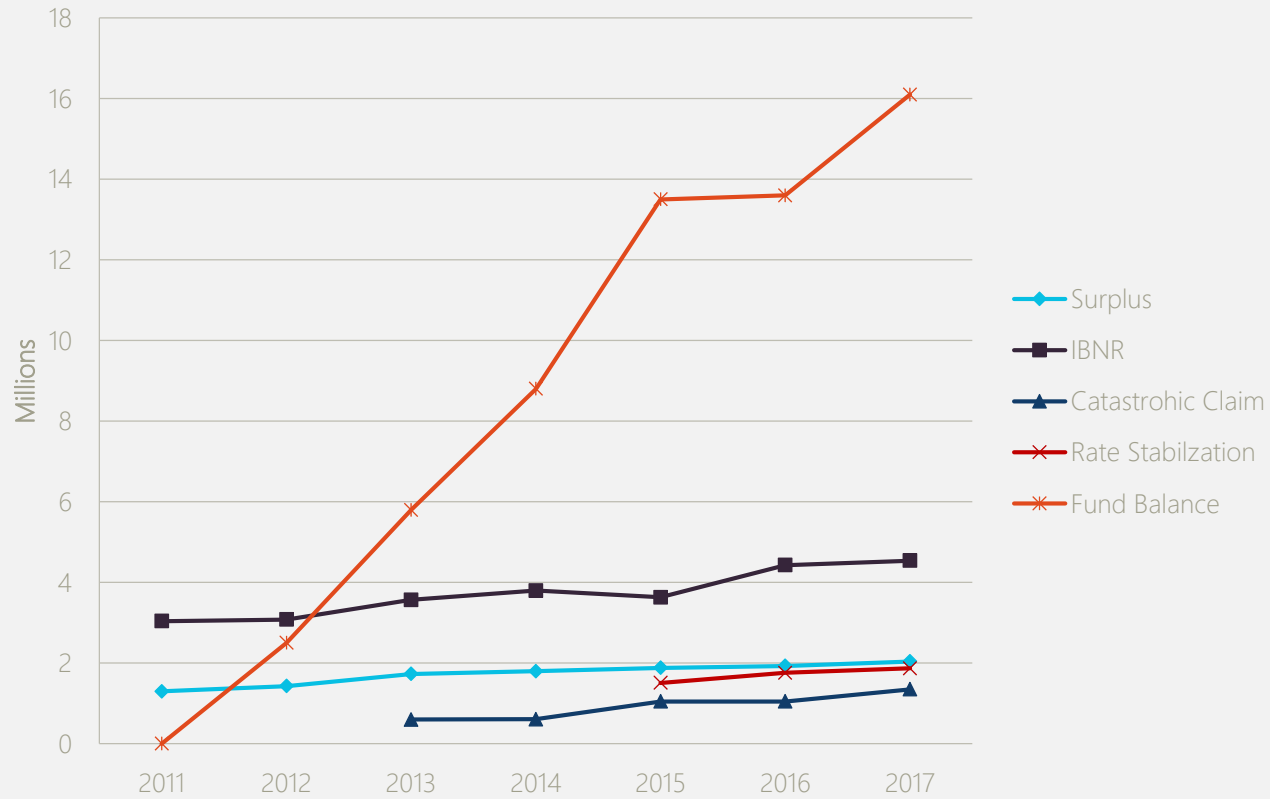
Low overhead. 93.5% of spending = claims.

04

## GROWTH

Growth in covered lives and membership since inception.

## Reserves and Fund Balance



# GTCMHIC Performance & Growth History

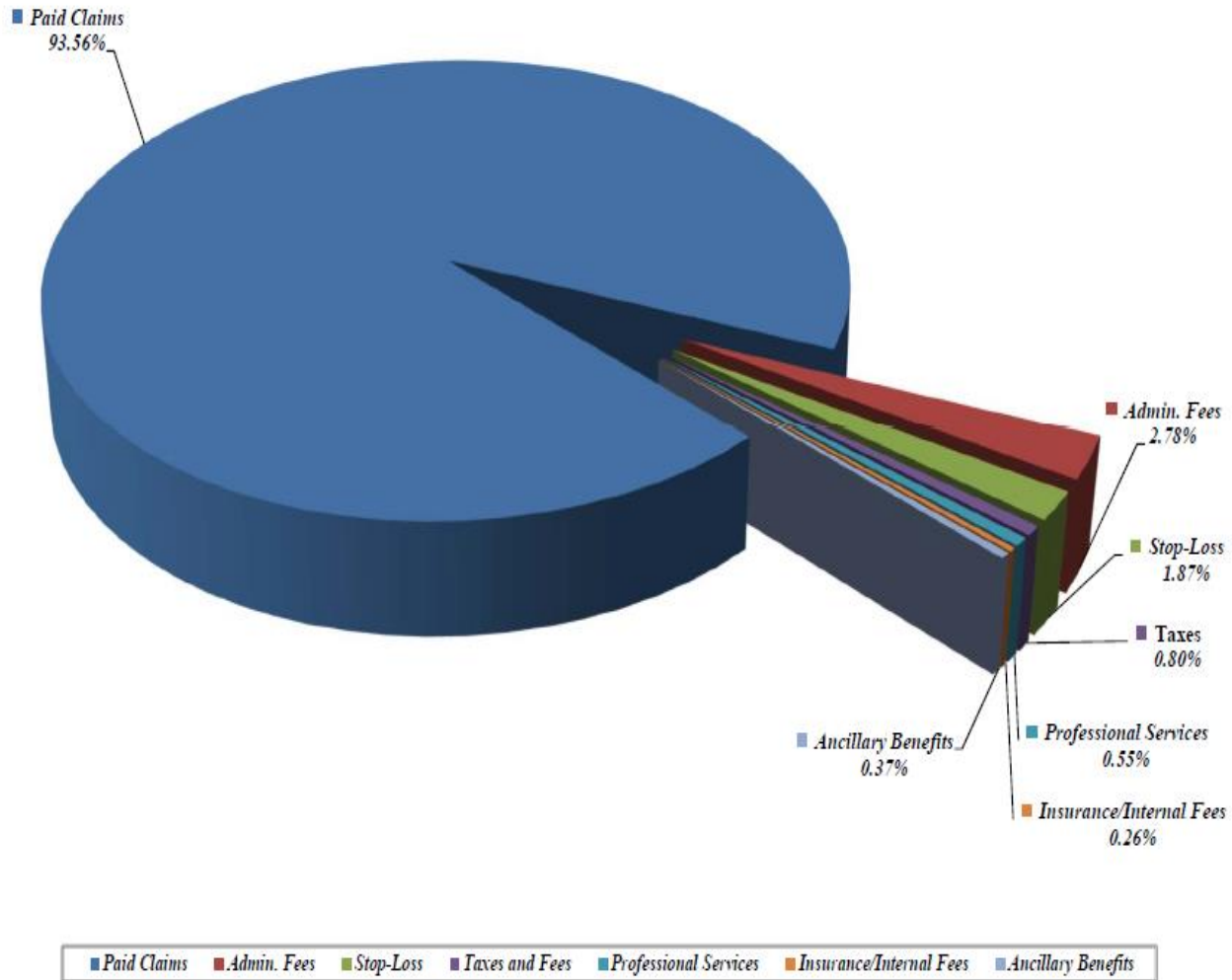
Number of  
Partners:  
13-31

Number of  
Contracts:  
2000-2450

Net Assets:  
\$1.22M -  
\$26.2M

Annual Premiums:  
\$25.8M -  
\$40.8M

*Greater Tompkins County Municipal Health Ins. Consortium*  
2017 Expense Distribution  
January 1, 2017 to December 31, 2017



## Greater Tompkins County Municipal Health Insurance Consortium

GTCMHIC Budget Income % Increase and Excellus Small Group PPO % Rate Increase

<i>Fiscal Year</i>	<i>Budget Income % Increase (2018-2019 Projected)</i>	<i>Excellus BCBS Small Group Rates % Increase *</i>
<i>2011</i>	9.50%	10.00%
<i>2012</i>	9.50%	11.50%
<i>2013</i>	9.00%	11.90%
<i>2014</i>	8.00%	ACA
<i>2015</i>	5.00%	12.20%
<i>2016</i>	4.00%	7.10%
<i>2017</i>	5.00%	14.50%
<i>2018</i>	4.00%	TBD
<i>2019</i>	<b>5.00%</b>	TBD
<i>Average Increase</i>	<b>6.56%</b>	<b>11.20%</b>

Data Provided by NYS Dept. of Financial Services Reports for Excellus BCBS Small Group PPO Plans in the Syracuse New York Region.

# TYPES OF CLAIMS

## DISEASE MANAGEMENT

- Physician Visits
- In Patient/Out-Patient Services
- Diagnostic Testing
- Rx & Equipment
- Mental Health, Other Services.

## PREVENTATIVE

- Annual Physical
- Immunization
- Cancer Screening
- Family Planning



# CONSORTIUM ADVISORY COMMITTEES

## AUDIT & FINANCE

Meets on the 4th Tuesday of each month at 3:30 p.m. in the Old Jail Conference Room.

## BENEFIT PLAN DESIGN & STRUCTURE

Meets on 1st Thursday of each month in the Rice Conference Room, Tompkins County Health Department. (Joint Labor and Management Committee).

## OWNING YOUR OWN HEALTH (OYOH) \*

Meets on the 3rd Wednesday of each month at 3:00 p.m. in Legislature Chambers.

**\*OYOH is wellness-focused.** Preventive culture activities are designed to reduce Consortium expenses and premiums. **Disease management** (83% short-term savings – 17% participation) and **Lifestyle management** (17% short-term savings – 83% participation with incentives) are key areas of focus for the committee.

# CONSORTIUM ROLE IN WELLNESS

In July 2018, the Consortium retained a “Wellness Consultant” to support our overall goals related to continuing to build a preventive health culture for our employees, families, and retirees. The Wellness Consultant supports existing Wellness Champions and other champions.

01

## PREVENTATIVE CARE

Flu Clinics, Fitness Programs, Smoking Cessation, Health Coaching, Blue 365.

03

PREFERRED PROVIDER ORGANIZATION (PPO) PLANS  
Blue 4U Disease Management Program

02

## EDUCATION

Marketing and Communication Tools (newsletters, news releases, e-news blurbs, posters, postcards, targeted ads, social media, P2P (peer-to-peer) word-of-mouth, events, fairs, and other forms of outreach.

04

## INCENTIVES

Employers get even greater adoption of employee health behavior with a benefits-based incentive plan. Benefits-based wellbeing incentive programs typically offer employees a discount on their insurance premium, paid time off, a contribution to an HSA or HRA, or a lower co-pay or deductible as an incentive.

# HEALTH RISKS INCREASE OVERALL COSTS

01

## DEPRESSION

70% higher annual health plan costs.

03

## ELEVATED BLOOD SUGAR

35% higher annual plan costs.

02

## CHRONIC STRESS

46% higher annual health plan costs.

04

## SMOKING, OBESITY, HBP, SEDENTARY LIVING

Obesity – 21% higher annual plan costs.

Smoking – 20% higher

High Blood Pressure – 12% higher.

Not exercising – 10% higher.

Source: Goetzel RZ, et.al JOEM 40(10) 843-54. The relationship between modifiable health risks and health care expenditures.

# HEALTH RISKS INCREASE SICK LEAVE COSTS

01

**MENTAL HEALTH-RELATED SICK LEAVE**  
150% higher rate of absenteeism.

03

**CHRONIC STRESS**  
131% higher rate of absenteeism.

02

**BACK PAIN**  
140% higher rate of absenteeism.

04

**OBESITY**  
116% higher rate of absenteeism.

Source: Goetzel RZ, et.al JOEM 40(10) 843-54. The relationship between modifiable health risks and health care expenditures.

# EXCELLUS DATA FOR COSTS

Estimates of per person costs for top claims facing our workers.

01

## DIABETES

Average cost per person is around \$2,700 (allowed amount which includes member portion) but could be 3x that annual with complications. Range: \$2,700-\$7,500.

02

## BACK INJURY

If it's an episode of Back Pain, the costs range from \$700-\$1,000 per person. If it's a serious injury requiring surgery, then the costs can skyrocket. Average cost of a Spine Fusion is about \$25,000.

03

## CARPAL TUNNEL

Various treatment levels depending upon severity. If it requires immediate surgery and no other intervention, then the range is \$2,500-\$9,000. If it can be resolved outside of therapy, the costs drop significantly.

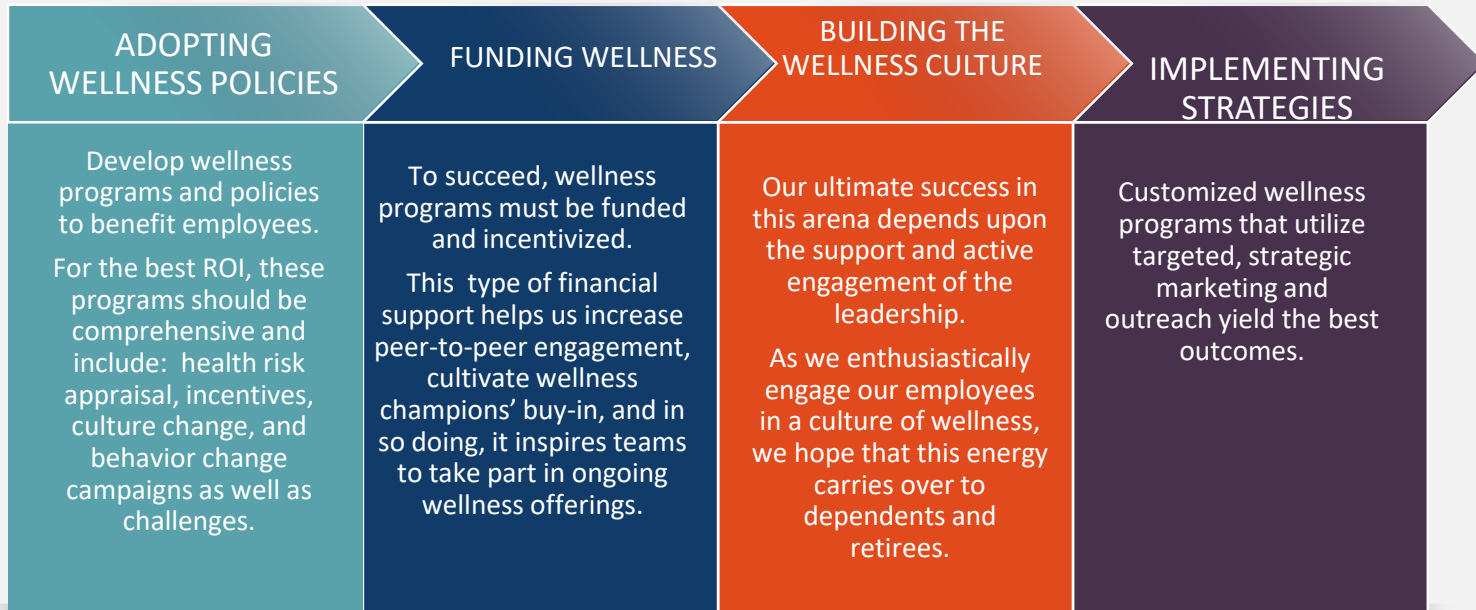
04

\*These are estimates of costs per person which include medical and pharmacy costs combined.

“Employers who establish a benefits-based incentive plan have a greater return on their investments. Benefits-based wellness incentive programs typically include the incentive of a discount on insurance premiums, paid time off, a contribution to an HSA or HRA, or a lower co-pay or deductible.”

# PARTNER ROLE IN WELLNESS

Creating a culture of preventive healthcare requires the support of leadership. Further, it's important to build a wellness culture that engages everyone –our employees, their families, and our retirees.

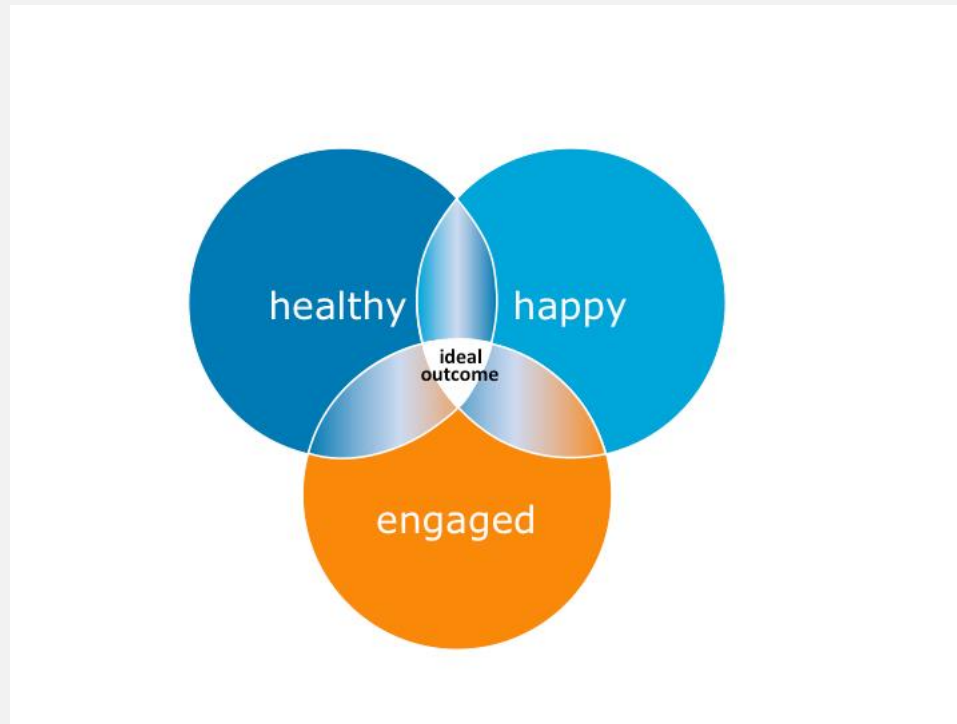


“The purpose of worksite wellness programs is to improve the health and productivity of the staff and reduce health-related costs by helping employees adopt healthier lifestyles.”

WEB MD



# The ideal outcome.



We are happy to take your comments or questions.  
Thank you for your time.