

Managing Healthcare Costs

2019 TCMA Conference – Fort Worth

June 28, 2019

Where Connections Happen



Intro to Carrollton

- Self funded
- \$12M health plan w/ 1,600 lives on the plan
- Transitioned from TML to Cigna in 2017
 - 20% net medical claims savings after run-out period
 - 17% decrease in PEPY cost after run-out period
 - \$27,000 in additional Rx Rebates in 1st year w/ Cigna
 - \$100,000 in additional Rx Rebates in 2nd year w/ Cigna
- Transitioned to CareATC as Employee Health & Wellness Center provider in 2018
 - Save approximately \$500,000 over next 3 years
- Currently out for bid on all medical benefits

How does Carrollton Manage Costs?

- Skinny network option (Local Plus)
 - 13.3% savings in 1st year implementation (2018)
 - 19.5% savings in 2nd year implementation (2019)
- Fee for non-urgent ER visits
 - \$400 fee; opportunity for \$50,000 in savings
- Second Opinion Service – Implemented Best Doctor's in 2018
- Musculoskeletal – Implemented Airrosti in 2019
 - Highest costing medical claim
 - \$75 Airrosti visit; no cap on number of visits
 - Partnership with Airrosti and CareATC

How does Carrollton Manage Costs?

- PHA program
- Spousal exclusion and Dependent Audit
 - Approximate savings of \$400,000 in claims 1st year
 - Projected savings of \$275,000 in first year after 2018 dependent audit
- Eliminated out of network services
- Evaluate tier structure and employer subsidy
- Free generic Rx
 - 88% generic dispensing
 - 97% substitution rate

What's in our Future?

- Pharmacy
- Is an HSA right for us?
- Getting employees financially ready for retirement
- Audits, RFPs and holding vendors accountable
- Promoting employees as educated consumers of the health plan