

**Peralta Community College District
Health Benefits Fringe Committee Meeting
April 28, 2016
9-10:30am**

Present: Ed Jaramillo, Rick Greenspan, Rick Greenspan, Diana Lara, Abigail Brewer, Thom Shere & Reagan Peralta
Facilitators: Jennifer Seibert

Agenda Item and Presenter(s)	Discussion	Follow-up Action and Decisions
Meeting Call	9:05 am	
Introductions: Jennifer Seibert	<p>▶ 9:00-9:05 Announcements/New faces/Next Meeting Dates <i>Jennifer suggests the next meeting to be as follows:</i> <i>May 12, 2016 9am</i> <i>August 19, 2016 9am</i> <i>October 13 or 20, 2016 9am (to be confirmed)</i> <i>December 8, 2016 9am</i></p> <p>▶ 9:05-9:10 Review/Discussion of invitation protocol <i>It was not previously clear when we were having different proposals/request to meet that we needed a two meeting heads-up/notice. Rick Greenspan wants the first point of contact to be with the Benefits Manager who will then advise the Committee members and if agreed the invite will be extended.</i></p> <p><i>Jennifer quoted the notes from the March 24, 2014 Committee meeting, noting the 2 meeting heads up request from PFT.</i></p> <p><i>Jennifer said that at the last Health Benefits Committee meeting she would report back to the Committee the findings of the Alameda County Public Sector Health Task Force.</i></p> <p><i>PFT extended an invitation to Sally Covington bring to review the request for Patient Purchasing Assistant data (this request is not part of the Alameda Country Public Sector Health Task Force project). He benefits manager wants to include the discussion on cash-based pricing for professional medical services as discussed in the Task Force meetings.</i></p>	

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<p>Jennifer Seibert Sally Covington Rick Greenspan Thom Shere</p>	<p><i>Regarding the 2-meeting heads-up request from Rick Greenspan he states that somehow the meeting notes were wrong. Jennifer then asked Rick if the recording was wrong also. Rick Greenspan then replied he would like to hear the recording. Rick explained that his issue was a company inviting faculty out to dinner and telling them how great they were without the committee being involved in the decision to invite them in. Rick Greenspan said that he was the one to say that we need to tell the Company that we need to know two meeting in advance before having them approved to come out to a meeting. No concensus was reached further discussion deferred given the presence of a guest at today's meeting. Rick also stated that he is bringing the RFI forward to the Committee as suggested by VC Largent in a prior discussion separate from the Health Benefits Committee.</i></p> <ul style="list-style-type: none"> ▶ 9:10-9:30 Report on Alameda County Public Health Task Force ▶ Report from PCCD Representative, Jennifer Seibert <p><i>Jennifer introduced Sally Covington and explained that at the last Benefits Committee meeting, while it was not voted on, it was mentioned that Sally would be coming to a future Committee meeting.</i></p> <p><i>To put the ACPHTF in a context, December 2015 she received and email from SEIU (included in PowerPoint) asking if Peralta would be attending or were invited to attend the Alameda County Public Health Task Force meetings. Jennifer pointed out that she has been attending the meetings since February 2016 and a snapshot of the agenda can be found on page 5 of the PowerPoint. She explained that two of the most important drivers that were announced in February were the</i></p> <ol style="list-style-type: none"> <i>1. number of providers in the area and how there may be a shortage which drives cost and</i> <i>2. the Real Estate and Overhead that also drives costs with the rent and retrofitting of buildings as the secondary driving cost.</i> <p><i>At the ACPHTF meetings there have been discussions about coordinating and combining public purchasing power.</i></p>	
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The speakers and discussions have included a review of self-funding models among employers and Medicare fees schedules, pricing and provider claims, establishing direct payment of claims and forming relationship with health care providers.

Introduction of Sally Covington Report also available on the Benefits homepage next to the presentation

► **Fee-based models/Patient Purchasing Assistant, Sally Covington**

Sally's presentation can be found on the Benefits Office webpage next to the Benefits Office presentation.

Sally explains that the objective and chief goal of the task force is to reduce the Employers health benefits cost without increasing patient cost. We also want to increase price transparency in the healthcare system and increase competition to help lower costs through quality care giving patients more provider choices. This will reduce the enormous administrative cost in our managed healthcare delivery system that we ultimately end up paying for. Today we will focus on competitive cash price bidding from my handout/presentation and how it may be beneficial for Peralta to implement this through the collaborative process.

Jennifer asked to whom will be collaborating with and Sally said that she thinks that Labor and Management would need to discuss this strategy. Jennifer wanted her to clarify that the collaboration would not be with the task force but with us (Labor and Management). Sally responded, "Yes"

Sally pointed out that she only works for Unions, their Employers and Self-Funded health plans. She does not work for suppliers of healthcare services and they operate as a public charity. Jennifer then asked how the non-profit is funded. Sally said that when Unions ask them for assistance they will work with them on a retainer basics.

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When Sally was going over the “Prices Under Managed Care Model” in her presentation Jennifer wanted clarification on the price variation populations and Sally explained that the figures were Global.

Rick Greenspan wanted to know what percentage was involuntary verses voluntary claims expenses because nobody ever breaks it down like that. Sally then said that she hope she can do that. Jennifer wanted to know if she was going to break that down today and Sally replied yes.

During Sally’s explanation of the bidding process for cash pricing Rick wanted to know how much does the middle person get paid and Sally said they have found that there are two service vendors that do this work and each have a different model. We were asked to investigate one vendor and then they learn of another vendor and started to investigate them also. The first vendor charges 25% of the savings to the health plan. Rick gave an example of if the cost was \$1500 and the cash price was \$500 then the vendor would be paid \$250 which represents 25% of the \$1000 savings. Sally and Rick agreed that it would be \$250. The other vendor charges a fee per employee. Jennifer wanted Sally to clarify that this fee is paid per employee whether or not the employee uses service and Sally said yes. Rick pointed out that the chart only shows the saving and the cash price but does not show the additional 25% cost of the services rendered during the bidding process and Sally agreed and explained that the chart is the gross price.

Sally proceeded with the PFT’s request to get a claims historical file with 12-24 months claims activity and have them analyzed to see the true cost savings that could have been realized. Sally said a 24 month history would be better. This will allow us to produce a pilot for specific to Peralta for a competitive pricing market.

Rick wanted to know from Alliant if Peralta would be able to produce the claims information that would be needed to do the analysis. Thom Shere from Alliant said that if directed by the College they would. He would need to see a written request and ensure privacy because there can be lots of issues involved with releasing data. Rick said that Peralta, Alliant and Sally need to figure this out and by the next meeting come to the Committee with what was decided. Jennifer accepted that recommendation. Sally suggested looking at the claims in May 2016 and Jennifer said that

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	<i>August 2016 would probably be a better time to look at this process. Sally said that she can bring an example of the claims analysis to the next meeting that another entity developed.</i>	
Open Enrollment Communications Jennifer Seibert Reagan Peralta	<ul style="list-style-type: none"> ▶ 9:30-10:00 Open Enrollment <ul style="list-style-type: none"> ▶ Open Enrollment Video ▶ Communications & Timelines ▶ Peralta Website Landing page, updated weekly ▶ 4/14: Postcard Distribution home mailing to all week of 4/14 ▶ 4/21: Open Enrollment Announcement mailing to all(active, retired, ss cobras) ▶ 5/4/5: Benefits Fairs at multiple locations & Invited Guests ▶ Resources <ul style="list-style-type: none"> ▪ Ben IQ-how to navigate ▪ Benefit Bridge-how to make changes ▪ Guide-to be available on landing page and on Benefit Bridge 	
Final questions	None	
Agenda Items for Next Meetings	Claims Analysis	
Adjournment:	10:25am	
Next meetings:	<i>Jennifer suggests the next meeting to be as follows:</i>	

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	<i>May 12, 2016 9am August 19, 2016 9am October 13 or 20, 2016 9am (to be confirmed) December 8 2016 9am Evites to follow</i>	

Minutes taken: Ronnie Roberts-McCain
PCCD Benefits Office
Staff Assistant