

## Keeping Health Care Affordable For Workers And Their Families

### COST + QUALITY = VALUE

#### *Identifying Value-Driven Health Outcomes*

First class. Top of the line. Number one.

Marketers and ad-writers have lots of ways to describe quality. Objective measures can be harder to come by, especially when it comes to health care. “Most of our individual member trusts don’t have the resources to set up quality measures by themselves, so that is why the Coalition has taken on that project on their behalf,” said Colleen Savoie, who consults with the HCCMCA.

The Alaska Center for Public Policy (ACPP), a well-respected, non-partisan, non-profit think tank, is the HCCMCA’s research partner in the project.

In the first phase of the project, ACPP looked broadly at the idea of “value-driven health outcomes,” a new way of evaluating health care. Now, the Center is narrowing down the list of strategies, tools and methodologies to those that hold the most promise for HCCMCA and its member health plans.

The end goal is to be able to capture and analyze information about health care quality and make that information available to participants so they can make informed health care decisions. The data also will help HCCMCA and member health plans make contract decisions based, not just on cost, but on quality. “Ultimately, we want to have solid data for both parts of the equation—cost and quality—so we can be confident in the value of the health care available to our members,” said Savoie.

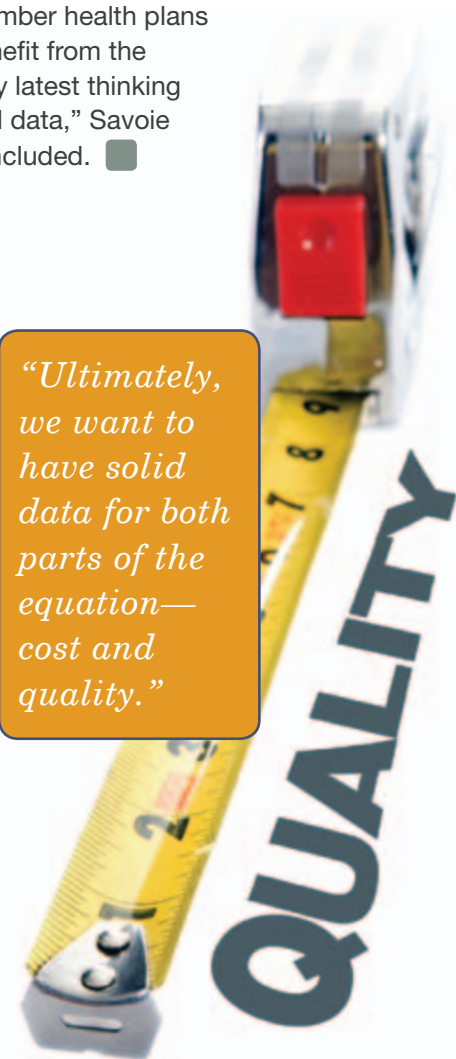
To ensure its work is relevant to HCCMCA’s member health plans, the ACPP included three of our program vendors, Beech Street, National CooperativeRx and Alere Disease Management, in its research. The researchers also looked at the latest efforts by groups such as the National Committee on Quality Assurance, the Agency for Healthcare Research and Quality and affiliates of the prestigious Robert Wood Johnson Foundation. “This is a fast-moving area of research, so we wanted to make sure our member health plans benefit from the very latest thinking and data,” Savoie concluded. ■

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*“Ultimately, we want to have solid data for both parts of the equation—cost and quality.”*



# EVERYONE **WINS** WITH DISEASE MANAGEMENT

Giving people the tools to manage their chronic conditions is a winning proposition: better health for individuals, higher productivity for employers and lower health care costs all around. A recent study of 150,000 workers found that, on average, every \$1 of medical and pharmacy costs was matched to \$2.30 in health-related productivity costs. Not surprisingly, workers with multiple chronic health conditions drove the largest effects on lost productivity. The study was coordinated by the American College of Occupational and Environmental Medicine, the Integrated Benefits Institute and Alere Health Care, which administers HCCMCA's Disease Management Program.

"You have a real opportunity to improve worker productivity and bottom-line results by recognizing and targeting chronic health conditions as part of an overall health-care strategy," said Michael Steinmetz, director of Client Services in Alere's Health Improvement division. "For example, we know that for every \$1 that HCCMCA member health plans spent on the Disease Management Program in 2009-10, they saved \$1.57 in claims."

## Patient-Centered Care Promotes Wellness

The study, Steinmetz continued, "Demonstrates that when you focus only on medical and pharmacy costs, you may miss other factors that can have the greatest impact on productivity and overall wellness. Looking at the issue through the lens of patient-centered care—which is what the Disease Management Program is all about—can make a real difference for individual participants and for member health plans."

**For every \$1 HCCMCA member health plans spent on the Disease Management Program in 2009-10, they saved \$1.57 in claims.**

HCCMCA's Disease Management Program gives individuals the tools and services to help them make informed medical decisions and act on them. It is available to people with asthma, heart failure, CAD (coronary artery disease), musculoskeletal pain and COPD (chronic obstructive pulmonary disease).

For example, the information provided to someone with diabetes goes far beyond diet and blood sugar levels. Health care professionals can reinforce the importance of regular foot inspections and annual eye exams. This, said Steinmetz, "can help prevent serious complications

of diabetes, like the loss of a foot or one's sight," Steinmetz said. "That improves quality of life and helps control costs at the same time."

"We know that the Disease Management Program is reaching people with serious or multiple health problems, and Alere is quite creative in engaging our members," said Pat Nault, a Trustee with the ASEA Health Benefits Trust.

For more information on the study or the HCCMCA Disease Management Program, please visit [hccmca.org](http://hccmca.org).



## HCCMCA IS A GOOD FIT FOR SEATTLE AREA PLUMBERS & PIPEFITTERS



"For the last 10 years, health care cost escalation has been a case of 'Katie-bar-the-door,' according to Randy Scott, Executive Secretary of the Washington State Pipetrades and Labor Trustee on the Seattle Area Plumbers and Pipefitters Health and Welfare Trust. "Over the last 10 years, our prescription drug costs have increased, on average, 300%."

With approximately 5,700 covered lives, the Seattle Area Plumbers & Pipefitters Health and Welfare Trust lacked the numbers to negotiate lower fees or better coverage with providers. Instead, the Trust was forced to increase contribution rates from its members. "You need numbers to negotiate. That's where the Coalition comes in," Scott said. "We looked at what HCCMCA had accomplished in Alaska, and instead of re-inventing the wheel by forming a local coalition, Fred Brown and I pushed for HCCMCA to extend its reach down here."

## TACKLING PRESCRIPTION COSTS

As an HCCMCA member, the Plumbers & Pipefitters Seattle Area Health & Welfare Trust can tackle its biggest headache—prescription drug costs—head on. In March, the Trust moved its prescription benefit management program to National CooperativeRx, under HCCMCA's contract. The move gives the Trust access to expert negotiations, volume purchasing and more extensive data than it would have been able to obtain on its own.

The transition required some hard choices, such as moving to a three-tier copay scenario, but Scott is confident that plan participants and the Trust will reap the benefits over time. "I feel good knowing that HCCMCA and National CooperativeRx will be looking out for our plan participants' best interests and paying attention to the details in a way that we couldn't do on our own."

## KEEPING DECISIONS LOCAL

When he talks with trustees of other health and welfare trusts, Scott is quick to reassure them that becoming a Coalition member does not mean "giving up your independence. This is a coalition, not a merger. Every trust continues to make its own decisions about which HCCMCA programs to participate in. HCCMCA membership gives you the best of both worlds: strength in numbers for negotiating and local control to meet your plan participants' needs."

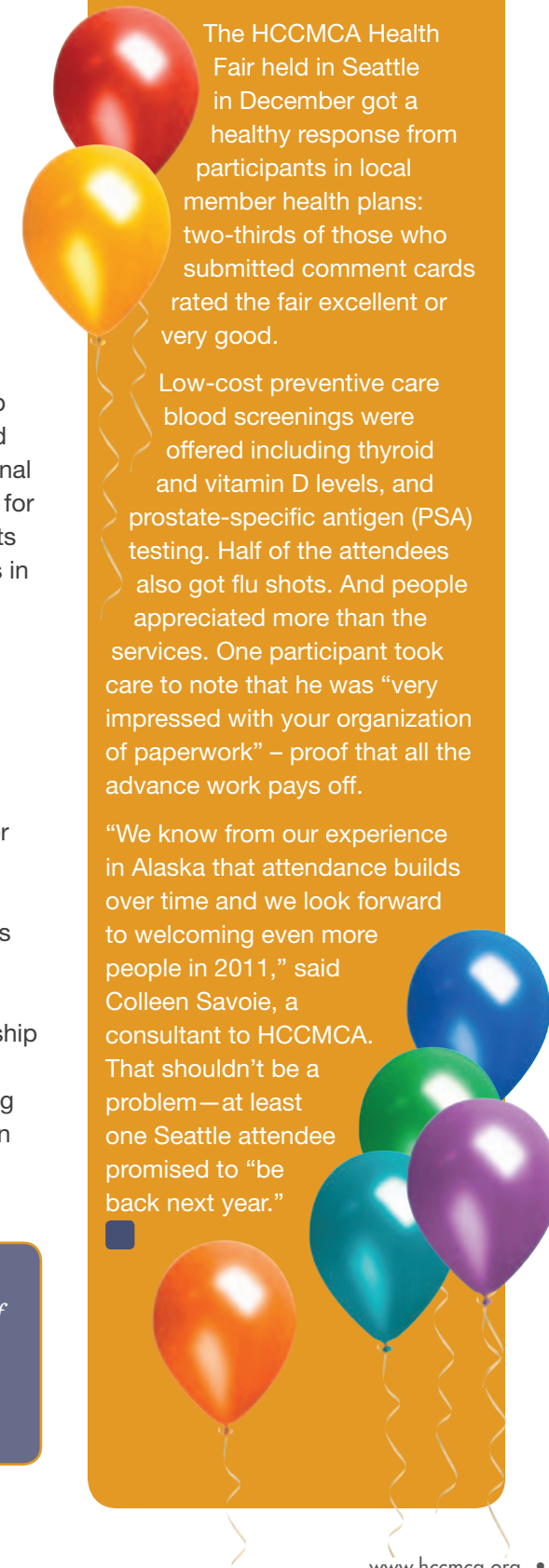
*HCCMCA is expanding, and is pleased to welcome a number of new members from the Pacific Northwest. Meet one of these new member Trusts in our next issue.*

## SEATTLE HEALTH FAIR ATTRACTS ATTENDEES

The HCCMCA Health Fair held in Seattle in December got a healthy response from participants in local member health plans: two-thirds of those who submitted comment cards rated the fair excellent or very good.

Low-cost preventive care blood screenings were offered including thyroid and vitamin D levels, and prostate-specific antigen (PSA) testing. Half of the attendees also got flu shots. And people appreciated more than the services. One participant took care to note that he was "very impressed with your organization of paperwork" – proof that all the advance work pays off.

"We know from our experience in Alaska that attendance builds over time and we look forward to welcoming even more people in 2011," said Colleen Savoie, a consultant to HCCMCA. That shouldn't be a problem—at least one Seattle attendee promised to "be back next year."





# SPONSOR STEPS UP FOR WORKERS' COMP BILL IN JUNEAU

The Alaska Senate Labor and Commerce Committee has sponsored SB 116, a bill to encourage mediation of disputed workers' compensation claims and to allow collective bargaining agreements to supersede certain provisions of the Alaska Workers' Compensation Act. The legislation would permit labor and management to jointly create an alternative dispute resolution process to provide quicker resolution of workers' compensation issues, at a lower cost. The bill was drafted with input from HCCMCA, the Alaska State Chamber of Commerce, the National Electrical Contractors



Association, members of AGC of Alaska, the Alaska AFL-CIO and its State employee members, the Alaska Bar Association, and others.

"The mission of collectively bargained workers' comp is to improve the delivery of medical and other benefits to injured workers. This change won't take away any benefits, but will provide the parties with much swifter resolution of their disputes," said Steve Rank, Western Region Director of Impact (Ironworker Management Progressive Action

Cooperative Trust). According to Rank, similar legislation is proving effective in at least 12 other states, including Minnesota, California, and Nevada.

HCCMCA member health plans can help ensure passage of SB 116 by letting your elected officials know

that you support the bill and want them to vote for it. Contact HCCMCA for statistics and frequently asked questions, as well as talking points and sample letters of support, to help win passage of the bill.

You can read more about "Streamlining Alaska's Workers' Comp" under the Resources tab on [www.hccmca.org](http://www.hccmca.org) and follow the bill's progress with the Bill Tracker at <http://w3.legis.state.ak.us>. ■



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## EVERYONE WINS WITH DISEASE MANAGEMENT

Look inside to find out how you could save an average of 57% in claims.

*Since 1994, the Health Care Cost Management Corporation of Alaska, Inc. (HCCMCA) has been helping member health plans control health care costs by negotiating better pricing on health benefits and services than these same plans could achieve on their own. Current member health plans include 20 headquartered in Alaska and 11 headquartered in the Pacific Northwest.*