HCCMCA HEALTH CARE COST MANAGEMENT

Keeping Health Care Affordable For Workers And Their Families

ISSUE 1 - 2018

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Non-profit organization Angel Flight West takes patients where they need to be — absolutely FREE, page 4.

ALASKA HEALTH CARE AUTHORITY PROPOSED BY STATE

he high cost of health care in Alaska is a well-known fact – and so is the state's funding of that high-cost health care for tens of thousands of people: State of Alaska retirees and employees, state corporations, University of Alaska employees, school district employees, Medicaid recipients, and political employees. Recently, a feasibility study, procured by the Alaska Medicaid Redesign Bill, SB 74, was conducted to determine whether creating a Health Care Authority (HCA) in Alaska could help bring the state significant savings when paying for these health care benefits.

Results Released

On August 30, 2017, the state released the study results, which recommended the creation of an HCA. Its goal—to achieve the greatest possible savings for the state—would be accomplished through tactics including consolidating purchasing, and coordinating plan administration. The complete study results can be found at www.Alaska.gov/HCA.

The study focused on three main topics:

- Public employee and retiree health plans
- Identifying opportunities to align or integrate the Medicaid program
- Analyzing the Alaska market to develop possible purchasing strategies

HCCMCA Responds

In response to the proposed creation of an Alaska Health Care Authority, Fred G. Brown, Executive Director of HCCMCA, submitted a letter of public comment.

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Alaska HCA UPDATE:

Since the public comment period ended on November 13, 2017, the State of Alaska **Department of Administration** has reported the summary of public comments received and has acknowledged that while the studies suggest that there is considerable opportunity, the creation of an HCA is "complex impacting billions of dollars in annual spend and hundreds of thousands of individuals" which will require considerable additional time and analysis. To that end, the State of Alaska will continue to assess the creation of an HCA and adopt recommendations that can be implemented independently of the HCA in 2019. HCCMCA will be watching and actively participating in the discussion.

ALASKA HEALTH CARE AUTHORITY PROPOSED BY STATE, CONT'D

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In his letter, Brown expressed his concerns with some of the results of the study, based on his extensive knowledge of the topic, the players, and the suggested tactics. Here are some highlights of what he shared:

1. Yes, we need to do

more: HCCMCA recognizes that Alaska's underlying health care cost drivers are unsustainable, and more steps need to be taken to rein in costs.

2. Check the math: A staterun HCA will not effectively address these costs, and several of the examples of projected cost savings are not accurate without a full understanding of the associated context.

3. Don't underestimate the politics: Many suggested pricing strategies will be unpopular with the provider community, which will resist meaningful change in these areas.

4. Been there, saved

that: Some of the suggested cost-reducing tactics, such as contracting with National CooperativeRx, are already in use by HCCMCA groups.

HCCMCA does not believe that the creation of an Alaska HCA will lower overall healthcare costs. Nevertheless, the legislature can take other steps toward medical cost savings, including passing legislation that makes it easier for health plans to deploy pricing strategies, and encouraging voluntary consolidated purchasing through existing private sector entities or association plans.

To read Brown's full letter of public comment, go to <u>www.HCCMCA.org</u>. For more information on the status of the proposed HCA, go to <u>www.Alaska.gov/HCA</u>.

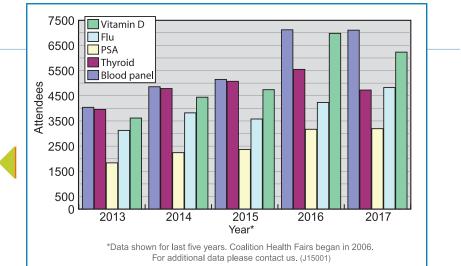
IMPROVED EXPERIENCES AT ANNUAL

HEALTH FAIRS

Preregistration Greatly Reduces Wait Times

HCCMCA sponsored thirteen annual fall Health Fairs in 2017. Held at ten locations across Alaska and Washington, the fairs gave member health plans' participants easy access to preventive care services including free flu shots, PSA testing, Vitamin D testing and more.

In a major improvement this year, participants were required to preregister to attend the health fairs. By preregistering online, participants were able to verify their correct health plan, confirm that they were old enough to receive selected services and schedule an appointment time for lab tests. The new system was a hit, greatly reducing waiting times.



"Very impressive. My wife and I were in and out in 20 minutes! No standing in line for an hour and a half and the providers were both friendly and efficient." – Juneau, AK participant

"Well-organized! What a great offering for retirees and their dependents. So appreciate this event!" – Bothell, WA participant

"This year felt different. I was in and out of there in under 30 minutes. For the savings the health care provides me, it was absolutely worth the time I spent." – Anchorage, AK participant

At a glance:

- 7,536 total attendees
- 6,231 participants tested for Vitamin D deficiency
- 3,191 participants received PSA tests
- 4,824 free flu shots administered (up 14%)

Imaging Services Gets New Look

Alaska Regional Imaging Alliance (ARIA) at Alaska Regional Hospital

Alaska Regional Hospital (ARH) boasts a beautiful, brand-new space for imaging services. Located in Building E on the hospital's east side, the new location features street-side convenience and is easily accessible.

All patients are treated with professional, compassionate care, and fellowship-trained, boardcertified radiologists supervise and interpret all imaging procedures, using state-of-the-art equipment. ARH partners with Alaska Imaging Associates, a premier Anchorage group of physicians. Your Health Plan participants can make an appointment by calling 855-226-9105. The Center is open Monday -Friday, 8 a.m. - 4 p.m.

Services Available at the Center include:

- Dexa Bone Density Scanner
- Needle Localizations
- Stereotactic Biopsy
- Tomosynthesis (also called 3D Mammography)
- Ultrasound
- Coming soon: Breast MRI Magnetic resonance imaging (MRI)

In the News: CVS and Aetna to Join

In one of the largest corporate acquisitions on record, CVS Health declared in December that it is buying health insurance giant Aetna, the nation's third-largest insurer, for \$69 billion. CVS is a chain retailer which also operates walk-in clinics and pharmacies; in fact, 80% of the American public live within three miles of one of 9,000 CVS stores. This combination of Aetna's analytics and CVS's accessibility could potentially reshape how—and where—Americans access their health care.

HCCMCA is a preferred partner of CVS. Executive Director Fred Brown will monitor how this acquisition will affect HCCMCA member health plans – if at all.

HCC...What?

Have you ever been asked to explain what the letters HCCMCA stand for...or what it is? Do the words Health Care Cost Management Corporation Alaska roll smoothly from your lips and clearly convey our purpose? Take heart if you have difficulty explaining succinctly to the public—and even to members who we are, and what we do. We hear you, and help is on the way.

At HCCMCA's strategic planning session held last summer, rebranding the Coalition was identified as a top goal. Simplifying our name can:

- Deliver better name recognition for Coalition group members and to the general public,
- Make it easier to promote the services and cost savings that

CALENDAR

NATIONAL COOPERATIVERX AND HCCMCA ANNUAL MEETING

March 20-21, 2018 Hotel Captain Cook Anchorage, Alaska

Reception: Evening of March 20, 2018 at 6:00 p.m.

Annual Business Meeting: March 21, 2018 at 8:00 a.m.

HCCMCA QUARTERLY MEMBERSHIP MEETINGS

June 13, 2018 September 27, 2018 November 14, 2018

Save the Date!

INTERNATIONAL FOUNDATION OF EMPLOYEE BENEFITS (IFEBP) 64TH ANNUAL EMPLOYEE BENEFITS CONFERENCE

October 14 – 17, 2018 New Orleans, LA □

differentiate HCCMCA from other groups,

• Enhance the Coalition's image for better communication with shareholders.

The Executive Board is working with a committee to consider a new name, and to formulate a plan for rebranding. Stay tuned!

HEALTH CARE COST MANAGEMENT

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READ ABOUT HCCMCA REBRANDING EFFORTS UNDERWAY, P. 3.

Since 1994, 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 27 headquartered in Alaska and 19 headquartered in the Pacific Northwest.

ANGEL FLIGHT WEST

Helping Patients Get There — No Matter How Far Away

You've heard the anguish and seen the despair. A specialized, necessary treatment is available at a facility hundreds of mile away, but your Health Plan participant can't get there. It's a hopeless feeling for all. That's where Angel Flight West comes in.

A non-profit organization, Angel Flight West (AFW) has a network of volunteer pilots and commercial airline partners that has arranged more than 4,000 flights each year throughout the 13 Western states to help transport patients where they need to go, to get the care they need. And it's all free. There's no

charge - to the Health Plan, the passenger, or the facility. AFW's generous pilots donate all costs. In addition, Alaska Airlines. Hawaiian Airlines, and PenAir provide additional support in flight vouchers to AFW for flights

HCCMCA NW Membership Representative, Randy Scott, explains, "AFW is essentially a small airline with allvolunteer pilots who donate their planes, fuel, and time. Flight time alone costs about \$100 per hour for rental and gas, and that's not taking into account the pilot's time. This is completely 100% free to the recipients. AFW doesn't even have a billing system of any kind...because they don't need it."

Volunteer pilot and

that cannot be accomplished by pilots in their system – a great deal of which are used by requesters in Alaska where there are fewer private pilots due to the high cost of insurance.

Begun in 1983 as a small group

of big-hearted pilots in Santa Monica, California who sought to

who sought to put their love of flying and their airplanes to good use, today AFW has more than 2,883 volunteers, including an extensive ground team. They work

with hospitals to find and match pilots with passengers, coordinate flights and recruit new volunteers. In 2016 alone, AFW flew over 4,400 missions.

To learn more go to: www.angelflightwest.org