

RUTHERFORD COUNTY BENEFITS & INSURANCE COMMITTEE  
OCTOBER 27, 2011 COURTHOUSE

MINUTES

MEMBERS PRESENT:

MERRY HICKERSON  
DONNIE HESTER  
JOE RUSSELL  
ALLEN MCADOO  
JEFF SANDVIG  
JOYCE EALY  
WILL JORDAN  
SUSAN BONEY  
GREG HALL  
REGINA HARVEY  
ELIZABETH CRACE  
PAULA BARNES

OTHERS PRESENT:

EVELYN ANDERSON  
SONYA STEPHENSON  
MELISSA STINSON  
PAUL HUFFMAN  
LISA NOLEN  
KELLI PERRIEN  
DAN GOODE  
MARY ASHERBRANNER

The meeting was presided by Merry Hickerson, Vice Chairman, in the absence of Mayor Burgess.

APPROVE MINUTES:

Mrs. Hickerson noted that each member had a corrected copy of the August meeting as Joe Russell's name had been omitted from the roster of attendees. A motion was made by Paul Barnes to approve the minutes from the last Benefits & Insurance Committee meeting August 25, 2011. The motion was seconded by Susan Boney and passed unanimously.

FINANCIALS:

Mrs. Stinson, Risk Management Director, reviewed Fund 264, Insurance Fund. The PEPM cost through September was \$817.46; the prior year was \$621.69. There is an increase in the number of claims below \$200,000, driving the cost up. By adding the on-site clinic fees, the PEPM is \$835.21, and increase over last year's \$652.84. With the introduction of the new clinics, there is a reduction in the number of visits as individuals are reestablished into the new clinics. About 1600 individuals were treated in the prior month compared to 732 in September. During the annual meeting with CIGNA, Mrs. Stinson reviewed how the clinics were trending compared to private practices. As of September the average cost per visit was \$87.15, prior year cost was \$88.57. In the private sector, the average office visit is \$110.00. She noted there was not much difference when you consider the \$20 co-pay or other offsets. It is important to continue to monitor this over the next 3 years for future decision regarding the clinics. The year to date total average at the end of September was \$914.97, making the total average \$745.57. The year to date is \$754.67, a 21.2% increase in cost. Mrs. Harvey asked if the costs associated with the clinics were a flat rate each month or based on the number of treated individuals. Mrs. Stinson explained it was both, personnel costs were the same each month, but ancillary costs varied depending on supplies, lab, etc. Mr. Hall noted that the trend had increased from 4% to 21% since the last meeting. One claim has exceeded over half a million dollars and 2 more were over \$100,000, which has already exceeded last year. Our population has a significant growth in cancer claims, and Mrs. Stinson noted individuals were not obtaining regular physicals and pap smears.

She reviewed the Work Injury Fund Performance (266). The year to date revenue is \$155,428.25 compared to \$157,074.49 last year. The trend remains the same current year compared to prior year.

WC/OJI STATS:

Dan Goode, Safety Coordinator, presented the OSHA report for September. There were 23 accidents, making the year to date 186. The OSHA log has 125 recordable with 62 restricted day claims and 20 lost day claims. The net incurred for claims was \$41,490.36; the Board of Education had 13 claims totaling \$30,565.36, the Highway Department had 1 claim at \$900.00, and the County General had 9 claims totaling \$10,025.00.

WELLNESS UPDATE:

Kelli Perrien reviewed recent activities offered by the Wellness Program. In August, 18 attended the CPR/AED training, 15 Community Care employees attended a Stress Management seminar, and in September, 12 attended a diabetes cooking class at the Health Department. During the Employee Appreciation Day, 420 flu shots were administered. The exercise program Walk across Tennessee had 106 enrollees. This American Heart Association event that will end on October 30<sup>th</sup> at MTMC.

UPDATE ON CLINICS:

The first phase is financial implementation costs. The Commission had approved an implementation cost of \$201,714.00; the clinics had actually come in at \$178,986 (11% below protected cost). There may be some more costs returned as equipment is evaluated for necessity. The Wellness Survey from 2010 biggest complaint was lack of appointment time. The clinics have between 138 -143 hours per week for

appointments. There are 12,724 eligible participants for these hours; therefore, there is a supply and demand problem. Mrs. Stinson stated 67% of participants reside in the Murfreesboro zip code, 14.6 in Smyrna, and 14.3 in Lavergne. The rest are scattered in the County. There is a high occurrence of repeat participants each month, in other words, for September, 24% of all appointments have already been there at least once that month. Many of these repeat appointments have chronic conditions. Mrs. Stinson questioned what the level of care intent at the time of inception versus today.

Mrs. Harvey asked if future clinics in Murfreesboro might be available. Mrs. Stinson explained that she had already reached out to Take Care to expand hours of operation at Stewart's Creek. The Blackman Clinic is maxed out in hours of operation; Walter Hill could also expand. The demand on clinics far exceeds the expectations of private practices. A common complaint Mrs. Stinson has received is employees don't want to drive to another clinic for treatment. Behavior modification is needed; the County will continue to expand within our resources to expand clinic hours. The walk in clinic at Stewarts Creek will resume walk in hours on November 1<sup>st</sup> between 7 and 9 a.m.

Mrs. Barnes asked if participants could schedule dual appointments, which would not allow someone else to schedule. Currently, calls are received by 2 receptionists, and dual appointments could be possible. A new advantage now is appointments are reviewed, files are pulled, and prescriptions are made available in time for the appointment. Currently, the online portal requires a one hour appointment block; however, most appointments are made by phone.

Mr. Hall reminded everyone that the clinics were implemented to promote a healthy workforce and help to catch and manage chronic care. It is a benefit to employees. Mrs. Stinson added that the labor charge associated for every 20 minute block in the clinic was \$34.72 in 2010. Employees are using the clinics to fill their generic \$5 prescription instead of utilizing the pharmacy and paying their co pay. Take Care is starting to direct care back to the specialist to manage the condition. An issue of concern, is patient's medications were changed by the clinic without their specialist knowledge. If you are under care from a specialist, they need to be the one to control the medication for that individual. In the long run, this costs the County more money when the clinics are used to avoid a co-pay for a medication order by another physician.

NO SHOW CHARGE BACKS:

In October 2010, the Budget Committee recommended the "no show" charge at the CareHere clinics reduce from \$25 to \$15 per missed appointment beginning with the first occurrence effective January 1, 2011 for a trail period of one year. This replaced the original \$25 fee for missed appointments beginning with the 2<sup>nd</sup> missed appointment effective January 1, 2010. This was a one year agreement, then return for review.

Currently, there is a \$36.32 labor cost associated with each missed appointment based on the first 8 months of 2011. A total of 466 appointments have been missed this year for a total of \$16,925.

After discussion, a motion was made by Will Jordan to charge a \$25 fee for missed appointments; cancellations must be made by 7a.m. the day of the appointment, with no grace period allowed with an effective date of January 1, 2012. The motion was seconded by Donnie Hester. The motion passed unanimously.

If the employee is late for the clinic appointment, more than 15 minutes, the late charge would apply.

Mrs. Hickerson added that the PEPM will increase because of the labor charges for missed appointments.

ADJOURNMENT:

The meeting was adjourned at 2:00 p.m.

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Merry Hickerson, Vice Chairman  
Rutherford County Benefits & Insurance Committee