Advantages of Carve-in Pharmacy Benefits

Labor Funds that use the same carrier for both their medical and pharmacy benefits (known as an integrated or carved-in approach) can be very advantageous financially. It is also beneficial to your Fund members’ health care according to an independent study conducted by the Blue Cross and Blue Shield Association.

Study Overview

A 2013 study compared the medical costs of members with an integrated, carve-in pharmacy approach versus members with a carved-out approach, and shows the differences in the rate of hospitalization and emergency department visits for members in both types of plans. The survey compared the medical costs, hospital admissions and emergency department visits in 2010 and 2011 for 1.8 million members in self-funded plans administered by 25 Blue Plans. Members were roughly divided between carve-in and carve-out plans, and were matched by age, gender and geographic region.

Key Results of Carve-in Pharmacy

The study indicated that members with carve-in pharmacy benefits had lower per member per year (PMPY) medical costs, fewer hospitalizations and fewer emergency room visits.

Carve-In Members Had:

- 11% ($330) lower PMPY medical cost
- 9% lower hospitalization rate
- 4% lower emergency department rate
Advantages of Carve-in Pharmacy Benefits

Analysis

• The lower medical costs for members with carve-in pharmacy benefits may be due to one or more factors, including that the integration of medical and pharmacy data in carve-in arrangements enables health plans to take a holistic approach to controlling medical costs. This approach considers prescription drug costs in the context of effective overall management of the patient’s condition.

• Plans can design the prescription drug formulary to include medications that result in the best overall clinical outcomes, instead of designing the formulary based solely on cost or rebates.

• Pharmacy data available through carve-in pharmacy benefits improves health care coordination and data integration. This integration enables providers to offer quicker and more targeted health interventions to patients.

• Carve-in health plans can design the prescription drug benefit to encourage appropriate utilization by therapeutic class, instead of designing the benefit to drive use of the most profitable drugs. Lowering copayments have shown to increase medication adherence. However, raising copayments too high may increase medication abandonment and effectively combining these strategies may contribute to lower medical costs. Lower copayments have shown to increase member compliance with drug therapy.

For additional information on how your Fund can effectively add pharmacy benefits, contact your Labor Account Executive.

Source: Blue Cross and Blue Shield Pharmacy Integration Study, 2013; Reprinted with permission by the Blue Cross Blue Shield Association, an association of independent Blue Cross and Blue Shield companies.

This and That

If you were at U.S. Cellular field to watch a Sox game recently, you may have literally run into Plumbers Local 130. The Local is the proud sponsor of the outfield shower that used to be in the old Comiskey Park. The shower is a fan favorite on hot summer days!

Kudos to Matt Gibson, BCBSIL Labor Account Executive, who was recently named as a President’s Circle award winner. Matt was honored for his significant sales and excellent account management.
Someone You Should Know

Joseph Ardoin, Jr.
Administrative Manager
Louisiana Carpenters Fringe Benefits Funds

Many people know Joseph Ardoin, who has been with the Louisiana Carpenters Trade for almost 40 years. “I have a lot of friends, and I am not sure they even know my real name,” he says. He is known as “T-Boy,” which is Cajun French for little boy (a name his grandmother called him as a kid).

When Ardoin finished high school, he went to trade school for electronics. He soon found his life’s work with the carpenters, joining in 1973. According to Ardoin, in the 1970s, the Baton Rouge Building and Construction Trades Council was one of the strongest unions in the country. In 1986, he ran for business agent and was elected.

“I got elected because people understood that I could represent them.” And now, almost 30 years later, “I still get calls because I can help them. If a family is in trouble, they come to me for help,” Ardoin says. He has served in several other roles since being a business agent, including as president and trustee of the Building and Construction Trades Council. Ardoin is currently the administrator manager for the Louisiana Carpenters Fringe Health and Welfare Benefit Funds.

“As a business manager, I’ve worked on behalf of our members for 16 years. I would try to help solve their problems. It’s in my blood. Deep down, I love it — even though I may complain,” Ardoin says. And his actions speak louder than words. Ardoin is on the Louisiana State Prison Enterprise Board, a re-entry board “to help get lives in order,” as well the Workforce Board, Baton Rouge Building Trades and Louisiana Building Trade boards.

Better Benefits and Networks

“Since we joined with Blue Cross and Blue Shield of Illinois, we can talk to our trustees about how much this relationship has helped our fund. We have been very pleased with Blue Cross. Our people are getting discounts they can’t get anywhere else. And, the Blue Cross labor team understands how our fund works,” Ardoin says.

After the Right to Work law was passed in Louisiana, the union lost a large percentage of their members. Now the union has approximately 1,000 members. “We work hard to earn each piece of business. Companies are using cheap labor, but at a price — there have been several serious explosions in some Louisiana plants in just the past year. They want cheap labor, not skilled labor. Our union preaches safety and provides workers who have the training so the job will be done right — not re-bid later due to problems,” Ardoin says.

Talking the Talk

Other than his regular job, Ardoin is an avid outdoorsman. He even hosts a weekly radio talk show to help promote unions and their apprenticeship programs. No matter what he does, Ardoin says: “just waking up makes it an interesting day.”

Good Health, Good Golf

Flexibility and mobility are key components to better golf and better health. I find it amazing with as many young golfers as I work with say how tight their hamstrings are, and how limited their range of motion is if they are not functioning properly. Here is a great and simple exercise that will increase the use of those important muscles for your golf swing.

Simply stand erect and step out with your right foot until your right knee is over the center of your right foot. Be careful not to allow the knee to go over your toe line. Then return to your standing position. Simply repeat with the left foot. You can test your leg flexibility by simply standing tall, then bending over and touching your toes. If you cannot touch your toes, then you need this exercise to help with your golf and general health!

J. Anderson has been a PGA golf professional since 1979 and is TPI Certified. He is an Assistant in the Golf Digest Instructional Schools and can be found in a video blog called “Full Speed Golf” in the Northwest Herald online newspaper.
A Different Option in Shopping for Health Insurance

Do you know anyone who has recently lost health insurance coverage or is looking for an affordable alternative to COBRA? Blue Cross and Blue Shield of Illinois private exchange, Blue Directions, makes shopping for coverage easy and affordable for anyone that is uninsured — be it members, friends or family.

**BCBSIL’S Online Store**

Blue Directions Individual Private Exchange is an online store for individual health insurance. It enables workers who may not be eligible for group coverage, like seasonal and temporary workers or those who want an alternative to COBRA coverage, to shop and buy coverage with confidence. Tools and resources help shoppers choose a plan that fits their needs and budget.

Blue Directions Individual Private Exchange is a simple way to shop for health insurance — especially for those who have never shopped for coverage before. Here’s why:

- Shoppers learn as they browse — key Affordable Care Act provisions are explained; insurance terms are defined.
- The site allows visitors to view a variety of health plan options, compare benefits and premiums, and enroll in coverage.
- A subsidy estimator helps visitors determine whether they may be eligible for the federal premium tax credit that helps reduce what they pay for coverage.
- Shoppers get access to what they need to verify eligibility and apply for the premium tax credit.*
- If personal assistance is preferred, licensed agents are just a toll-free call away.

**Easy Shopping; Smart Decisions**

The Health Insurance Marketplace open enrollment period for coverage in 2015 begins Nov. 15, 2014, and ends Feb 15, 2015. This open enrollment period is the only time individuals can buy Marketplace coverage and apply for federal financial assistance without a qualifying event.

Ask your BCBSIL Account Executive for a Blue Directions demo, and see firsthand the features and advantages of this solution for individual plan enrollment.

*Individuals may be eligible for a subsidy on the Health Insurance Marketplace in their state of residence. The Marketplace will determine eligibility and grant the subsidy for qualified individuals.

Who Needs Flu Shots?

A flu vaccine is your best protection against the flu. And since flu is contagious, getting vaccinated can help keep others in your family and community from getting sick, too.

**Who Should Get Vaccinated?**

Vaccines aren’t just for children and the elderly. Even if you’re a young, healthy adult, you still need to protect yourself against the flu. The Centers for Disease Control and Prevention recommends an annual flu vaccine for all people ages 6 months and older.

Being vaccinated lowers the chance that you will spread the virus, which could be more dangerous for children and older people. Most people who die from the flu are either 65 and older or young children.

**Which Vaccine Should You Get?**

There are two types of flu vaccines. One type is an inactivated vaccine that contains a killed virus. This type is available as a shot that’s usually injected into the muscle in the arm.

The second type of flu vaccine is a live, weakened virus. This type is available in a nasal spray. Your doctor can help you decide which type of vaccine is best for you.

**When Should I Get the Vaccine?**

You should get a flu shot as soon as it’s available — as early as October. Check with your doctor to find out how and where to get vaccinated.

Source: Centers for Disease Control and Prevention; Flu.gov
Even the advanced “do it yourself” handy man steers away from most types of electrical work because of the inherent danger of electrocution. Hiring a trained and certified professional is the only way to complete these projects and to ensure the project meets local building codes. The International Brotherhood of Electrical Workers (IBEW) requires journeymen electricians to complete many hours of training both on-the-job and in a formal classroom to gain journeyman status.

IBEW Local 701 offers two tracks through the DuPage County Electrical Apprenticeship program. The installer technician program requires 6,400 on-the-job work hours and 720 classroom hours. Installer technicians typically put in the network of low-voltage cabling used for video, voice, data, fire alarm or other low-voltage signaling.

The five-year inside wiremen program requires completing 8,000 on-the-job work hours and 900 classroom hours. The inside wireman installs and maintains various electrical systems found in commercial and industrial facilities.

Classroom training takes place in a state-of-the-art training facility in Warrenville, IL. Those in apprenticeship training programs can also receive college-level credits due to a partnering agreement with the College of DuPage. Additional information on this program can be found at ibew701.org/ibew-701-apprenticeship.

REPORT FRAUD & SUSPECTED FRAUD RELATED TO THE AFFORDABLE CARE ACT

- If you suspect that someone has attempted to obtain your personal health or financial information report it to your state’s Attorney General’s office.
- If you think your financial information has been stolen by a health insurance scammer, contact your local police department and file a complaint with the Federal Trade Commission through FTCcomplaintassistant.gov.
- If your health insurance ID card has been lost or stolen, be sure to contact your health insurance company immediately and report the incident to your local police department.
Get Discounts with Blue365®

Blue365 is a website that has a range of new health and wellness products and services from top national and local retailers designed to complement or support your covered benefits. Membership grants you access to discounts on dental, vision, hearing, fitness gear, gym memberships, family activities, healthy eating options and much more.

How can you access these great deals? All Blue Cross and Blue Shield of Illinois members have to do is register on Blue365deals.com/BCBSIL to find the best offers for your lifestyle.

We even offer a Blue365 site in Spanish: Blue365deals.com/es-MX/BCBSIL

Do we have your email address? Send your email address to laboraffairs@bcbsil.com so we can communicate electronically.