

State Health Benefits Program
Plan Design Committee
Open Session Minutes: February 17, 2021 1:00 p.m.

Adequate notice of this meeting was provided through the annual notice of the schedule of regular meetings of the Committee filed with and prominently posted in the offices of the Secretary of State. A meeting notice was mailed to the Secretary of State, Star Ledger and the Trenton Times on December 26, 2020. Updates regarding the Telephonic meeting was sent to the Star Ledger and posted to the Division's website on February 4, 2021.

The meeting of the State Health Benefits Program Plan Design Committee of New Jersey was called to order on Wednesday, February 17, 2020 at 1:00 p.m. Due to COVID-19 this meeting was held telephonically.

The text of Resolution B (Executive Session) – was read in its entirety in the event that the Committee desires, at any point in the meeting, to approve a motion to go into closed session.

Acting Secretary Nicole Ludwig led the Committee in the Pledge of Allegiance. Acting Secretary Ludwig then took Roll Call and established that a quorum was present.

Roll Call

Committee Members:

Jennifer Keyes-Maloney, Assistant Treasurer (Co-Chair)

Michael Zanyor, NJSTFA

Dini Ajmani, Assistant Treasurer

Lynn Azarchi, Director, Office of Management and Budget

Kevin Lyons, NJ State PBA

Justin Zimmerman, Chief of Staff, Department of Banking and Insurance

Tennille McCoy, Assistant Commissioner of Human Capital Strategies, Department of Labor and Workforce Development

Kimberly Holmes Assistant Commissioner /Chief of Staff, Department of Community Affairs

Robert Little, AFSCME Department of Research

Patrick Nowlan, AAUP – AFT (Co-Chair)

Hetty Rosenstein, New Jersey Area Director, CWA/District 1

Absent:

David Krueger, NJ FMBA

Also Present:

Alison Keating, Deputy Attorney General

Amy Chung, Deputy Attorney General

Christin Deacon Division of Pensions and Benefits

Nicole Ludwig, Division of Pensions and Benefits

Andrew Lawson Division of Pensions and Benefits

Pledge of Allegiance:

Acting Secretary Nicole Ludwig led the PDC in reciting the Pledge of Allegiance.

MEETING MINUTES

Committee Member McCoy made a motion to approve the meeting minutes from the October 28, 2020; the December 23, 2020 meetings. Committee Member Zanyor seconded the motion; all voted in favor.

DIVISION UPDATE

Christin Deacon the Assistant Director for the Division of Pensions & Benefits provided an update regarding COVID-19 as it relates to the commercial population. Mrs. Deacon stated that from March 2, 2020 to date there have been over 524,000 COVID tests with approximately 75,000 being positive and approximately 500 antibody tests with 4,600 positive results. She stated the claims spend (not testing costs) is \$162 million – this includes inpatient, outpatient, professional and lab testing.

Mrs. Deacon stated that there have been approximately 810,000 total telemedicine claims. She stated that the claims are starting to level off but we continue to see claims for behavioral health increase.

Mrs. Deacon provided an update regarding COVID-19 as it relates to the Medicare population. She stated that since March 2, 2020 to date there have been \$27.6 million in claims spend for this population. There is still a steady increase in telemedicine claims, including behavioral health claims.

Mrs. Deacon gave an update on the online health benefits administration platform, stating this platform will allow for enrollment for both state and local government members, including retiree populations, in an online platform so there will no longer be the need for paper applications.

She added that the Division has been very active in the wellness related programs including promotion of the DCPMH, vaccines, and vaccine-related events.

Committee member Zanyor asked if the COVID-related costs are being offset by the federal CARES act. Mrs. Deacon confirmed.

PRESENTATION: OPTUMRX & TRUVERIS: PRIOR AUTHORIZATION

Joshua Allen and Joseph Thomas of Truveris presented on clinical reasons for prior authorizations (PA). Mr. Thomas explained that a PA process allows for review of certain medications to ensure that they are being prescribed as the FDA directs. Kate Miller of OptumRx went over the process where a drug is identified as requiring a PA. She stated that in 2020 the Utilization Management strategies that were in place resulted in \$95.3 million in cost avoidance, which could have resulted in plan spend to increase by 13%. She stated that for PA processes, approximately ten percent of the membership was impacted.

Mrs. Miller went over the top drugs with PA as well as the results of the PA process. She stated that 90% of the PA medications are approved. She stated that the turnaround times for the PA process are within in a matter of hours, to up to 48 hours. She stated that a large percentage of denials are due to the wrong strength being prescribed.

Committee member Lyons asked for a comprehensive list of PA denials. Mr. Lyons asked about the process that is in place for those members who are denied the PA requests.

Steve White went over the program PreCheck MyScript which is utilized by providers, and allows them to determine the medications that are on the formulary, and those that have utilization management including a prior authorization. He stated that approximately 16.8 percent of the prescribers for the SHBP utilize PreCheck MyScript.

Committee member Lyons asked if a member is approved for a PA how long is that PA in place. Mr. White explained it is dependent on the medication, however most PAs are in place for 12 months. Kate Miller went over the proactive outreach completed prior to the PA expiring.

Mr. White went over the Exclusion program, stating that there are two types of exclusions – category and formulary. The category exclusions are outlined in the guidebook, on page 16, and include such things as vitamins, food, and over the counter medications. The formulary exclusions are managed by OptumRx and the Pharmacy and Therapeutics (P&T) committees. Mr. White explained that formulary management exclusions are eligible for medical review, where category exclusions are not. Co-Chair Keyes-Maloney asked that the Division provide follow ups to the discussion over the next few months.

Additional discussion:

Co-Chair Nowlan announced that he will be stepping down as the co-chair effective immediately. He announced that Michael Zanyor has agreed to become the Co-Chair from the Union side at the

adjournment of this meeting. Co-Chair Keyes Maloney thanked Patrick for his work on the committee and his continued involvement in the plan design committee.

Adjournment

Having no further action to discuss, Committee Member Rosenstein made a motion to adjourn. Co-Chair Nowlan seconded the motion; all voted in favor. The meeting concluded at 2:36 pm.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "Nicole Ludwig". The signature is written in a cursive, flowing style.

Nicole Ludwig
Acting Secretary SHBP PDC