

Pima County Health Care Benefits Trust Board Meeting

Pursuant to A.R.S. §38-431.02, notice is hereby given that the Pima county Health Care Benefits Trust will hold a meeting open to the public on Thursday, August 13th, 2015; convening at 9:00 a.m., in the Human Resources Training Room, located on the 4th floor, 150 W. Congress, Tucson, Arizona.

AGENDA

- A. Roll Call**
- B. Pledge of Allegiance**
- C. Approve Meeting Minutes of May 14, 2015**
- D. Aetna - Pima County Health Plan Review – 2014/2015 Annual**
- E. Call to the audience**
- F. Next meeting date**
- G. Adjournment**

Should you require ADA accommodations, please contact Human Resources at (520) 724-2732. Requests should be made at least 36 hours before the meeting to facilitate the accommodation.

Pima County Health Care Benefits Trust Board Meeting Minutes

Health Care Benefits Trust met in regular session at their regular meeting place in the Human Resources Training Room, located on the 4th floor, 150 W. Congress, Tucson, Arizona at 9:00 a.m. on Thursday, May 14, 2015.

Upon roll call, those present and absent were as follows:

Present: M. Allyn Bulzomi, Chairman
Henry K. Boice, Member
Janet Marcotte
Neil West
Patricia Taylor

Absent: None

Also Present: Marchelle Pappas, Board Coordinator
Patrick McGee, Pima County Finance
Paul Guerrero, Pima County Finance
Anthony Curan, Pima County Finance
Cecilia Damron, Pima County Human Resources
Teri Morando, Pima County Human Resources
Gayl Hayes, Pima County Human Resources
Branson Cobb, Aetna
Paul Zucarelli, President, CBIZ, Consultant

1. PLEDGE OF ALLEGIANCE

All present joined in the pledge of allegiance.

2. Approve Meeting Minutes of February 12, 2015

It was moved by, Janet Marcotte seconded by Neil West and unanimously carried, to approve the minutes from February 12, 2015 with no corrections.

3. Phase I Clinic Feasibility Study Summary- Phase II Recommendation

Allyn reviewed the CBIZ Employer sponsored Clinic Feasibility Study completed in March 2015.

Question rose by Board Trustee Member Neil as to who usually responds to the RFP to provide these types of services. Answer included that there are many entities come in and run the clinics. The question would then be how we incorporate a health care brand that employees recognize. Middle ground is a plan to align with a Banner to include a strategic discussion regarding a partnership. Downside is that Banner doesn't have primary care capabilities. Primary care model that would align with interest to refer to appropriate specialist, this would point to an ACP. Thought process would be that Pima County could build a narrower network through an ACP and Banner. Discussion followed.

Question rose by Board Trustee Member Janet – concerned that the study showed that 88% of employees would more likely use an onsite clinic if they received leave time to do so. Allyn noted that the County would need to have a long discussion regarding letting employees utilize the clinic during work hours. It was discussed that this may cut down on emergency room use and urgent care usage by employees. Discussion followed.

Question rose by Board Trustee Member Janet – regarding on whether the start out costs would come from the Trust? Allyn answered that yes, the cost would come out of the Trust. Allyn noted that discussion began with the County Administrator regarding the second phase of planning to look at the various possibilities.

Allyn addressed moving forward with Phase II of the clinic study and what the Board recommends. Board Trustee Member Henry stated that before the fund moves forward with the implementation that they would want to be able to review all aspects and then vote. It was moved by, Janet Marcotte seconded by Patricia Taylor and unanimously carried, to move forward with the feasibility planning and studying the employer sponsored clinic.

4. Aetna – Pima County Health Plan Review 3rd Quarter (Jan2015-March2015)

Branson reviewed the 3rd quarter plan review. Approximately 400 employees switched from the PPO to the HDHP plan during Annual enrollment.

Question rose by Board Trustee Member Janet regarding the % of change in the Financial Summery. Branson discussed that we are looking at paid claims in the first year and noted that we didn't have mature data. Discussion regarding Aetna winning the Pharmacy bid. Discussion regarding the benefits with Aetna being the PBM as claims would be more accurate as there isn't a lag time. Question rose if there are particular quarters in the year where medical costs increase? Answered that usually at the end of the plan, year as employees who have met their deductible would schedule more procedures; which would be 1st and 4th quarters.

Discussion regarding claimants exceeding \$150,000 which is covered by our Symmetra stop loss; rate increase is possible from Symmetra due to the high costs claims. Staff is moving forward with a recommendation regarding the renewal of the stop loss insurance, as the County continues to require the stop loss insurance until we can build our fund balance.

Question rose by Board Trustee Member Janet – regarding the 22% per spend on pharmacy and how it compares to the book of business. Paul spoke that this is high due to the high cost of specialty drugs. High percentage use of generic drugs is not putting the fund on lower pharmacy cost. However, if we didn't have a high percentage of employees on generic drugs the total spend would be higher. Discussion followed.

Question regarding hospital payout, largest dollar amount paid out and if Aetna can we make these slides more similar for comparison? Possibly by total paid and unit per cost. Going forward Aetna will have by total paid and unit cost. Also Aetna will include a slide that breaks out emergency care and urgent care utilization as the trust looks at employer sponsored clinic feasibility study.

Discussion followed

5. Pima County Health Plan Review 3rd Quarter (Jan2015-March2015)

Paul Guerro presented the financial review. We now have comparison financials as we have the financial data due to being self- insured over a year now.

Discussion regarding fund being positive and if we continue to hold the increase though the calendar year we can look at a re-payment to the County for a higher amount so the Trust would pay the loan off quicker. Question rose by Board Trustee Member Neil regarding the fund balance and questioned as to whether the County can use the savings for any other fund. The County Finance department will look at the option of repayment.

6. CBI – The company that Solved Health Care

Allyn presented the Trust Board members with the book "*The Company that Solved Health Care*" by John Torinus Jr.. Paul discussed the general concept of the book. Board Trustee Member Neil brought up the lag in reimbursement to billing, and how companies in various communities will buy the debt and pass along the discount.

7. Call to the Audience

None –

8. Next meeting date

Next meeting is scheduled to be held on Thursday, August 13, 2015 at 9:00 a.m.

9. Adjournment

As there was no further business, it was moved by Henry Boice and seconded by Janet Marcotte; unanimously carried meeting was adjourned.

Quality health plans & benefits
Healthier living
Financial well-being
Intelligent solutions

aetna®

Pima County Health Plan Review

2014/2015 Annual Review

August 13, 2015

Thank You For Your Business!

Branson



Reporting Parameters*

- Current Reporting Period = 7/1/14 – 3/31/15
- Prior Reporting Period = 7/1/13 – 3/31/14
- Processed Date
- High Cost Claimants (HCC) = >\$100,000
- Aetna's Book of Business (BoB) results include HCCs and are annualized using the most recent 12 months of incurred data with a two month lag

*Unless Otherwise Noted

Demographics

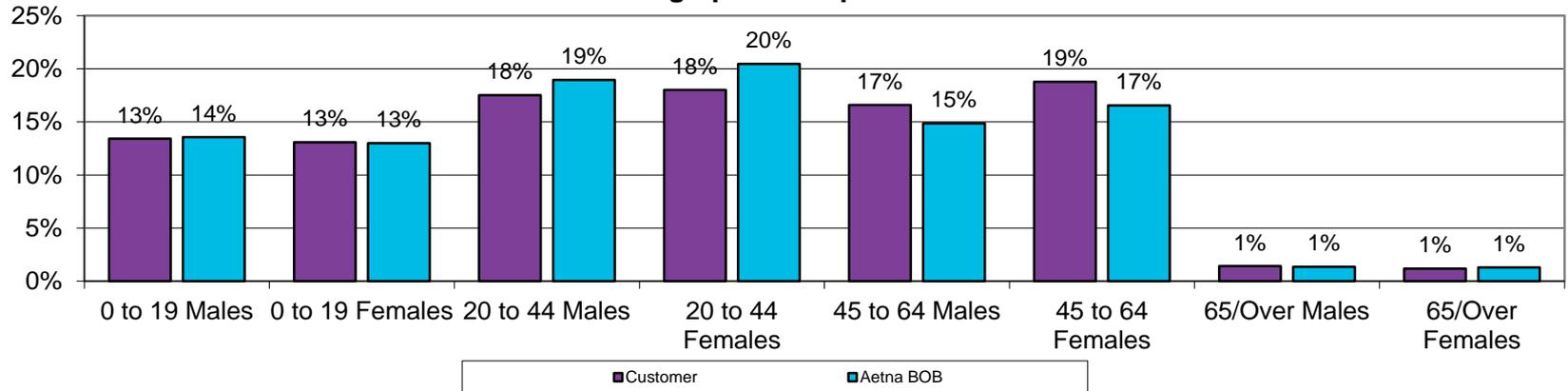
Current vs. Prior Period

	Employees (% Change)	Members (% Change)	Ratio of Members to Employees (% Change)	% Male Members (% Change)	% Female Members (% Change)	Average Age (% Change)
PPO	1,773 (0.0%)	3,713 (1.0%)	2.1 (0.9%)	48.5% (-0.4%)	51.5% (0.4%)	34.9 (-1.6%)
HSA	3,350 (-3.6%)	7,654 (-3.6%)	2.3 (0.0%)	49.5% (0.3%)	50.5% (-0.3%)	34.8 (0.2%)
HDHP	145 (139.6%)	201 (117.4%)	1.4 (-9.3%)	38.8% (-10.6%)	61.2% (10%)	48.5 (15%)
All	5,268 (-0.8%)	11,568 (-1.2%)	2.2 (-0.5%)	49% (-0.1%)	51% (0.1%)	35.1 (0.1%)

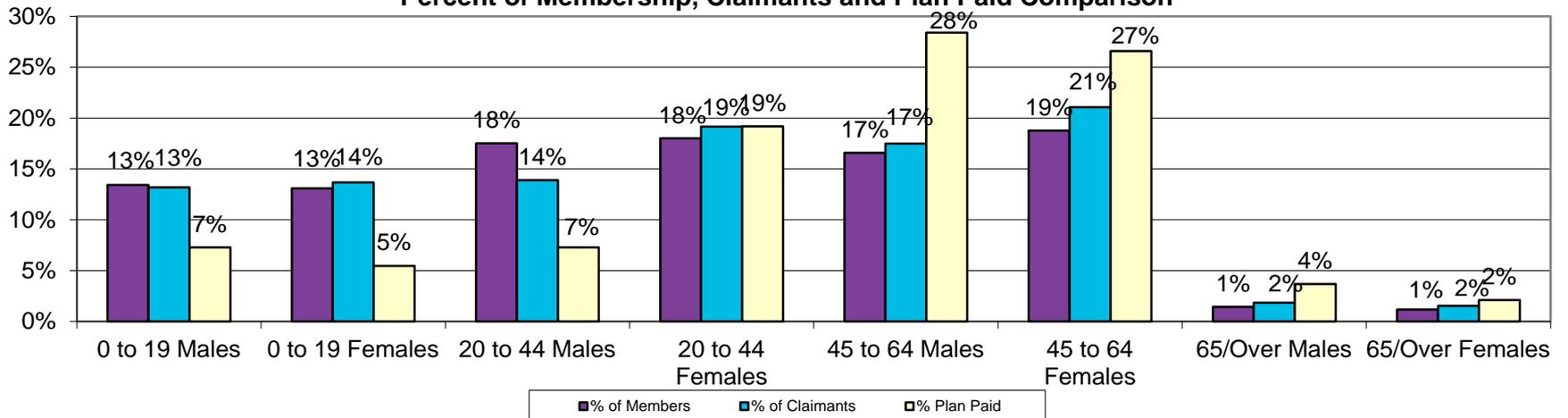
Claim Segmentation

Current

Pima County vs Aetna BOB Age/Gender Demographic Comparison



Pima County Percent of Membership, Claimants and Plan Paid Comparison



Age Band Claim Segmentation

Age Band	Prior	Current	% Change	Aetna BOB	Industry BOB
Less than 1	\$5,265	\$12,400*	135.5%	\$15,164	\$16,077
1 - 19	\$625	\$657	5.1%	\$1,557	\$1,695
20 - 26	\$1,099	\$982	-10.6%	\$2,041	\$2,687
27 - 34	\$1,469	\$2,368	61.2%	\$2,770	\$2,937
35 - 44	\$1,360	\$1,738	27.8%	\$3,270	\$2,931
45 - 54	\$2,529	\$2,905	14.9%	\$4,451	\$4,102
55 - 64	\$3,384	\$4,033	19.2%	\$6,791	\$6,104
65+	\$5,205	\$4,946	-5.0%	\$7,794	\$6,233

*Premature High Cost Claimant

Financial Summary

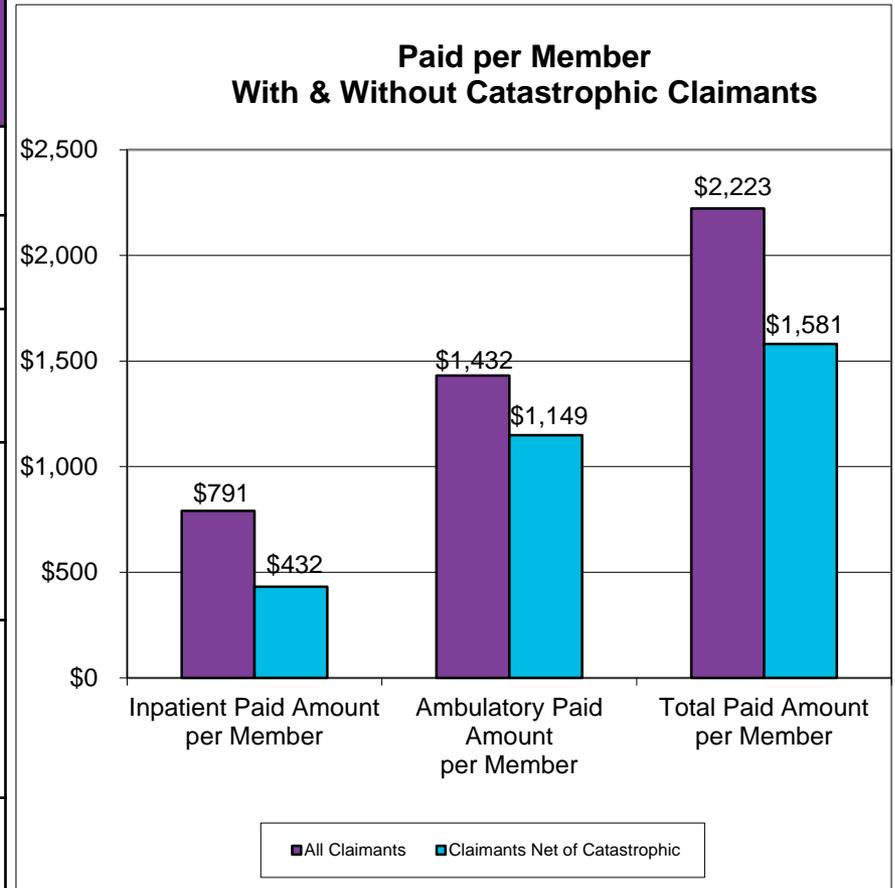
Key Financial Metrics	Prior	Current	% Change	W/O HCC	Aetna BoB*	PPO	HSA/HDHP
Total Medical/Pharmacy Paid Amount	\$29,034,753	\$36,032,453	24.10%	\$28,606,592	N/A	\$14,951,192	\$21,081,261
Total Medical/Pharmacy Paid Amount per Employee	\$5,470	\$6,839	25.04%	\$5,268	N/A	\$8,431 w/ HCC \$7,007 w/o HCC	\$6,033 w/ HCC \$4,629 w/o HCC
Total Medical/Pharmacy Paid Amount per Member	\$5,470	\$3,114	-43.06%	\$2,472	\$4,662	\$5,358 w/ HCC \$4,677 w/o HCC	\$3,606 w/ HCC \$2,981 w/o HCC
Total Medical Paid Amount	\$21,506,073	\$25,711,715	19.60%	\$18,285,854	N/A	\$10,434,142	\$15,277,573
Medical Paid Amount per Employee	\$4,052	\$4,881	20.50%	\$3,471	N/A	\$5,884 w/ HCC \$4,460 w/o HCC	\$4,372 w/ HCC \$2,968 w/o HCC
Medical Paid Amount Per Member	\$1,836	\$2,223	21.07%	\$1,581	\$3,704	\$2,811 w/ HCC \$2,130 w/o HCC	\$1,945 w/ HCC \$1,320 w/o HCC
Total Pharmacy Paid Amount	\$7,528,680	\$10,320,738	37.10%	\$10,320,738	N/A	\$4,517,050	\$5,803,688
Pharmacy Paid Amount per Employee	\$1,418	\$1,959	38.13%	\$1,959	N/A	\$2,547	\$1,661
Pharmacy Paid Amount per Member	\$643	\$892	38.80%	\$892	\$958	\$1,216	\$738
Inpatient Paid Amount per Member	\$576	\$791	37.40%	\$432	\$1,254	\$934	\$724
Ambulatory Paid Amount per Member	\$1,261	\$1,432	13.60%	\$1,149	\$2,450	\$1,876	\$1,221

*Aetna BoB = financial Book of Business result are product specific and adjusted to Pima County's region, age and gender mix.
All BoB metrics are based on the most recent 12 month incurred time frame period with a two month lag.

Impact of High Cost Claimants*

Current vs. Prior

High Cost Claimants			
	Prior	Current	% Change
Number of Claimants	30	33	10.0%
Claimants per 1,000 Members	2.6	2.9	N/A
Medical Paid Amount for these Claimants	\$5,053,092	\$7,425,861	47.0%
Average Paid Per Catastrophic Claimant	\$168,436	\$225,026	33.6%
% of Total Paid Amount	23.5%	28.9%	5.4%

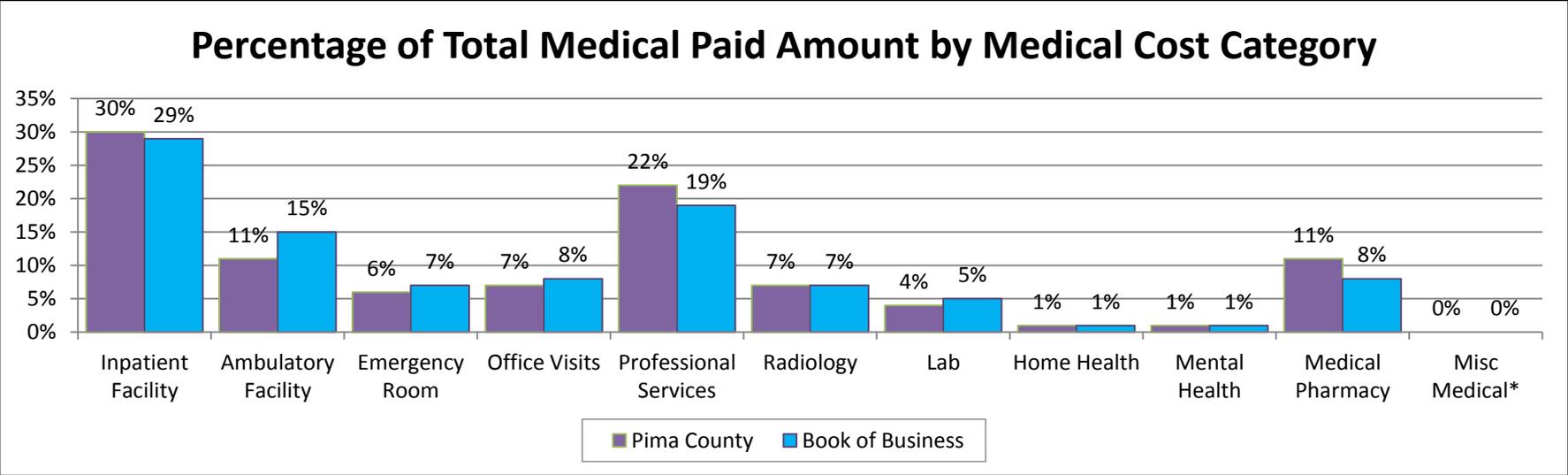


*All Plans, HCC = \$100,000

Claimants Exceeding \$200,000

Current Claimant	Relationship	Status	Medical Plan	Total Medical Paid Amount	Inpatient Paid Amount	Ambulatory Paid Amount	Diagnosis Description
1	Child	Active	HSA	\$989,605	\$875,796	\$113,809	ESRD, Infection - 12/9/2017
2	Employee	Active	PPO	\$683,903	\$394,426	\$289,477	Liver Transplant – Hepatitis C
3	Child	Active	HSA	\$604,155	\$591,858	\$12,297	Extreme Prematurity
4	Spouse	Active	HSA	\$408,949	\$0	\$408,949	Lymphoma
5	Spouse	Active	HSA	\$290,176	\$0	\$290,176	ESRD – 12/28/15
6	Employee	Termed	PPO	\$279,114	\$160,866	\$118,248	Aneurysm
7	Employee	Active	HSA	\$267,197	\$229,104	\$38,093	Cancer - Abdominal Cavity
8	Spouse	Active	HSA	\$238,419	\$0	\$238,419	ESRD – 12/31/15
9	Spouse	Active	HSA	\$231,003	\$141,811	\$89,192	Breast Cancer
10	Employee	Active	HSA	\$213,769	\$45,795	\$167,974	Hepatitis C, Depression, Obesity

Paid Amounts by MCC – All Plans



Medical Utilization Summary

All Plans - Current vs. Prior

Key Utilization Metrics	Prior	Current	% Change	W/O HCC	Aetna BoB*	PPO Current	HSA Current	HDHP Current
Admissions/1,000 Members	44	51	14.5%	44	58	69	42	45
Days of Care/1,000 Members	216	249	15.5%	150	272	290	233	109
Average Length of Stay	4.9	4.9	0.9%	3.4	4.7	4.2	5.5	2.4
Total Surgeries/1,000 Members	512	573	11.9%	554	594	605	549	914
Inpatient Surgeries/1,000 Members	34	43	25.7%	34	43	56	36	40
Ambulatory Surgeries/1,000 Members	478	530	10.9%	520	550	549	512	875
Office Visits/1,000 Members	2,909	3,121	7.3%	3,076	3,582	3,557	2,883	4,134
ER Visits/1,000 Members	158	178	12.5%	172	173	220	158	144

*Aetna BoB = utilization Book of Business result are product specific and adjusted to Pima County's region, age and gender mix. All BoB metrics are based on the most recent 12 month incurred time frame period with a two month lag.

Inpatient MDC Analysis

Major Diagnostic Categories (MDCs)	Admissions per 1,000			Average Paid Amount per Admission			Days of Care Per 1,000		
	Prior Period	Current Period	Aetna BOB	Prior Period	Current Period	Aetna BOB	Prior Period	Current Period	Aetna BOB
01 - Nervous System	1.5	2.2	2.5	\$19,456	\$20,245	\$33,719	13	9	15
02 - Eye	0.0	0.0	0.1	N/A	N/A	\$17,567	0	0	0
03 - Ear, Nose and Throat	0.7	0.5	0.4	\$5,654	\$9,563	\$21,766	2	1	1
04 - Respiratory System	2.0	2.2	2.8	\$14,887	\$16,418	\$26,625	9	10	17
05 - Circulatory System	2.2	3.4	3.5	\$32,146	\$30,792	\$39,607	18	23	16
06 - Digestive System	2.8	4.1	4.1	\$11,889	\$20,359	\$22,090	10	22	17
07 - Hepatobiliary Sys/Pancreas	0.9	1.6	1.7	\$12,358	\$19,607	\$27,483	3	5	8
08 - Musculoskeletal/Connective	5.1	4.3	5.3	\$19,226	\$19,639	\$39,980	15	15	20
09 - Skin, Subcutaneous, Breast	0.4	0.5	1.2	\$17,165	\$10,492	\$22,006	1	1	6
10 - Endocrine, Metabolic	0.9	0.6	1.8	\$9,952	\$7,390	\$21,122	4	1	7
11 - Kidney, Urinary Tract	1.0	1.6	1.3	\$24,909	\$13,658	\$20,342	4	6	6
12 - Male Reproductive	0.0	0.2	0.2	N/A	\$23,784	\$19,861	0	0	0
13 - Female Reproductive	0.7	0.4	1.1	\$11,982	\$9,630	\$16,561	2	0	3
14 - Pregnancy/Childbirth	8.4	9.9	11.1	\$7,349	\$7,434	\$10,825	22	34	31
15 - Newborns	6.6	9.4	10.4	\$4,027	\$8,815	\$9,928	21	36	36
16 - Blood/Organs	0.3	0.3	0.5	\$10,333	\$15,318	\$26,729	1	1	2
17 - Other Neoplasms	0.7	0.4	1.1	\$52,954	\$16,026	\$51,595	7	2	8
18 - Infectious-Parasitic	1.3	1.7	1.6	\$23,388	\$47,381	\$34,883	8	24	12
19 - Mental Disorders	2.6	2.3	2.5	\$5,591	\$5,566	\$8,758	22	14	21
20 - Substance Disorders	1.7	0.9	1.5	\$6,737	\$3,467	\$9,731	12	5	15
21 - Injury and Poisoning	2.3	2.6	2.0	\$13,178	\$27,637	\$33,923	9	16	12
22 - Burns	0.0	0.1	0.0	N/A	\$4,737	\$34,611	0	0	0
23 - Selected Factors*	1.9	1.3	1.0	\$16,132	\$15,433	\$26,422	31	22	18
Unclassifiable	0.1	0.1	0.1	\$15,798	\$28,854	\$51,506	0	1	1
Totals:	44.3	50.7	57.8	\$12,990	\$15,591	\$21,702	216	249	272

* Includes miscellaneous factors related to health status, illness or injury (preventive services, undiagnosed conditions, family history of disease, speech therapy, rehab, PT, vaccines, pulmonary, etc.).

Ambulatory MDC Analysis

Major Diagnostic Categories (MDCs)	Claimants per 1,000			Average Paid Amount per Claimant		
	Prior Period	Current Period	Aetna BOB	Prior Period	Current Period	Aetna BOB
01 - Nervous System	97.2	107.4	105.3	\$586	\$639	\$1,317
02 - Eye	171.6	163.3	137.7	\$137	\$180	\$346
03 - Ear, Nose and Throat	259.2	295.2	324.2	\$192	\$226	\$390
04 - Respiratory System	139.8	151.5	157.1	\$246	\$246	\$477
05 - Circulatory System	152.9	160.7	171.4	\$467	\$628	\$1,093
06 - Digestive System	140.5	148.5	154.9	\$893	\$738	\$1,457
07 - Hepatobiliary Sys/Pancreas	19.8	22.5	20.3	\$1,306	\$2,299	\$2,379
08 - Musculoskeletal/Connective	267.5	282.8	303.2	\$580	\$639	\$1,437
09 - Skin, Subcutaneous, Breast	222.8	236.6	246.4	\$441	\$429	\$653
10 - Endocrine, Metabolic	221.9	227.2	210.5	\$190	\$191	\$399
11 - Kidney, Urinary Tract	99.1	108.9	93.5	\$940	\$1,010	\$1,445
12 - Male Reproductive	23.4	25.9	26.4	\$581	\$789	\$844
13 - Female Reproductive	173.2	180.6	191.1	\$350	\$386	\$589
14 - Pregnancy/Childbirth	18.7	21.4	24.8	\$1,345	\$1,079	\$1,695
15 - Newborns	3.5	4.5	5.9	\$91	\$106	\$380
16 - Blood/Organs	24.8	28.7	31.2	\$469	\$489	\$1,110
17 - Other Neoplasms	30.9	31.6	31.9	\$3,772	\$4,042	\$4,473
18 - Infectious-Parasitic	263.9	287.3	223.6	\$82	\$112	\$145
19 - Mental Disorders	81.5	91.0	101.2	\$400	\$367	\$606
20 - Substance Disorders	4.8	5.1	7.3	\$3,728	\$1,372	\$4,140
21 - Injury and Poisoning	71.6	77.6	74.9	\$509	\$467	\$810
22 - Burns	1.6	1.1	1.7	\$98	\$291	\$547
23 - Selected Factors*	491.3	518.3	509.3	\$299	\$321	\$474
Unclassifiable	3.3	14.0	2.7	\$520	\$59	\$814
Totals:	873.2	908.2	1,011.7	\$1,444	\$1,576	\$2,422

* Includes miscellaneous factors related to health status, illness or injury (preventive services, undiagnosed conditions, family history of disease, speech therapy, rehab, PT, vaccines, pulmonary, etc.).

Key Statistics - Pharmacy

Key Statistics	Prior	Current	% Change	Aetna BoB
Cost				
Total Script Cost	\$9,207,595	\$12,075,297	31.14%	-
Average Script Cost	\$60.85	\$79.27	30.27%	\$104.32
Average Member Out of Pocket Per Script	\$13.54	\$13.47	-0.52%	\$15.82
Total Plan Cost	\$7,531,543	\$10,320,738	37.03%	-
Plan Cost PMPM	\$53.59	\$74.24	38.53%	\$82.46
Member Share	18.20%	14.50%	-20.33%	11.9%/14.0%*
Total Specialty Script Cost	\$2,772,677	\$4,474,245	61.37%	-
Average Specialty Script Cost	\$2,681.51	\$3,655.00	36.30%	-
Total Plan Specialty Cost	\$2,602,653	\$4,268,181	63.99%	-
Plan Specialty Cost PMPM	\$18.52	\$30.75	66.03%	\$25.34
Member Share of Specialty	6.10%	4.60%	-24.59%	2.0%/2.3%*
Utilization				
Rx Count	123,754	130,023	5.07%	-
Claims Per Member	10.57	11.25	6.43%	10.15
Generic Utilization	83.46%	84.66%	1.43%	80.5% / 78.6%*
Mail Order Utilization	3.90%	3.25%	-16.73%	10.1% / 5.0%*
Demographics				
Average Age	35	35	0.00%	36
Average Eligible Member Count	11,712	11,568	-1.23%	-

* Industry BoB – Public Administration

Top 10 Drugs by Volume

Drug Label Name	Number of Utilizing Members	Number of Claims	Paid Amount	Drug Treatment
LISINAPRIL	737	5,482	\$12,596	High Blood Pressure
LEVOTHYROXIN	548	4,156	\$14,557	Hypothyroidism
METFORMIN	470	3,074	\$13,627	Diabetes
SIMVASTATIN	399	2,926	\$10,162	Cholesterol
AMLODIPINE	324	2,378	\$6,820	High Blood Pressure
ATORVASTATIN	353	2,271	\$36,649	Cholesterol
HYDROCO/APAP	1,023	2,196	\$15,202	Pain Reliever
MONTELUKAST	325	1,657	\$46,704	Asthma/Allergies
LOSARTAN POT	236	1,645	\$11,052	High Blood Pressure
PROAIR HFA	828	1,571	\$70,795	Asthma/COPD
Top 10 Drugs Total		27,356	\$238,166	

Top 10 Drugs by Cost

Drug Label Name	Number of Utilizing Members	Number of Claims	Calculated Ingredient Cost	Drug Treatment
SOVALDI	5	23	\$665,801	Hepatitis C
HARVONI	7	18	\$583,575	Hepatitis C
HUMIRA PEN	14	110	\$382,725	Rheumatoid Arthritis, Psoriasis
ENBREL SRCLK	16	121	\$379,453	Rheumatoid Arthritis, Psoriasis
LANTUS	107	689	\$306,879	Diabetes
CRESTOR	177	1,299	\$277,394	Cholesterol
COPAXONE	7	51	\$264,050	Multiple Sclerosis
REBIF	5	44	\$239,409	Multiple Sclerosis
ENBREL	6	64	\$209,297	Rheumatoid Arthritis, Psoriasis
OXYCONTIN	43	346	\$208,603	Pain Reliever
Top 10 Drugs Total		2,765	\$3,517,186	

Top 10 Drugs by Unit Cost

Drug Label Name	Number of Utilizing Members	Number of Claims	Unit Cost per Member	Drug Treatment	Drug Type
SOVALDI	5	23	133,160	Hepatitis C	Specialty
TRACLEER	1	11	89,084	Multiple Sclerosis	Specialty
HARVONI	7	18	83,368	Hepatitis C	Specialty
ZYTIGA	1	9	70,497	Prostate Cancer	Specialty
OLYSIO	1	3	68,377	Hepatitis C	Specialty
AUBAGIO	1	13	66,483	Multiple Sclerosis	Specialty
STELARA	3	13	48,849	Plaque Psoriasis and Psoriatic Arthritis	Specialty
REBIF	5	44	47,882	Multiple Sclerosis	Specialty
COPAXONE	7	51	37,721	Multiple Sclerosis	Specialty
TECFIDERA	3	20	35,648	Multiple Sclerosis	Specialty
Top 10 Drugs Total		205	681,070		

Service Activity – All Plans

Contact Reason	1Q	2Q	3Q	4Q	Total	Aetna Navigator Registration & Access	4th Quarter	FY
Benefit Payment	1,861	1,738	1,962	1,903	7,464	New Subscribers Registered	77	760
Coverage Inquiry	1,068	1,007	1,202	1,217	4,494	Logons	10,561	55,555
Eligibility	339	250	341	320	1250	Top 5 Logon Reasons	4th Quarter	FY
Healthcare Access	290	539	596	664	2,089	Claim Status	3,822	15,624
Misc.	163	175	291	297	926	PHR Message	1,687	11,294
Self Service	655	282	1,547	281	2,765	Simple Steps	481	10,795
Total	4,376	3,991	5,939	4,682	18,988	e.EOB Inquiry	1,885	7,361
Personal Health Record (PHR)		Informed Health Line (IHL)				e.EOB Details	1,867	7,226
1,459		52						

ER Utilization

Provider Category	Prior Period	Current Period	Actual Variance	Percent Variance
ER Professional Services				
Number of Visits	2,032	2,313	281	14%
Billed Amount	\$1,244,269	\$1,479,278	\$235,009	19%
Allowed Amount	\$658,822	\$779,130	\$120,308	18%
Paid Amount	\$465,410	\$540,560	\$75,149	16%
Paid Per Visit	\$229	\$234	\$5	2%
Paid Per Member	\$40	\$47	\$7	18%
ER Facility Services				
Number of Visits	1,850	2,055	205	11%
Billed Amount	\$6,736,706	\$7,423,165	\$686,460	10%
Allowed Amount	\$2,029,705	\$2,250,799	\$221,094	11%
Paid Amount	\$1,240,297	\$1,426,509	\$186,212	15%
Paid Per Visit	\$670	\$694	\$24	4%
Paid Per Member	\$106	\$123	\$17	16%
Total ER Services				
Number of Visits	1,850	2,055	205	11%
Number of Claimants	1,226	1,339	113	9%
Billed Amount	\$7,980,975	\$8,902,443	\$921,468	12%
Allowed Amount	\$2,688,527	\$3,029,929	\$341,402	13%
Paid Amount	\$1,705,707	\$1,967,068	\$261,361	15%
Paid Per Visit	\$922	\$957	\$35	4%
Paid Per Member	\$146	\$170	\$24	17%

Urgent Care Utilization

Provider Category	Prior Period	Current Period	Actual Variance	Percent Variance
Urgent Care Centers				
Number of Visits	3,723	3,292	-431	-11.6%
Number of Claimants	2,188	2,323	135	6.2%
Allowed Amount	\$541,790	\$550,893	\$9,103	1.7%
Paid Amount	\$226,411	\$264,401	\$37,990	16.8%
Paid Per Visit	\$60.81	\$80.32	20	32.1%
Paid Per Claimant	\$103.48	\$113.82	10	10.0%
Walk-in Clinics				
Number of Visits	1,352	1,363	11	0.8%
Number of Claimants	1,114	1,070	-44	-3.9%
Allowed Amount	\$75,943	\$83,201	\$7,258	9.6%
Paid Amount	\$31,146	\$32,228	\$1,082	3.5%
Paid Per Visit	\$23.04	\$23.65	1	2.6%
Paid Per Claimant	\$27.96	\$30.12	2	7.7%

Network Summary

All Plans - Current vs. Prior Period

Provider Network Savings	Prior	Current	% Change	Current Network Discount Savings
Billed Network Charges (before discount)	\$66,606,084	\$75,072,738	12.7%	
Network Discount Savings				
Inpatient Facility	\$12,588,882	\$14,944,772	18.7%	66.2%
Ambulatory Facility	\$14,854,421	\$15,167,328	2.1%	70.2%
Physician/Other	\$15,702,158	\$18,173,128	15.7%	58.8%
Total	\$43,145,461	\$48,285,228	11.9%	64.3%
Per Employee	\$8,128	\$9,166	12.8%	
Per Member	\$3,684	\$4,174	13.3%	
Per Admission	\$24,492	\$25,946	5.9%	
Network Utilization Metrics				Aetna BOB
% Admissions in Network	99.0%	98.1%	-0.9%	96.6%
% Physicians Office Visits in Network	98.8%	98.2%	-0.6%	91.7%
% Claims Paid In Network	96.2%	94.2%	-2.0%	88.3%

Top 25 Providers

Provider Name	Provider Type	Number of Claims	Paid Amount	Unit Cost
Banner University Medical Center - Tucson	Acute Short Term Hospital	1,869	\$3,544,393	\$1,896
Tucson Medical Center	Acute Short Term Hospital	1,461	\$2,216,636	\$1,517
Carondelet St. Joseph's Hospital	Acute Short Term Hospital	2,019	\$1,913,476	\$948
Northwest Medical Center	Acute Short Term Hospital	1,986	\$1,634,037	\$823
Banner University Medical Center - South	Acute Short Term Hospital	709	\$1,047,560	\$1,478
University Physicians Healthcare - PCP	Physician	6,035	\$951,742	\$158
ACP AZ Community Physicians Lab	Independent Lab	15,794	\$812,554	\$51
Michael R. Manning - Arizona Oncology Associates	Physician	1,345	\$749,728	\$557
Tucson VAMC	Acute Short Term Hospital	1,300	\$374,168	\$288
Radiology Ltd., P.L.C.,	Radiology Center	2,901	\$341,568	\$118
Christopher Andrew Sullivan - Genesis OB/GYN	Physician	1,593	\$276,250	\$173
Sonora Quest Laboratories	Independent Lab	10,548	\$249,515	\$24
Michael L. Beals - Carondelet Medical Group	Physician	2,669	\$185,874	\$70
Lori Ann Bryant - Tucson Orthopedic Institute	Physical Therapist	1,609	\$179,755	\$112
Ajay Tuli - Pima Heart Physicians	Physician	794	\$105,061	\$132
Gary L. Wood - Northwest Allied Physicians	Physician	1,177	\$80,239	\$68
Jose A. Rios - El Rio	Physician	799	\$67,933	\$85
Nextcare Urgent Care- 43rd	Urgent Care Center (non-HMO)	1,179	\$58,899	\$50
Robert L. Dean - Tucson ENT Associates	Physician	867	\$53,461	\$62
Safeway Inc. – Flu Shots	Other Medical Provider	1,219	\$29,290	\$24
Labcorp	Independent Lab	1,334	\$25,963	\$19
Arizona State Radiology	Physician	840	\$25,407	\$30
Marcin Bartłomiej Turecki - Catalina Radiology PLC	Physician	747	\$19,297	\$26
MinuteClinic Diagnostic of Arizona, LLC	Nurse Practitioner	736	\$17,735	\$24
Take Care Health Arizona, P.C.	Nurse Practitioner	779	\$14,511	\$19

Hospital Profile

Hospital Name	Total Medical Paid Amount	Inpatient Paid Amount	% of Total Inpatient Paid Amount	Ambulatory Paid Amount	% of Total Ambulatory Paid Amount
Banner University Medical Center Tucson	\$4,552,174	\$2,529,377	33%	\$2,022,797	31%
Tucson Medical Center	\$2,207,526	\$1,274,911	16%	\$932,615	14%
Northwest Medical Center	\$1,494,967	\$694,040	9%	\$800,927	12%
Carondelet St. Mary's Hospital	\$967,050	\$651,549	8%	\$315,501	5%
Carondelet St. Joseph's Hospital	\$919,714	\$637,226	8%	\$282,488	4%
Mayo Clinic Hospital	\$755,453	\$485,209	6%	\$270,244	4%
Western Regional Medical Center	\$430,331	\$0	0%	\$430,331	7%
Oro Valley Hospital	\$361,060	\$152,486	2%	\$208,575	3%
The University of TX M.D. Anderson Cancer	\$356,540	\$240,569	3%	\$115,971	2%
Banner University Medical Center South	\$352,453	\$66,867	1%	\$285,586	4%
Tucson VAMC	\$349,920	\$22,314	0%	\$327,606	5%
Banner University Medical Center Phoenix	\$131,867	\$126,360	2%	\$5,507	0%
CHI St. Luke's Health Baylor College	\$129,554	\$129,554	2%	\$0	0%
Kindred Hospital of Tucson	\$109,714	\$109,714	1%	\$0	0%
Camp Lowell Surgery Center, LLC	\$72,718	\$0	0%	\$72,718	1%
Flagstaff Medical Center	\$67,587	\$54,128	1%	\$13,459	0%
Healthsouth Rehabilitation Institute	\$63,977	\$62,656	1%	\$1,321	0%
Tucson Surgery Center	\$61,220	\$0	0%	\$61,220	1%
Healthsouth Rehabilitation Hospital	\$52,347	\$52,347	1%	\$0	0%
Sonora Behavioral Health Hospital	\$46,298	\$46,239	1%	\$59	0%
Banner Estrella Medical Center	\$45,202	\$32,142	0%	\$13,060	0%
Arizona Digestive Institute	\$43,191	\$0	0%	\$43,191	1%
St. Joseph's Hospital and Medical Center	\$42,329	\$39,209	1%	\$3,120	0%
Chandler Regional Medical Center	\$36,713	\$23,394	0%	\$13,319	0%
Cornerstone Hospital of Southeast Arizona	\$32,984	\$32,984	0%	\$0	0%
All Other Hospitals:	\$652,088	\$273,277	4%	\$378,811	6%
Totals:	\$14,334,975	\$7,736,551	100%	\$6,598,424	100%

Cost Sharing

	Prior Period	Current Period	% Change	PPO	HSA/HDHP	HSA/HDHP including HSA Fund	Aetna BOB
Number of Employees	5,308	5,268	-0.8%	1,773	3,495	3,495	
Allowed Amount	\$29,420,587	\$33,753,160	14.7%	\$12,226,868	\$16,501,059	\$16,501,059	
Pima County HSA Contribution						\$5,321,042	
Coordination of Benefits (COB)	\$214,063	\$217,562	1.6%	\$103,351	\$114,211	\$114,211	
Deductible	\$6,007,558	\$6,250,888	4.1%				
Copays	\$574,041	\$560,316	-2.4%				
Coinsurance	<u>\$1,118,852</u>	<u>\$1,012,680</u>	-9.5%				
Employee Paid Portion	\$7,700,451	\$7,823,884	1.6%	\$1,689,376	\$6,011,520	\$6,011,520	
Employee Paid Portion per Employee	\$1,451	\$1,485	2.4%	\$953	\$1,720	\$1,720	
Employer Plan Paid Portion	\$21,506,073	\$25,711,715	19.6%	\$10,434,142	\$10,375,328	\$15,810,581	
Employer Plan Paid Portion per Employee	\$4,052	\$4,881	20.5%	\$5,884 w/ HCC \$4,461 w/o HCC	\$4,372 w/ HCC \$2,969 w/o HCC	\$5,893 w/ HCC \$4,358 w/o HCC	
Employer % Share Medical	73.1%	76.2%	3.1%	85.3%	62.9%	75.37%	81.7%
Employee % Share Medical	26.2%	23.2%	-3.0%	13.8%	36.4%	24.18%	16.6%
COB % Share Medical	0.7%	0.6%	-0.1%	0.8%	0.7%	0.45%	1.7%

Thank you



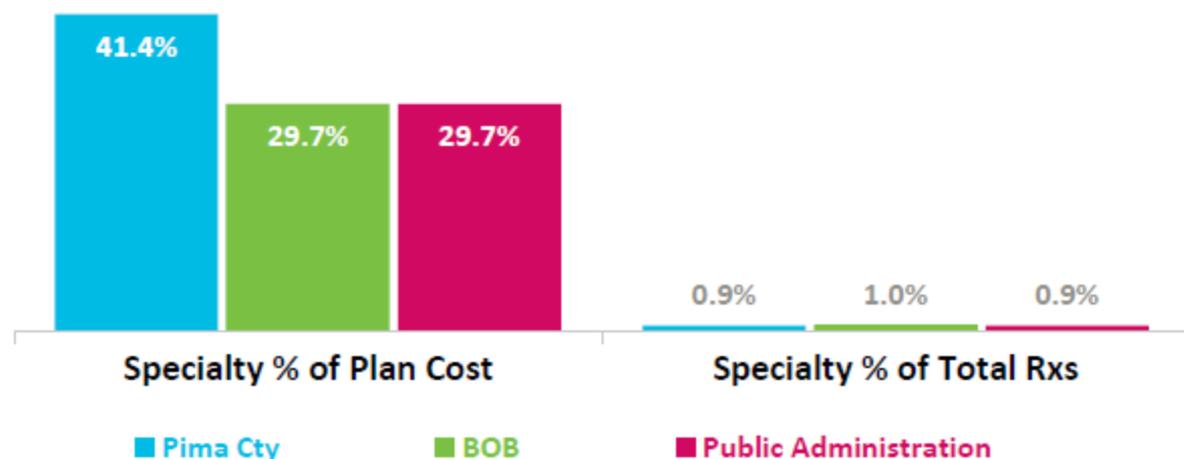
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Appendix

Your Executive Summary



Specialty Pharmacy Cost and Utilization



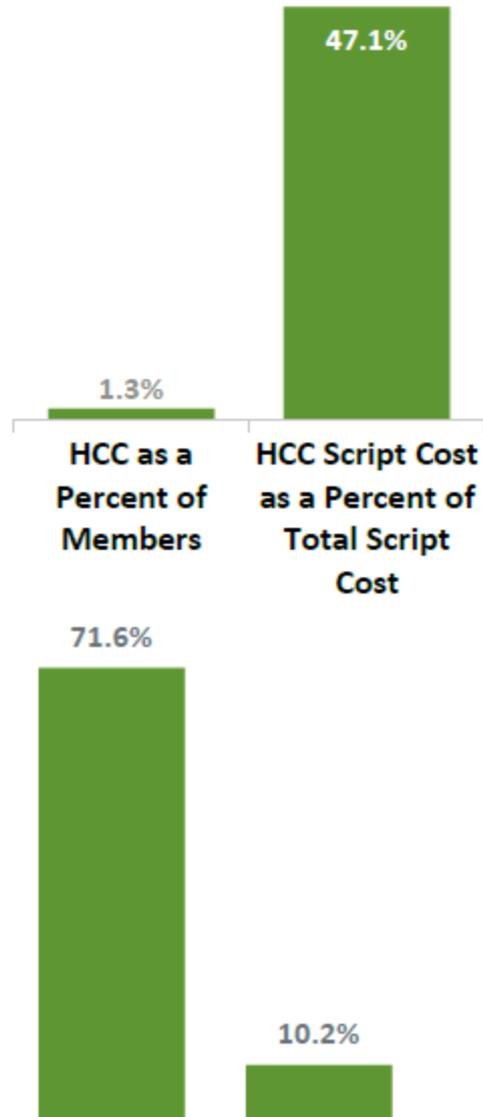
Specialty Pharmacy

Your Specialty Plan Cost increased 64.0% to \$4,268,181 representing 41.4% of your Total Plan Cost. Your Specialty utilizers increased 16.8% to 167 representing 1.4% of your total members.

Your net cost per specialty utilizer increased 64.0% from \$18,200 in Jul-Jun 14 to \$30.75 in Jul-Jun 15.

Specialty Class	Jul-Jun 14				Jul-Jun 15				% Change		
	Total Plan Cost	Total Plan Cost PMPM	Unique Members	Cost Per Utilizer	Total Plan Cost	Total Plan Cost PMPM	Unique Members	Cost Per Utilizer	Total Plan Cost	Total Plan Cost PMPM	Unique Member
Hepatitis	\$234,572	\$1.67	4	\$58,642.95	\$1,323,577	\$9.53	13	\$101,813.60	464%	471%	225%
Auto-Immune	\$775,280	\$5.52	43	\$18,029.76	\$1,097,639	\$7.91	41	\$26,771.68	42%	43%	-5%
Multiple Sclerosis	\$722,030	\$5.14	15	\$48,135.32	\$695,570	\$5.01	16	\$43,473.10	-4%	-2%	7%
Oral Oncolytics	\$209,436	\$1.49	5	\$41,887.23	\$289,941	\$2.09	9	\$32,215.71	38%	40%	80%
Hiv / Aids	\$271,545	\$1.93	15	\$18,102.98	\$254,499	\$1.83	16	\$15,906.19	-6%	-5%	7%
Subtotal	\$2,212,862	\$15.74	82	\$26,986.12	\$3,661,226	\$26.37	94	\$38,949.21	65%	68%	15%
All Others	\$389,791	\$2.77	62	\$6,286.96	\$606,955	\$4.37	76	\$7,986.25	56%	58%	23%
Total	\$2,602,653	\$18.52	143	\$18,200.37	\$4,268,181	\$30.75	167	\$25,557.97	64%	66%	17%

High Cost Claimant Analysis: Members with greater than \$12000 in Total Script Cost



Metric	Jul-Jun 14	Jul-Jun 15	% Change
HCC Members	104	155	49.0%
HCC Script Cost	\$3,349,409	\$5,677,592	69.5%
HCC Script Cost Per HCC	\$32,206	\$36,630	13.7%
HCC Average Age	52.0	50.1	-3.6%
Script Cost Excluding HCC Per Non HCC	\$729	\$783	7.5%

Top Common Use by Script Cost for HCC Members		
Rank	Common Use	Total Script Cost
1	Hepatitis	\$1,340,769
2	Auto-Immune	\$1,181,522
3	Multiple Sclerosis	\$737,865
4	Diabetes	\$438,786
5	Cancer	\$288,077

Top HCC Members by Script Cost		
Member Rank	Primary Common Use	Total Script Cost*
1	Hepatitis	\$281,167
2	Hepatitis	\$175,894



Specialty Health

An Expanded
Holistic Model
Members with
Complex Cond

- Coordinated care
9 conditions
- 45% engagement
- Focus on removal
to adherence to
health outcomes
- Coordinates
copay assistance
- Provides education
- Works with prov
change therapy
necessary
- Choice of access

Your Top Common Use Review

By Plan Cost

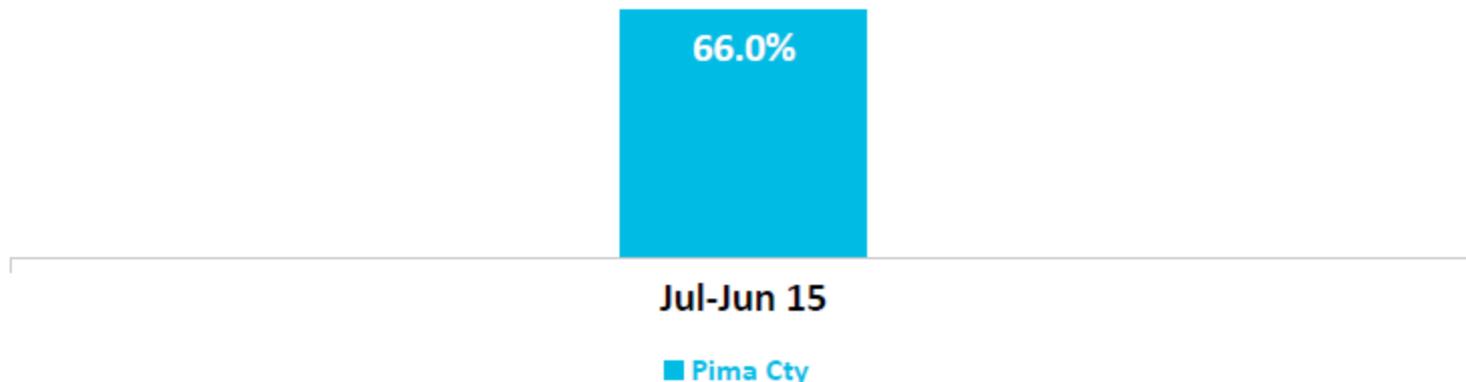


			Class	Cost					Utilization			
BOB Rank	Prior Rank	Current Rank	Common Use	Total Plan Cost	% Total Plan Cost	Total Plan Cost PMPM	Plan Trend	Total Script Cost	Total Script Cost PMPM	Script Trend	Utilizing Members	% Utilization Members
10	10	1	Hepatitis	\$1,323,577	12.8%	\$9.53	471.3%	\$1,340,769	\$9.66	458.2%	13	0.2%
1	1	2	Diabetes	\$1,251,614	12.1%	\$9.02	46.3%	\$1,304,987	\$9.40	44.6%	661	8.0%
2	2	3	Auto-Immune	\$1,176,660	11.4%	\$8.48	42.7%	\$1,278,699	\$9.21	40.9%	69	0.8%
5	3	4	Multiple Sclerosis	\$695,570	6.7%	\$5.01	-2.5%	\$737,865	\$5.32	-2.0%	16	0.2%
7	5	5	Asthma	\$630,372	6.1%	\$4.54	18.1%	\$676,515	\$4.87	17.9%	1,356	16.3%
3	4	6	High Cholesterol	\$609,424	5.9%	\$4.39	14.2%	\$650,643	\$4.69	13.1%	1,330	16.0%
4	6	7	Cardiovascular	\$391,104	3.8%	\$2.82	5.2%	\$463,955	\$3.34	4.6%	2,038	24.6%
6	9	8	Cancer	\$355,980	3.5%	\$2.56	43.9%	\$382,429	\$2.75	41.7%	136	1.6%
14	7	9	Pain	\$352,881	3.4%	\$2.54	11.7%	\$460,372	\$3.32	9.5%	2,371	28.6%
9	8	10	Hiv	\$254,499	2.5%	\$1.83	-5.1%	\$277,600	\$2.00	-5.1%	16	0.2%
Subtotal				\$7,041,681	68.3%	\$50.73		\$7,573,833	\$54.56			

Specialty Pharmacy Trend, Cost and Utilization Metrics



Specialty Plan Cost PMPM Trend



Your Specialty Utilization Metrics

	Jul-Jun 14	Jul-Jun 15	% Change	BOB	Public
Specialty Prescriptions	1,034	1,138	10.1%		
Specialty % of Total Prescriptions	0.8%	0.9%	4.8%	1.0%	
% Aetna Specialty Pharmacy Prescriptions	65.9%	72.5%	10.1%		
Specialty Utilizers	143	167	16.8%		
Specialty % of Total Utilizers	1.8%	2.0%	14.6%		
Average Age per Specialty Utilizer	50.9	49.2	-3.2%		

Your Specialty Cost Metrics

Specialty Script Cost	\$2,772,677	\$4,474,245	61.4%	
% Specialty Prescriptions By Script Cost	30.1%	37.1%	23.2%	26.7%
Specialty Plan Cost	\$2,602,653	\$4,268,181	64.0%	
% Specialty Prescriptions By Plan Cost	34.6%	41.4%	19.8%	29.7%
Specialty Member Cost	\$170,024	\$206,064	21.2%	
% Specialty Member Cost Share	6.1%	4.6%	-24.9%	2.0%

Your Top 25 Specialty Therapeutic Class Review

By Plan Cost



BOB Rank	Prior Rank	Current Rank	Specialty Class	Total Plan Cost*	% Specialty Plan Cost	Total Plan Cost PMPY	Total Utilizing Members	% of Specialty Utilizers	% Change in Utilizing Members	Total Plan Cost Per Utilizer
5	4	1	Hepatitis	\$1,323,577	31.0%	\$114.42	13	7.8%	225.0%	\$101,814
1	1	2	Auto-Immune	\$1,097,639	25.7%	\$94.89	41	24.6%	-4.7%	\$26,772
2	2	3	Multiple Sclerosis	\$695,570	16.3%	\$60.13	16	9.6%	6.7%	\$43,473
3	5	4	Oral Oncolytics	\$289,941	6.8%	\$25.06	9	5.4%	80.0%	\$32,216
4	3	5	Hiv / Aids	\$254,499	6.0%	\$22.00	16	9.6%	6.7%	\$15,906
9	7	6	Psoriasis	\$136,653	3.2%	\$11.81	4	2.4%	0.0%	\$34,163
13	8	7	Asthma	\$107,529	2.5%	\$9.30	4	2.4%	0.0%	\$26,882
10	6	8	Pah	\$87,348	2.0%	\$7.55	2	1.2%	100.0%	\$43,674
7	0	9	Growth Hormone	\$59,664	1.4%	\$5.16	1	0.6%	NA	\$59,664
20	9	10	Osteoporosis	\$48,671	1.1%	\$4.21	10	6.0%	25.0%	\$4,867
12	11	11	Deep Vein Thrombosis	\$37,561	0.9%	\$3.25	27	16.2%	28.6%	\$1,391
23	13	12	Rsv	\$24,418	0.6%	\$2.11	2	1.2%	100.0%	\$12,209
14	10	13	Transplant	\$21,700	0.5%	\$1.88	7	4.2%	-12.5%	\$3,100
18	12	14	Colony Stimulant	\$15,741	0.4%	\$1.36	1	0.6%	-50.0%	\$15,741
6	18	15	Other	\$15,094	0.4%	\$1.30	2	1.2%	100.0%	\$7,547
21	19	16	Infection	\$12,975	0.3%	\$1.12	1	0.6%	0.0%	\$12,975
25	0	17	Gastrointestinal Disorder	\$10,115	0.2%	\$0.87	4	2.4%	NA	\$2,529
33	0	18	Female Hormone Replacemen	\$6,726	0.2%	\$0.58	2	1.2%	NA	\$3,363
28	21	19	Hormonal Agent	\$6,640	0.2%	\$0.57	4	2.4%	300.0%	\$1,660
	14	20	Neurological Neuromuscula	\$6,358	0.1%	\$0.55	3	1.8%	0.0%	\$2,119
22	15	21	Osteoarthritis	\$6,272	0.1%	\$0.54	4	2.4%	0.0%	\$1,568
34	20	22	Cardiovascular	\$2,209	0.1%	\$0.19	1	0.6%	0.0%	\$2,209
26	16	23	Acromegaly	\$801	0.0%	\$0.07	1	0.6%	0.0%	\$801
24	17	24	Hyperparathyroidism	\$482	0.0%	\$0.04	1	0.6%	-50.0%	\$482