

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 14, 2014; convening at 9:00a.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 8, 2014**
- D. Nicotine Free Workforce Initiative**
- E. Pima County Health Plan Review (Aetna)**
- F. Call to the audience**
- G. Next meeting date**
- H. 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 8th, 2014.

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

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

Absent: Patricia Taylor, Member

Also Present: Marchelle Pappas, Board Coordinator
Patrick McGee, Pima County Finance
Paul Guerrero, Pima County Finance
Ellen Moulton, Pima County Finance
Cecilia Damron, Pima County Human Resources
Gayl Hayes, Pima County Human Resources
Paul Zucarelli, President, CBIZ, Consultant
Oscar Diaz, CBIZ, Consultant
Frank Benedetto, Aetna
Dave Madden, Aetna
Dr. James Krominga, Aetna

1. PLEDGE OF ALLEGIANCE

All present joined in the pledge of allegiance.

2. Approve Meeting Minutes of November 7, 2013

It was moved by Janet Marcotte, seconded by Dr. Neil West and unanimously carried, to approve the minutes as recorded

3. Approve Meeting Minutes of February 13, 2014

It was moved by Henry Boice, seconded by Janet Marcotte and unanimously carried, to approve the minutes as recorded.

4. Employee Insurance Rates FY14/15 – Board of Supervisors Approval

Memorandum to the Board of Supervisors for Medical Insurance for County Employees FY2014-15 was presented. Discussion followed. No action taken.

5. Pima County Health Plan Review Aetna

Dave Madden presented Pima County's Health Plan 3rd Quarter Review, prepared by Aetna. Frank Benedetto and Dr. James Krominga participated in the presentation. Discussion followed.

Janet Marcotte requested another graph related to claims by Female; age groups 20-29, 30-39 as females drive a larger percentage in claims during child bearing years. Then see a graph of the male population age breads at 45-54; 55-64; and so on. Aetna will look at the data for the graphs and see if they can accommodate the request.

In the area of Infectious –Parasitic Ambulatory related claims the County is high compared to Aetna's book of business. The Board is requesting the Aetna break out their book of business to include comparison for AZ.

6. Pima County Health Plan Review

Paul Guerrero presented the third quarter, January 2014 through March 31, 2014; financial statements of Pima County Benefits Trust to the Board. Handout of the financial review presented was given. Discussion followed. No action taken.

7. Call to the audience

None

8. Next meeting date

Next meeting will be held on August 14th, 2014 at 9:00 a.m. No discussion. No action taken. Pima County finance financial statements will not be presented as the audited financials will not be ready until September.

9. Adjournment

As there was no further business, the meeting was adjourned at 10:35 a.m.



MEMORANDUM

Date: July 25, 2014

To: The Honorable Chair and Members
Pima County Board of Supervisors

From: C.H. Huckelberry
County Administrator *CHH*

Re: **Nicotine-Free Workforce Initiative**

As part of Pima County's ongoing commitment to employee wellness, increased productivity and decreased medical costs, I am proposing that the County expand upon its tobacco-free environment initiative that became effective January 1, 2013, by taking the next logical and proactive step of introducing a tobacco/nicotine-free hiring initiative. Additionally, I am proposing a measurable test for nicotine use for all current employees participating in future tobacco-free medical premium discounts and enactment of a surcharge to all tobacco/nicotine users covered by the County's medical plan. This proposal is based on years of research regarding the negative effects of tobacco and nicotine on the health of individuals and the staggering costs to employers providing health coverage.

Cost-Savings and Public Accountability

Numerous studies have demonstrated that employees who use tobacco/nicotine products have a greater negative impact on healthcare costs than employees who abstain from tobacco/nicotine use. The Centers for Disease Control (CDC) estimates that each employee who smokes costs his/her employer approximately \$3,400/year in lost productivity and medical expenses. Based on the 2014-2015 online Health Risk Assessment offered through Aetna, 32 percent of County employees use tobacco/nicotine products.

Because Pima County is self-insured, increases in healthcare costs have a direct negative impact on the financial viability of the self-insurance fund. Tobacco/nicotine-free hiring initiative promotes a healthier workforce and greater accountability to the taxpayers who ultimately pay for County employees' medical care.

Legality

Fifty years have passed since the 1964 Surgeon General's report on smoking and health which concluded that "Cigarette smoking is a health hazard of sufficient importance in the United States to warrant appropriate remedial action."

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Federal law specifies that employers aren't allowed to refuse to hire someone based on age, race, disability, gender and other protected classes. A Federal Appeals Court ruled in 1987 that smokers are not a protected class entitled to special legal protections and that courts need no further rationale than the Surgeon General's warning on cigarette cartons: Cigarette smoking is hazardous to your health.

There are approximately 21 states that do not protect the rights of tobacco/nicotine users; of which Arizona is one. Therefore, in Arizona, individuals who choose to smoke or use nicotine products are not in a protected class.

Facts and Figures

- 50 years after the 1964 Surgeon General's report first confirmed the link between smoking and lung cancer, tobacco is still the single most preventable cause of disease, disability and death in the United States. (CDC)
- Smoking harms virtually every organ in the body, causing multiple cancers, chronic respiratory diseases and numerous other ailments.
- Cigarette smoking kills more than 480,000 Americans each year, with more than 41,000 of these deaths from exposure to secondhand smoke. (CDC)
- Smokers cost American employers nearly \$200 billion each year between increased medical costs and lost productivity. (CDC)
- Total economic costs attributable to smoking and exposure to secondhand smoke now approach \$300 billion annually. (CDC)
- It's estimated that smokers take an average of four 15-minute breaks a day beyond what employers already offer and also use a greater number of sick days.

External Applicants

Tobacco/nicotine-free hiring practices have become a commonplace in the healthcare industry over the past several years and have been gaining momentum in the public sector as well. My proposal is that, effective January 1, 2015; the County only considers employing those external applicants who sign a Tobacco/Nicotine-Free Affidavit indicating they have been tobacco/nicotine-free for the 12 months preceding the date of application and pass a post-offer/pre-employment Cotinine test to screen for nicotine use.

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Cotinine is a byproduct of nicotine and can be detected through blood, urine or saliva testing. It is used to screen for both tobacco and nicotine products including cigars, cigarettes, electronic cigarettes, and other products that contain tobacco or nicotine. Use of Nicotine Replacement Therapies (NTR), including gum, lozenges or the patch will result in a failed Cotinine test.

Screening Parameters

Additionally, no external applicant will be hired unless the County first receives a passing Cotinine test result. Applicants who fail the test will, upon request, have the option to re-test within 24 hours of the initial screening. Also, external applicants who fail the Cotinine test will be ineligible to compete for positions within Pima County for the 12 months following the failed screening result.

In order to ensure the ongoing health and wellbeing of the Pima County workforce, I further propose that the County require, as a term of employment, ongoing Cotinine testing as part of our Employee Wellness program to verify that employees hired on or after January 1, 2015, remain nicotine/tobacco-free throughout their careers with the County. For employees hired before January 1, 2015, who are interested in leading tobacco-free lifestyles, our Employee Wellness program will continue to assist them with finding tobacco-cessation programs.

Tobacco/Nicotine Surcharge and Discounts

Internal applicants will not be affected by the nicotine-free hiring policy. However, beginning in Fiscal Year 2015/16, employees who certify they are tobacco/nicotine free will be subject to a Cotinine test in order to receive the tobacco/nicotine-free discount on their medical premiums. Employees, who do not certify they are tobacco/nicotine-free, or refuse or fail the Cotinine test, will be subject to a 30 percent premium surcharge after July 1, 2015. The surcharge will be increased by 10 percent each fiscal year until a maximum 50 percent surcharge is reached. This aligns with the current Affordable Care Act (ACA) guidelines. Employees will be offered a reasonable alternative to the surcharge if they successfully complete a designated tobacco-cessation program offered through the Employee Wellness program and pass the Cotinine test.

Employees may re-test after 6 months and if they are tobacco/nicotine-free and pass the Cotinine test, they will no longer be subject to the surcharge and will be eligible to receive the tobacco/nicotine-free discount for the remainder of the plan year. Employees who pass the Cotinine test will be re-tested every three years and will be eligible for tobacco/nicotine premium discounts offered within that time frame. The Human Resources Director may require additional testing if deemed necessary.

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Employee Wellness will continue to provide resources for employees to quit tobacco/nicotine use. The County medical plan will offer coverage for Nicotine Replacement Therapy (NRT) prescription products to aid in the cessation process. These benefits will comply with the ACA preventive services requirements.

Administrative Procedure 3-4 will continue to apply to current employees. This prohibits the use of tobacco and non-therapy nicotine products at all County facilities, work sites, public buildings, and adjacent properties and in all County vehicles.

Process

Staff has been directed to modify Merit System Rules (MSRs) and Personnel Policies (PPs) to reflect changes necessary to move forward with the County's tobacco/nicotine-free workforce initiative. The proposed changes to MSRs and PPs will be circulated to Appointing Authorities, legal counsel, employee groups (to include HIBWAC and SEIU) and the Merit System Commission/Law Enforcement Merit System Council (MSRs only) followed by a two-week response period. At the end of the response period, appropriate modifications will be incorporated and all changes to MSRs will be presented to the Merit System Commission/Law Enforcement Merit System Council (MSC/LEMSC) for review. Upon MSC/LEMSC review and acceptance of MSR revisions, I anticipate submitting the proposed MSR and PP changes to the Board by late September, recommending and requesting your final adoption.

Based on the abundance of statistical information on the health benefits and cost savings of striving for a tobacco/nicotine-free County workforce, I will be requesting your endorsement of this initiative as we begin the process of creating and updating directives. Although there may be some controversy initially, as there was with the tobacco-free environment initiative two years ago, I am confident it will be short-lived and that the County and tax-payers will be better for having made this transition.

CHH/dr

c: Allyn Bulzomi, Director, Human Resources Department

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

aetna®

Pima County Health Plan Review

2013/2014 Annual Review

Thank You For Your Business!

Branson



Reporting Parameters*

- Current Reporting Period = 7/1/13 – 6/30/14
- Prior Reporting Period = N/A
- Processed Date
- High Cost Claimants (HCC) = \$50k+
- 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

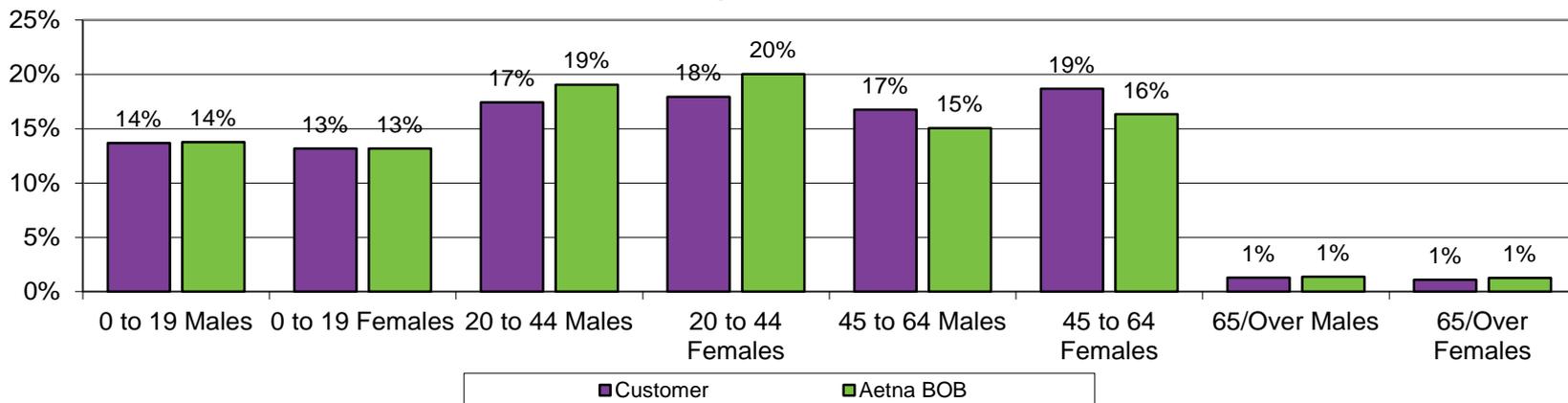
*Unless Otherwise Noted

Demographics

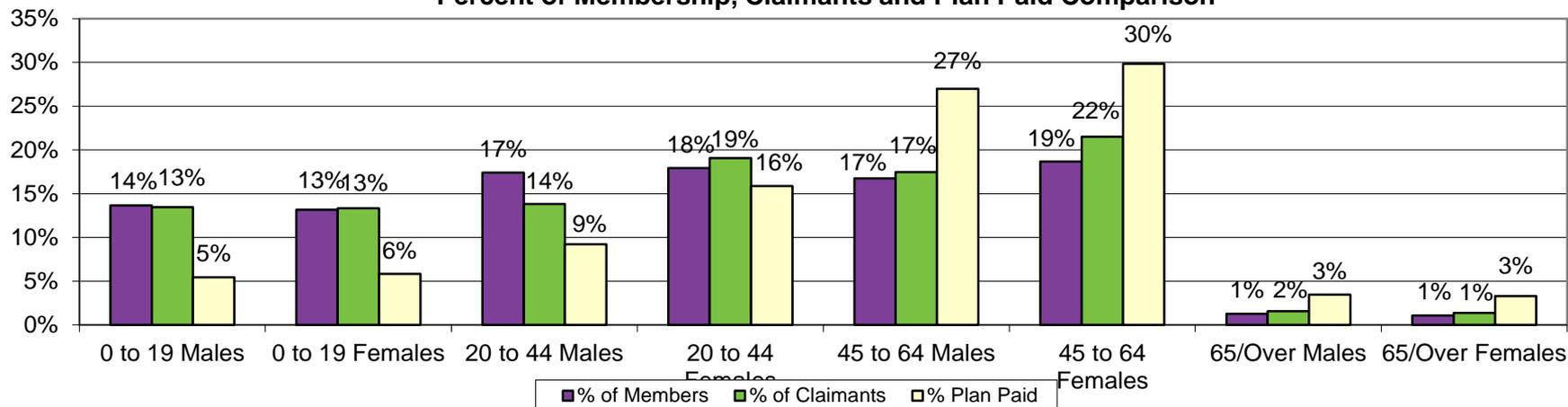
	Employees (% Change)	Members (% Change)	Ratio of Members to Employees (% Change)	% Male Members (% Change)	% Female Members (% Change)	Average Age (% Change)
PPO	1,772 (N/A)	3,675 (N/A)	2.1 (N/A)	48.9% (N/A)	51.1% (N/A)	35.5 (N/A)
HSA	3,473 (N/A)	7,938 (N/A)	2.3 (N/A)	49.2% (N/A)	50.8% (N/A)	34.6 (N/A)
HDHP	60 (N/A)	92 (N/A)	1.5 (N/A)	49.5% (N/A)	50.5% (N/A)	42.2 (N/A)
All	5,305 (N/A)	11,705 (N/A)	2.2 (N/A)	49.1% (N/A)	50.9% (N/A)	34.9 (N/A)

Claim Segmentation – All Plans

Customer Current vs Aetna BOB Age/Gender Demographic Comparison



Customer Current Percent of Membership, Claimants and Plan Paid Comparison



Age Band Claim Segmentation – All Plans

Age Band	Pima County	Aetna BOB	Industry BOB
Less than 1	\$4,678	\$15,385	\$14,448
1 - 19	\$542	\$1,422	\$1,430
20 - 26	\$1,023	\$1,854	\$2,524
27 - 34	\$1,292	\$2,641	\$2,482
35 - 44	\$1,165	\$3,149	\$2,493
45 - 54	\$2,185	\$4,312	\$3,645
55 - 64	\$2,842	\$6,425	\$5,198
65+	\$4,683	\$6,472	\$6,157

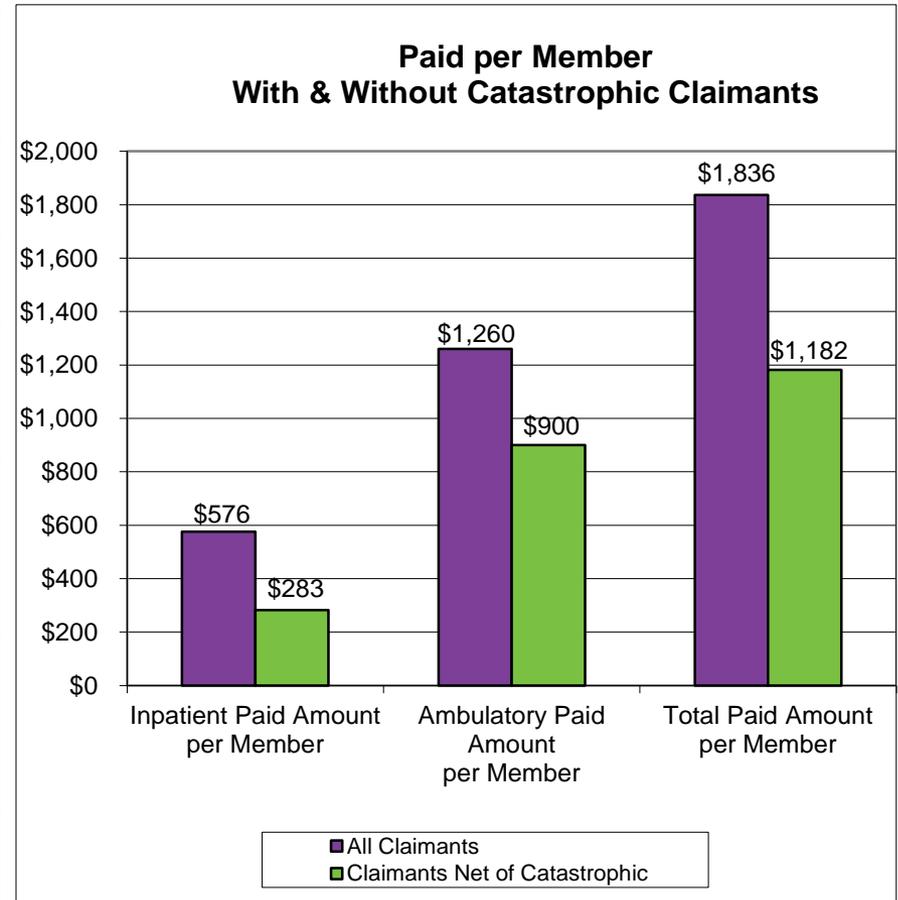
Financial Summary – All Plans

Key Financial Metrics	Prior	Current	% Change	W/O HCC	Aetna BoB*	PPO	HSA/HDHP
Total Medical and Pharmacy Paid Amount	N/A	\$29,036,948	N/A	21,383,710	N/A	\$12,427,505	\$16,609,443
Total Pharmacy Paid Amount	N/A	\$7,543,587	N/A	\$7,543,587	N/A	\$3,200,852	\$4,342,735
Pharmacy Paid Amount per Member	N/A	\$644	N/A	\$644	\$826	\$870	\$541
Total Medical Paid Amount	N/A	\$21,493,361	N/A	\$13,840,123	N/A	\$9,226,653	\$12,266,708
Medical Paid Amount per Employee	N/A	\$4,052	N/A	\$2,609	N/A	\$5,208 w/ HCC \$3,347 w/o HCC	\$3,472 w/ HCC \$1,972 w/o HCC
Medical Paid Amount per Member	N/A	\$1,836	N/A	\$1,182	\$3,626	\$2,510	\$1,528
Total Medical/Pharmacy Paid Amount per Member	N/A	\$2,480	N/A	\$1,826	\$4,452	\$3,380 w/ HCC \$2,483 w/o HCC	\$2,069 w/ HCC \$1,522 w/o HCC
Inpatient Paid Amount per Member	N/A	\$576	N/A	\$282	\$1,254	\$867	\$442
Ambulatory Paid Amount per Member	N/A	\$1,260	N/A	\$899	\$2,373	\$1,643	\$1,088

*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*

High Cost Claimants			
	Prior	Current*	% Change
Number of Claimants	N/A	69	N/A
Claimants per 1,000 Members	N/A	5.9	N/A
Medical Paid Amount for these Claimants	N/A	\$7,653,238	N/A
Average Paid Per Catastrophic Claimant	N/A	\$110,916	N/A
% of Total Paid Amount	N/A	35.6%	N/A



*All Plans, HCC = \$50,000

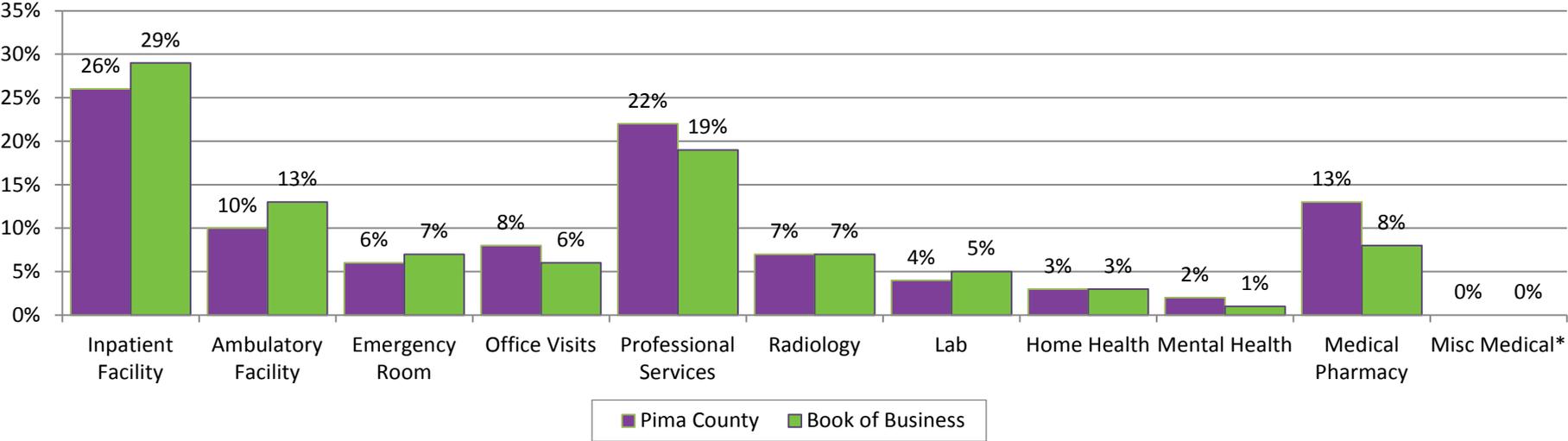
Claimants Exceeding \$125,000

Current Claimant	Relationship	Status	Medical Plan	Total Medical Paid Amount	Inpatient Paid Amount	Ambulatory Paid Amount	Diagnosis Code	Diagnosis Description	Dialysis Date	Medicare Date
1	Spouse	Active	HSA	\$397,657	\$0	\$397,657	V58.11	Breast Cancer		
2	Employee	Active	PPO	\$395,980	\$375,375	\$20,605	410.71	Cardiovascular Disease, Diabetes		
3	Spouse	Active	HSA	\$298,402	\$36,506	\$261,895	585.6	ESRD	3/28/13	12/28/15
4	Employee	Active	HSA	\$253,409	\$44,617	\$208,792	585.6	ESRD, Edema - swelling	9/20/13	6/20/16
5	Employee	Active	HSA	\$227,213	\$0	\$227,213	585.6	Cerebrovascular Disease, Septicemia, Diabetes		
6	Spouse	Active	HSA	\$225,234	\$200,409	\$24,825	038.9	ESRD	3/31/13	12/31/15
7	Employee	Active	HSA	\$216,717	\$0	\$216,717	153.3	Colon Cancer		
8	Child	Active	HSA	\$209,855	\$128,075	\$81,780	201.90	Hodgkin's Disease - Chemo		
9	Employee	Active	PPO	\$189,138	\$60,156	\$128,981	174.9	Renal Disease, Breast Cancer		
10	Employee	Termed	HSA	\$158,336	\$147,200	\$11,137	738.4	Vertebra Surgery, Nerve Damage		
11	Spouse	Active	PPO	\$158,215	\$140,216	\$18,000	237.5	Brain Lesion		
12	Spouse	Termed	HSA	\$158,214	\$32,530	\$125,684	174.1	Breast Cancer		
13	Employee	Termed	PPO	\$141,718	\$24,368	\$117,350	153.1	Colon Cancer		
14	Spouse	Active	PPO	\$140,884	\$127,374	\$13,510	721.7	Lumbar Surgery, Chronic Kidney Disease, Coronary Artery Disease		
15	Child	Active	HSA	\$139,817	\$12,665	\$127,152	780.39	Cardiovascular Disease		
16	Spouse	Active	HSA	\$135,883	\$134,945	\$937	648.64	Convulsions, Seizures		
17	Employee	Active	PPO	\$129,015	\$96,144	\$32,871	511.89	Effusion - Tuberculosis		
18	Employee	Termed	PPO	\$125,974	\$111,260	\$14,715	403.91	Kidney/Pancreas Transplant		
Total				\$3,701,662	\$1,671,842	\$2,029,820				

* \$700,000 large claimant known, but have not received hospital bill as of yet

Paid Amounts by MCC – All Plans

Percentage of Total Medical Paid Amount by Medical Cost Category



Inpatient MDC Analysis – All Plans

Major Diagnostic Categories (MDCs)	Current Period					
	Admissions per 1,000		Average Paid Amount per Admission		Days of Care Per 1,000	
	Customer	Aetna BOB	Customer	Aetna BOB	Customer	Aetna BOB
01 - Nervous System	1.6	2.6	\$18,432	\$32,518	13	16
02 - Eye	0.0	0.0	N/A	\$18,072	0	0
03 - Ear, Nose and Throat	0.7	0.4	\$5,654	\$20,851	2	1
04 - Respiratory System	2.1	3.0	\$14,292	\$25,404	9	18
05 - Circulatory System	2.4	3.8	\$29,850	\$36,038	18	17
06 - Digestive System	2.9	4.4	\$11,539	\$20,803	10	18
07 - Hepatobiliary Sys/Pancreas	0.9	1.7	\$12,358	\$25,079	3	8
08 - Musculoskeletal/Connective	5.3	5.5	\$18,606	\$38,147	15	20
09 - Skin, Subcutaneous, Breast	0.4	1.2	\$17,165	\$21,217	1	6
10 - Endocrine, Metabolic	1.1	1.9	\$8,421	\$21,444	4	7
11 - Kidney, Urinary Tract	1.0	1.4	\$24,909	\$18,267	4	6
12 - Male Reproductive	0.0	0.2	N/A	\$18,025	0	0
13 - Female Reproductive	0.7	1.3	\$11,982	\$15,951	2	3
14 - Pregnancy/Childbirth	8.5	11.3	\$7,202	\$10,540	22	31
15 - Newborns	6.6	10.3	\$4,027	\$10,219	21	37
16 - Blood/Organs	0.3	0.6	\$10,333	\$23,182	1	3
17 - Other Neoplasms	0.9	1.1	\$42,363	\$46,865	7	8
18 - Infectious-Parasitic	1.3	1.5	\$23,388	\$36,236	8	11
19 - Mental Disorders	2.6	2.5	\$5,597	\$8,844	22	21
20 - Substance Disorders	1.8	1.5	\$6,416	\$9,685	12	15
21 - Injury and Poisoning	2.4	2.1	\$12,707	\$30,534	9	12
22 - Burns	0.0	0.0	N/A	\$62,926	0	0
23 - Selected Factors*	2.1	1.1	\$14,196	\$24,863	31	18
Unclassifiable	0.1	0.1	\$15,798	\$46,151	0	1
Totals:	45.9	59.6	\$12,555	\$20,931	216	278

* 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 – All Plans

Major Diagnostic Categories (MDCs)	Current Period			
	Claimants per 1,000		Average Paid Amount per Claimant	
	Customer	Aetna BOB	Customer	Aetna BOB
01 - Nervous System	97.1	104.2	\$586	\$1,295
02 - Eye	171.7	140.5	\$137	\$337
03 - Ear, Nose and Throat	259.4	307.9	\$192	\$402
04 - Respiratory System	139.9	147.9	\$246	\$482
05 - Circulatory System	153.2	169.3	\$467	\$1,047
06 - Digestive System	140.5	156.5	\$893	\$1,378
07 - Hepatobiliary Sys/Pancreas	19.8	20.0	\$1,306	\$2,266
08 - Musculoskeletal/Connective	267.7	305.8	\$580	\$1,413
09 - Skin, Subcutaneous, Breast	222.9	250.4	\$441	\$627
10 - Endocrine, Metabolic	222.0	213.3	\$190	\$403
11 - Kidney, Urinary Tract	99.2	92.5	\$940	\$1,375
12 - Male Reproductive	23.4	27.6	\$581	\$817
13 - Female Reproductive	173.3	197.5	\$350	\$579
14 - Pregnancy/Childbirth	18.7	25.0	\$1,345	\$1,607
15 - Newborns	3.5	6.0	\$91	\$414
16 - Blood/Organs	24.8	31.5	\$469	\$1,033
17 - Other Neoplasms	30.9	33.3	\$3,772	\$4,294
18 - Infectious-Parasitic	264.1	201.2	\$82	\$150
19 - Mental Disorders	81.7	98.4	\$399	\$588
20 - Substance Disorders	4.9	6.9	\$3,441	\$3,681
21 - Injury and Poisoning	71.6	74.7	\$509	\$806
22 - Burns	1.6	1.8	\$98	\$580
23 - Selected Factors**	491.6	505.3	\$299	\$455
Unclassifiable	3.3	2.7	\$520	\$801
Totals:	873.8	992.4	\$1,442	\$2,398

* 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	N/A	\$9,206,863	N/A	-
Average Script Cost	N/A	\$65.55	N/A	\$101
Average Member Out of Pocket Per Script	N/A	\$13.55	N/A	\$16.50
Total Plan Cost	N/A	\$7,543,587	N/A	-
Plan Cost PMPM	N/A	\$53.71	N/A	\$74.13 / \$50.58*
Member Share	N/A	18.2%	N/A	15.3% / 16.0%*
Total Specialty Script Cost	N/A	\$2,772,945	N/A	-
Average Specialty Script Cost	N/A	\$2,679	N/A	\$2,678
Total Plan Specialty Cost	N/A	\$2,602,921	N/A	-
Plan Specialty Cost PMPM	N/A	\$18.53	N/A	\$21.33
Member Share of Specialty	N/A	8%	N/A	3%
Utilization				
Rx Count	N/A	123,724	N/A	-
Claims Per Member	N/A	10.6	N/A	9.8
Generic Utilization	N/A	83.5%	N/A	78.9% / 76.7%*
Mail Order Utilization	N/A	3.9%	N/A	10.8% / 5.3%*
Demographics				
Average Age	N/A	34.9	N/A	34.1
Average Eligible Member Count	N/A	11,705	N/A	-

* Industry BoB

Top 10 Drugs by Volume

Drug Label Name	Number of Utilizing Members	Number of Claims	Paid Amount	Drug Treatment
LISINOPRIL	734	5,201	\$13,878	High Blood Pressure
LEVOTHYROXIN	549	3,828	\$9,328	Hypothyroidism
SIMVASTATIN	452	3,243	\$11,832	Cholesterol
METFORMIN	440	2,772	\$12,543	Diabetes
HYDROCO/APAP	1,103	2,679	\$14,069	Pain Reliever
AMLODIPINE	282	2,006	\$6,005	High Blood Pressure
FLUTICASONE	845	1,775	\$14,951	Allergies
ATORVASTATIN	275	1,698	\$27,749	Cholesterol
HYDROCHLOROT	246	1,491	\$5,631	High Blood Pressure
CITALOPRAM	243	1,463	\$1,090	Depression
Top 10 Drugs Total		26,156	\$117,075	

Top 10 Drugs by Cost

Drug Label Name	Number of Utilizing Members	Number of Claims	Paid Amount	Drug Treatment
COPAXONE	7	61	\$293,520	Multiple Sclerosis
HUMIRA PEN	16	109	\$272,550	Rheumatoid Arthritis, Psoriasis
ENBREL SRCLK	16	106	\$256,188	Rheumatoid Arthritis, Psoriasis
REBIF	5	54	\$250,004	Multiple Sclerosis
CRESTOR	196	1,308	\$241,618	Cholesterol
LANTUS	102	609	\$216,025	Diabetes
OXYCONTIN	53	336	\$183,394	Pain Reliever
SOVALDI	2	6	\$173,172	Hepatitis C
ENBREL	6	52	\$129,163	Rheumatoid Arthritis, Psoriasis
VICTOZA	39	217	\$113,909	Diabetes
Top 10 Drugs Total		2,986	\$2,235,134	

Top 10 Drugs by Unit Cost

Drug Label Name	Number of Utilizing Members	Number of Claims	Unit Cost per Member	Drug Treatment	Drug Type
TRACLEER	1	13	\$88,019	Multiple Sclerosis	Specialty
SOVALDI	2	6	\$86,586	Hepatitis C	Brand
XTANDI	1	11	\$81,921	Prostate Cancer	Specialty
AFINITOR	1	7	\$64,255	Breast Cancer	Specialty
AUBAGIO	1	12	\$52,978	Multiple Sclerosis	Specialty
AVONEX PREFL	1	11	\$50,242	Multiple Sclerosis	Specialty
REBIF	5	54	\$50,001	Multiple Sclerosis	Specialty
COPAXONE	7	61	\$41,931	Multiple Sclerosis	Specialty
STELARA	3	9	\$26,877	Plaque Psoriasis and Psoriatic Arthritis	Specialty
ATRIPLA	3	33	\$23,900	Antiviral	Specialty
Top 30 Drugs Total		217	\$566,710		

Service Activity – All Plans

Customer Service Activity		
Contact Reason	Volume	% of Total
Benefit Payment	6,654	36.4%
Coverage Inquiry	4,597	25.1%
Eligibility	1,627	8.9%
Healthcare Access	3,110	17.0%
Misc.	331	1.8%
Self Service	1,980	10.8%
Total Events	18,299	

Personal Health Record (PHR)	Informed Health Line (IHL)
1,966	63

Aetna Navigator Registration & Access	4 th quarter	Full Year
New Subscribers Registered	239	3,637
Logons	11,298	57,795
Top 5 Logon Reasons		
EOB Inquiry	1,943	7,423
PHR Message	1,967	10,392
Claim Status	3,835	14,883
DocFind	1,696	7,896
Benefits Used/Remain	1,178	5,655

Network Summary – All Plans

Provider Network Savings		Current	Current Network Discount Savings
Billed Network Charges (before discount)		\$68,359,178	
Network Discount Savings			
Inpatient Facility		\$13,184,095	71.1%
Ambulatory Facility		\$15,097,061	69.3%
Physician/Other		\$16,027,605	57.1%
Total		\$44,308,761	64.8%
Per Employee		\$8,353	
Per Member		\$3,785	
Per Admission		\$24,829	
Network Utilization Metrics			Aetna BOB
% Admissions in Network		98.9%	97.3%
% Physicians Office Visits in Network		98.8%	92.6%
% Claims Paid In Network		96.3%	89.4%

Top 25 Providers – All Plans

Provider Name	Provider Type	Number of Claims	Paid Amount
ACP AZ Community Physicians Lab	Independent Lab	14,998	\$756,032
Sonora Quest Laboratories	Independent Lab	9,525	\$237,487
Maria Proytcheva - UMC Medical Director	Physician	5,473	\$663,711
Michael L. Beals - Carondlet Medical Group	Physician	3,016	\$201,404
Radiology Ltd., P.L.C.,	Radiology Center	2,653	\$311,824
University Medical Center	Acute Short Term Hospital	2,248	\$3,580,786
Carondelet St. Joseph's Hospital	Acute Short Term Hospital	2,179	\$1,570,312
Northwest Allied Physicians, LLC	Urgent Care Center (non-HMO)	2,136	\$108,111
Angela Lee Fischer	Physical Therapist	1,663	\$234,924
Northwest Medical Center	Acute Short Term Hospital	1,649	\$1,662,860
Labcorp	Independent Lab	1,648	\$33,722
Christopher Andrew Sullivan - Genesis OBGYN	Physician	1,578	\$249,490
Tucson Medical Center	Acute Short Term Hospital	1,296	\$1,835,941
Raymond Taetle - Arizona Oncology	Physician	1,291	\$1,346,008
Nextcare Urgent Care- 43rd	Urgent Care Center (non-HMO)	1,082	\$55,604
Safeway Inc. - Flu shots	Other Medical Provider	1,072	\$24,466
Tucson VAMC	Acute Short Term Hospital	1,021	\$204,453
EyeMed Vision Care	Optometrist	824	\$34,472
Arizona State Radiology	Physician	824	\$20,218
Robert L. Dean - Tucson ENT Associates	Physician	733	\$55,362
Paul E. Bejarano – Pima Heart Physicians	Physician	730	\$80,081
Gregory L. Labenz - Catalina Radiology	Physician	729	\$16,677
MinuteClinic Diagnostic of Arizona, LLC	Nurse Practitioner	686	\$15,961
Take Care Health Arizona, P.C.	Nurse Practitioner	683	\$14,561
Michael A. Markowitz – El Rio Health Center	Physician	666	\$51,744

Hospital Profile – All Plans

Hospital Name	Total Medical Paid Amount	Inpatient Paid Amount	% of Total Inpatient Paid Amount	Ambulatory Paid Amount	% of Total Ambulatory Paid Amount
University Medical Center	\$3,556,684	\$1,376,145	24%	\$2,180,538	39%
Tucson Medical Center	\$1,805,016	\$947,568	17%	\$857,448	16%
Northwest Medical Center	\$1,574,604	\$886,925	16%	\$687,680	12%
Carondelet St. Joseph's Hospital	\$1,041,046	\$810,557	14%	\$230,488	4%
Carondelet St. Mary's Hospital	\$499,799	\$296,677	5%	\$203,123	4%
Oro Valley Hospital	\$362,633	\$149,535	3%	\$213,098	4%
Mayo Clinic Hospital	\$242,135	\$219,134	4%	\$23,001	0%
Banner Good Samaritan Medical Center	\$209,405	\$189,007	3%	\$20,398	0%
Tucson VAMC	\$182,948	\$19,194	0%	\$163,754	3%
University Physicians Hospital at Kino	\$153,776	\$63,231	1%	\$90,546	2%
Kindred Hospital of Tucson	\$122,544	\$122,544	2%	\$0	0%
UPH Wilmot Clinic	\$95,870	\$0	0%	\$95,870	2%
Sonora Behavioral Health Hospital	\$90,419	\$80,177	1%	\$10,242	0%
The Treatment Center of the Palm Beaches	\$70,764	\$56,387	1%	\$14,377	0%
Healthsouth Rehabilitation Hospital	\$60,433	\$60,433	1%	\$0	0%
Healthsouth Rehabilitation Institute	\$53,594	\$51,558	1%	\$2,035	0%
Arizona Digestive Institute	\$52,470	\$0	0%	\$52,470	1%
Camp Lowell Surgery Center, LLC	\$52,067	\$0	0%	\$52,067	1%
Arizona Vein and Vascular Center	\$50,830	\$0	0%	\$50,830	1%
Yuma Regional Medical Center	\$48,187	\$34,896	1%	\$13,291	0%
Carondelet Foothills Surgery Center	\$40,065	\$0	0%	\$40,065	1%
Tucson Surgery Center	\$40,055	\$0	0%	\$40,055	1%
Youth Care	\$39,821	\$5,300	0%	\$34,521	1%
Western Regional Medical Center	\$38,930	\$0	0%	\$38,930	1%
Flagstaff Medical Center	\$35,302	\$30,668	1%	\$4,634	0%
All Other Hospitals:	\$667,073	\$255,041	5%	\$412,032	7%
Totals:	\$11,186,470	\$5,654,977	100%	\$5,531,493	100%

Cost Sharing – All Plans

	Current Period	Current Period Including HSA Fund	PPO	HSA/HDHP	HSA/HDHP including HSA Fund	Aetna BOB
Number of Employees	5,305		1,772	3,533		
Allowed Amount	\$29,395,988	5,397,226			5,397,226	
Coordination of Benefits (COB)	\$214,063	\$214,063	\$148,816	\$65,247	\$65,247	
Deductible	\$6,001,137					
Copays	\$574,016					
Coinsurance	\$1,113,412					
Employee Paid Portion	\$7,688,564	\$7,688,564	\$1,900,325	\$5,788,239	\$5,788,239	
Employee Paid Portion per Employee	\$1,449	\$1,449	\$1,073	\$1,638	\$1,638	
Employer Plan Paid Portion	\$21,493,361	\$26,890,587	\$9,226,653	\$12,266,708	\$17,663,934	
Employer Plan Paid Portion per Employee	\$4,052	\$5,069	\$5,208	\$3,472	\$4,999	
Employer % Share Medical	73.1%	77.3%	81.8%	67.7%	75.1%	82.1%
Employee % Share Medical	26.2%	22.1%	16.9%	31.9%	24.6%	16.1%
COB % Share Medical	0.7%	0.6%	1.3%	0.4%	0.3%	1.9%

Thank you



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