

Trend Management: Impacts on Employer Health Care Costs

A key MBS mission is providing employers with information they can use to help control their health care costs. While many factors impact employers' health care costs, few are more significant than trend management.

Managing Trend is Critical. Across the U.S., 5% of patients drive 60% of all health care costs, with the top 1% responsible for 31% of those costs. Conversely, the bottom 85% of patients drive only 15% of health care costs. Clearly, the minority of patients is responsible for the majority of the costs. Unless the most costly health conditions are mitigated, it is inevitable that costs will continue to rise.

Prospective Case Management: A Trend Management Tool.

MBS offers employers an innovative and highly strategic tool for impacting the upward trend in costs: Prospective Case Management. Prospective Case Management (PCM) focuses attention and resources on those with health issues which, if addressed early, may never develop into more serious and costly conditions.

PCM provides mentoring and monitoring for those who have previously "fallen through the cracks" because their conditions were not serious enough to require traditional case management or disease management. Now, PCM fills this gap in the continuum of care. With Prospective Case Management, the needs of "at-risk" patients can now be appropriately addressed.

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MBS Gets A New Look



As you can see, MBS has a new, updated look! Our purpose and values, however, have not changed. In the increasingly complex and challenging environment of benefits administration, MBS pledges sensible and effective solutions. It is pretty simple, really—despite the complicated maze of details that keep us busy—because we keep

our focus sharp and our service practical. Some folks seem to find it amazing what can happen when you go about your business quietly, listening and responding to the people you serve. We just think it makes sense.

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MBS Rolls Out Alternative Identifiers for ID Cards

On September 21, 2005 the North Carolina Identity Theft Protection Act (NC Senate Bill 1048) was signed into law. This law is intended to protect personal and credit information from identity theft. It requires businesses to protect individuals' Social Security numbers (SSN) and other personal identifying information. Effective October 1, 2006, businesses are prohibited from printing SSN on any card required for individuals to access products or services.

In response to this legislation, MBS has made a significant financial investment in programming to modify our operating system to accommodate random member number assignments. MBS has also worked diligently with vendors to ensure that they have the capability to accept unique member identifier numbers in lieu of SSN. By October 2006, MBS will have new ID cards issued with the unique member identifier for all of our clients' health plan members.

Prospective Case Management: A Success Story

Kathleen, Age 58 Diabetes and Obesity

MBS is excited about Prospective Case Management because of its positive impact on the lives and health of the participants. Here is one of our latest success stories:

Kathleen was identified for the MedCost Prospective Case Management Program because of her visits to multiple physicians. In April 2005, a PCM nurse mentor contacted Kathleen and conducted an initial assessment. The assessment identified no immediate needs, so the nurse encouraged Kathleen to call back if problems developed.

For diabetics like Kathleen, a test called the hemoglobin A1c is most frequently used to assess glucose control. The normal adult range for this test is 4.5% to 5.7%. In August, Kathleen contacted her PCM nurse because her blood glucose level was out of control—her hemoglobin A1c was a frightening 10.1. Kathleen told the nurse she didn't know what to do, since she was already adhering to a proper diabetic regimen and working with her physician.

The MedCost PCM nurse mentor followed up with Kathleen monthly, providing educational materials and instruction on the disease process and diet. She also suggested that Kathleen participate in a wellness program provided by her employer. That program

specifically works with diabetics. However, Kathleen had tried the program in the past and did not like it. She felt that the dietitian had not taken her particular dietary needs into consideration.

For several months, Kathleen worked very hard to control her diabetes, following a strict diet and exercising as much as 2-3 hours daily. However, her blood sugars were still not under control.

In September 2005, Kathleen's physician started her on insulin in addition to the oral agent she was already taking. With these measures, the glucose and hemoglobin A1c were reduced. However, Kathleen was finding the dietary restrictions impossible to maintain. The PCM nurse mentor again suggested that Kathleen consider the employee wellness program. She offered to contact the dietitian personally to explain Kathleen's dietary needs. Kathleen agreed to allow the PCM nurse to make this call on her behalf.

The PCM nurse contacted a different dietitian than the one Kathleen had worked with before. The new dietitian was happy to work with Kathleen, so Kathleen began to again participate in the employee wellness program.

The wellness program evaluation prompted a change in Kathleen's medication, including the addition of an insulin pump. The pump was certified

as medically necessary and the MedCost PCM nurse negotiated a discount for the pump, since the provider was out of network.

The outcome for Kathleen has been life changing. She recently contacted her MedCost PCM nurse mentor to say that she has not felt this good in 20 years. She told her nurse that she was so grateful for her assistance and for the referral to the wellness program dietitian that led to the addition of the insulin pump.

Current Status: Kathleen's most recent hemoglobin A1c test result was 5.5—within the normal range. According to diabetic research, if Kathleen continues to maintain control of her blood glucose, her risk for complications can be reduced by up to 76%.

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Claims and pharmacy data provide the "referral triggers" that proactively identify at-risk patients for Prospective Case Management. Program enrollees receive customized education about their health condition, resulting in better self-management and increased compliance with treatment and medication regimens. Patients are monitored regularly, enabling the early interventions that facilitate optimal health status. With regular monitoring, nurses recognize the "red flags" that lead to a proactive transition to traditional case management, when needed. This is another way Prospective Case Management helps circumvent potentially high costs and adverse events.

Online EOBs Now Available

Great News!

Paperless Explanation of Benefits (EOBs) from MedCost Benefit Services are now available!

In lieu of receiving paper Explanation of Benefits (EOBs) via the U.S. mail, health plan members can now choose to receive email notification advising them when an EOB is available to view online.

If you have any questions or problems with this new service, please contact us at mbscs@medcost.com.

How to Go Paperless

1. Go to the member portal at www.mbstpa.com.
2. Enter your user name and password. If you are logging in for the first time, use your Social Security number in both fields. Once you do this, you will be prompted to change your user name and password.
3. To opt for paperless EOBs, click the "Consent" button and enter your email address.

MBS Announces Disease Management Partnership with FutureHealth

Disease management is a proactive approach to health care that focuses on those with specific chronic conditions. Through coaching and personalized interventions, disease management seeks to improve member health status and keep risk factors at the lowest level.

MBS has recently partnered with FutureHealth, an experienced disease management company, to provide an outstanding disease management program for our clients. FutureHealth was the 2003 winner of the Disease Management Association of America (DMAA) Best Enabling Tool award.

The MBS/FutureHealth Disease Management Program will cover:

- Asthma
- Congestive heart failure (CHF)
- COPD
- Coronary artery disease (CAD)
- Diabetes
- Low back pain



We'll be announcing program details soon. Meanwhile, please contact your MBS sales representative if you have questions.