



Interlocal Health Benefits Committee
Regular Meeting Agenda
Tuesday, October 4, 2022, 1:00 PM
City Hall, Lakeland, Tennessee 38002

Meeting will occur in Conference Room A

- I. AGENDA:
 1. See attached agenda and materials.

**INTERLOCAL HEALTH BENEFITS COMMITTEE
REGULAR BOARD MEETING AGENDA
October 4, 2022, 1:00PM
City of Lakeland, 10001 Hwy 70, Lakeland, TN 38002**

I. CALL TO ORDER:

II. ROLL CALL:

III. REPORTS:

1. Chairman's Report (M. Brown)
2. Benefits Point of Contact Report/ Financial report (K. Naccarato)
3. Legal Counsel Report (Frank Carney)
4. Consultant Report (Sherrill Morgan)

IV. CONSENT AGENDA

1. Minutes of the following meetings, 06/02/2022, 08/04/2022, 09/01/2022
2. TruData Appeal Claim # 222303692P
3. Plan Deadline Extension Amendment
4. Nyhart Proposal on Reserve Funding

V. DISCUSSION/ACTION:

1. Appeal Claim # 222563515U
2. Minutes of the 05-17-2022 Regular Board Meeting
3. Coverage of Insulin Pumps with a special copay
4. Amortization Schedule through A-S Meds
5. Recommendations by TruData

VI. NEW BUSINESS:

VII. ANNOUNCEMENTS:

VIII. ADJOURNMENT:



**Consultant's Report
Committee Meeting
October 4, 2022**

1. ACTION ITEMS

(A) Appeal 2: Claim #222563515U

The member filed an appeal for denial of a panniculectomy, which is a surgical procedure to remove skin overhanging the abdomen. The member had bariatric surgery in 2020 and had maintained weight loss of over 100 pounds since that time. Hines, the medical management company, denied the procedure for lack of medical necessity. The member had met two of the three criteria for establishing medical necessity (a panniculus that interferes with daily living and being at least one year post-bariatric surgery). Hines found that the third requirement, that complications such as chronic skin infections, ulceration, or irritation are present despite nonsurgical treatments, was not met. While the member stated in her appeal that she has chronic infections and itching despite trying numerous prescribed medications, photographs provided did not substantiate that, and medical records only showed one medication for the condition had been prescribed, and that was not proximate in time to the request for precertification.

Sherrill Morgan recommends that the denial be upheld.

(B) Coverage of Insulin Pumps with a Special Copay

Currently, the pharmacy plan excludes insulin pumps; they are only covered under the medical plan as durable medical equipment. New insulin pumps called the Omnipod 5 and Omnipod Dash are only available at the pharmacy. One member is currently using one of these pumps (a temporary override was placed so the member could get the pump), and we expect that they will be prescribed to more members. The cost of the pumps is comparable to those being paid under the medical plan¹. Sherrill Morgan recommends that the insulin pump exclusion under the pharmacy plan be removed so that members can access the Omnipod 5 and Dash and any other insulin pumps that become available at retail pharmacies, and that a special copay of \$50 be established for insulin pumps, to match the copay that members currently pay under the medical plan. The Omnipod 5 and Dash are typically prescribed in conjunction with the Dexcom 3 continuous glucose monitor. A \$50 copay can also be assigned to the Dexcom 3 monitor and other continuous glucose monitors. Sherrill Morgan recommends that the Committee assign a \$50 copay to continuous glucose monitors covered under the pharmacy plan.

(C) A-S Medication Solutions Amortization Schedule

The Care4Us pharmacy's landlord paid all but \$35,503 of the build-out costs, and A-S Meds agreed to lend the balance to the Trust to be repaid over five years at ten percent interest (please see Attachment A). Given the current reserve situation, Sherrill Morgan recommends that the balance be paid in a lump sum to avoid paying the interest (\$3,550.30).

(D) TruData Recommendations

¹ The cost to the member under the existing copay structure is higher under the pharmacy plan because of the percentage copays at the pharmacy for brand drugs.

TrueData Rx has presented recommendations for additional savings opportunities that are available through their program. Please see Attachments B and C. They proposed that the changes be made effective November 1, 2022. Some of the recommendations do not affect any members at this time, and several others would only affect new utilizers of the medications (current utilizers would be grandfathered in perpetuity). Recommendations for changes to coverage for medications for constipation, acne, and gout would affect 40 members, and those members would be grandfathered until January 1, 2023. The rationale and alternatives for these recommended changes are included in Attachment B. The projected annual savings would be \$331,000 over twelve months.

Sherrill Morgan recommends adopting TruData's proposed changes effective November 1, 2022.