



Custom Design Benefits

Innovative Cost Containment Solutions for Employee Benefits

+ Inside

The Conference Issue
12th Annual Customer
Conference Highlights

Portal Updates

Executive Analytics

Leave Management
System Update

Compliance Corner:
Preventive Care for
Chronic Conditions

Primary Care – Better Health

THIRD ISSUE
NEWSLETTER
2019

Executive Spotlight:

Letter from Julie



Happy Fall!

As we near the final quarter of the year and a very busy season, we feel more momentum than ever following a superb Customer Conference. We felt your energy and desire to break down healthcare “bear-riers” together. Refer to page five of this edition of the newsletter to see more about the conference - and learn who won the \$250 gift card for participating in our customer satisfaction survey!

Additionally, this newsletter captures updates to Executive Analytics, our online reporting tool, and our enhanced Employer Portal, for self-funded group clients. Our Compliance Corner features an update from the IRS on select treatments for Chronic Conditions being permitted as Preventive Care.

We continue to receive recognition for our team and outstanding culture – Custom Design Benefits was a semi-finalist for the Goering Family and Private Business Award. What a great way to motivate our team to finish this year with a bang.

Thank you for your continued partnership and we wish you a fruitful final quarter.

Best regards,

Julie D. Mueller
President & CEO

Inside this issue

Letter from Julie
.....2

Primary Care - Better Health
.....3

CDB Recognized
.....8

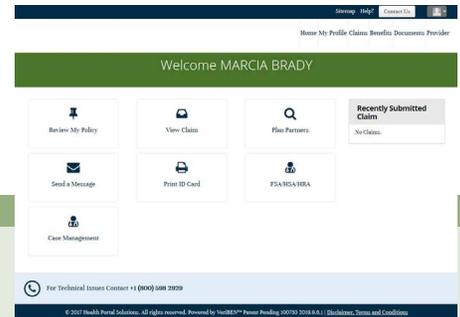
Portal Updates
.....3

Compliance Corner
.....4

Executive Analytics
.....3

Our Customer Conference
.....5

Portal Updates



Employer Portal Update

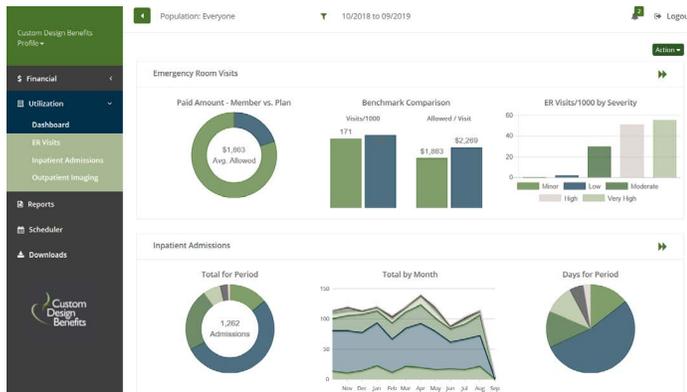
Custom Design Benefits is pleased to announce new functionality in the self-funded group client Employer Portal! Employers can now view and print an ID card for their employees. Plus, the Employer Portal is now available on mobile devices. Please click the link below for ID card instructions.

[ID Card Instructions](#)

Member Portal Update

Custom Flex is now integrated with the Member Portal for self-funded groups. Members can now directly access their FSA/HSA/HRA from within the Member Portal by clicking the FSA/HSA/HRA button. No additional log-on needed!

Executive Analytics



Did you know the Executive Analytics tool is enhanced on a monthly basis? Included are new and updated reports, as well as enhancements to existing analytics. Four new Incurred But Not Reported (IBNR) reports were recently rolled out, including the Medical IBNR. In addition, Tier Enrollment reports can be run for the entire group, division or by plan. Monthly aggregate reports are now uploaded to Executive Analytics, available in Downloads under the Document tab.

Better Care – Better Health

An article in MyHealthGuide captured a particularly relevant topic in the ever-changing world of U.S. Healthcare: primary care. While it's well documented that an increase in the number of primary care doctors can lead to an increase in life expectancy, there is still a significant need for primary care doctors. Emphasis is on specialty care; however, there's reason to think that the pendulum may swing back to a primary care focus. Learn more by reading the article below.

[Read More](#)

Compliance Corner



IRS Allows For Select Treatment of Chronic Conditions as Preventive Care

On July 17, 2019 the IRS issued a notice expanding the list of preventive care benefits that can be covered by a Health Savings Account (HSA) qualified high deductible health plan (HDHP) without a deductible, or with a deductible below the applicable HDHP minimum. This list was created in response to Executive Order 13877, “Improving Price and Quality Transparency in American Healthcare to Put Patients First,” which called for the expansion of a patient’s ability “to select HDHPs that can be used alongside an HSA, and that cover low-cost preventive care, before the deductible, that helps maintain health status for individuals with chronic conditions.”¹ Under this notice, the listed services and items are only considered preventive care when prescribed for the treatment of a specific chronic condition, as shown in the table below. As these services and items are not considered preventive care under the Affordable Care Act (ACA), there is no requirement that they be covered without cost sharing. Plans can choose whether to provide any, all, or none of these services and items without a deductible or with a deductible below the minimum.

DIAGNOSIS	PREVENTIVE CARE SERVICES AND ITEMS
Asthma	<ul style="list-style-type: none"> - Inhaled corticosteroids - Peak flow meter
Congestive heart failure and/or coronary artery disease	<ul style="list-style-type: none"> - Angiotensin Converting Enzyme (ACE) inhibitors - Beta-blockers
Depression	<ul style="list-style-type: none"> - Selective Serotonin Reuptake Inhibitors (SSRIs)
Diabetes	<ul style="list-style-type: none"> - Angiotensin Converting Enzyme (ACE) inhibitors - Glucometer - Hemoglobin A1c testing - Insulin and other glucose lowering agents - Retinopathy screening - Statins
Heart disease	<ul style="list-style-type: none"> - Low-density Lipoprotein (LDL) testing - Statins
Hypertension	<ul style="list-style-type: none"> - Blood pressure monitor
Liver disease and/or bleeding disorders	<ul style="list-style-type: none"> - International Normalized Ration (INR) testing
Osteoporosis and/or Osteopenia	<ul style="list-style-type: none"> - Antiresorptive therapy

¹I.R.S. Notice 2019-45 (July 17, 2019).

Inside CDB: Customer Conference!



Thank You to Our Speakers

We would like to say a collective thank you to all of our guest speakers and our client panel:

- Direct Primary Care, Dr. Amy Mechley, Integrative Family Care
- Pharmacy Trends and TrueCost Rx, Alan Gardner, RxResults
- The Self-Insurance Classroom, Adam Russo, The Phia Group
- Cost Effective Care Panel featuring Carla Brooks of Talbert House, Beth Thress of Maple Knoll Communities and Jennifer Caunin of Clippard Instrument Laboratory, Inc.

Speaker Highlights

Direct Primary Care, Dr. Amy Mechley, Integrative Family Care

Dr. Amy Mechley of Integrative Family Care shed light onto the growing trend of Direct Primary Care. Direct Primary Care is facilitated by a direct agreement between a doctor and a patient or the patient's employer. It's based on a fixed monthly fee and includes unlimited access to your physician.

This direct relationship has seen better outcomes not only from a patient perspective but many doctors prefer it due to the increased time permitted to spend with their patients: approximately 15-90 minutes per visit compared to the 7-10 minutes of the traditional primary care. The unrestricted access to care and the transparent periodic fee is attracting more and more patients and employers. CDB is currently conducting a pilot program with 4 physicians in the area, with plans to offer it to our clients in 2020.

**Median fee of
\$80/month**

**Over 1050 Direct Primary
Care Practices in the US**

**Savings of \$313.28
PEPM**

Pharmacy Trends and TrueCost Rx,

Alan Gardner, RxResults



Alan Gardner of RxResults spoke about the latest trends in the pharmaceutical arena along with the impact that TrueCost Rx has had. 2018 Prescription statistics show an increase across the board, from overall prescriptions (5.8 billion), average number of prescriptions per person (17.6), and per person pharmacy expense (\$1,044). The cost of prescription medications continues to rise and biologic products grew by 9.5% in 2018. Biologic products are at risk of biosimilar competitors – but many biosimilar products are not available on the market due to litigation from the innovators. A notable exception to the general increase of usage is that of opioid medications, which declined 17% from 2017. However, as Gardner discussed, there is still a long way to go in overcoming the Opioid Epidemic. While the provider education and awareness is moving in the right direction in tandem with the development of Prescription Drug Monitoring Programs (PDMPs), the PDMPs vary state-by-state and often are not compatible with other states. A new national PDMP has been presented on Capitol Hill, which could resolve many of these issues and shows great promise for continued efforts to control opioid abuse.

Gardner shared cost savings achieved through TrueCost Rx.

SPECIALTY RXGUIDANCE PERFORMANCE

- Specialty Drug Prior Authorization Activity – 2018

	Num Prior Auths	Est. Monthly Cost	Est. Annual Cost
Approved Prior Auth Continuations	35	\$176,587	\$1,944,335
Denied Prior Auth Continuations	1	(\$5,510)	(\$66,124)
Approved New Prior Authorizations	133	\$887,107	\$7,699,532
Denied New Prior Authorizations	37	(\$247,559)	(\$1,680,375)

- Specialty Drug Prior Authorization Activity – YTD 2019

	Num Prior Auths	Est. Monthly Cost	Est. Annual Cost
Approved Prior Auth Continuations	26	\$117,849	\$895,662
Denied Prior Auth Continuations	4	(\$3,943)	(\$8,867)
Approved New Prior Authorizations	122	\$643,710	\$5,875,323
Denied New Prior Authorizations	31	(\$192,210)	(\$1,406,676)

RXGUIDANCE PERFORMANCE

- TrueCost Rx – Tier 1

- Employer 1

	Avg Tot Cost / Rx	Avg Mbr Pay / Rx	Avg Plan Paid / Rx
Before TrueCost Rx	\$35.04	\$7.79	\$27.25
With TrueCost Rx	\$19.00	\$7.01	\$11.99

- Employer 2

	Avg Tot Cost / Rx	Avg Mbr Pay / Rx	Avg Plan Paid / Rx
Before TrueCost Rx	\$21.64	\$8.25	\$13.39
With TrueCost Rx	\$15.24	\$6.45	\$8.79

- Employer 3

	Avg Tot Cost / Rx	Avg Mbr Pay / Rx	Avg Plan Paid / Rx
Before TrueCost Rx	\$41.83	\$7.69	\$34.14
With TrueCost Rx	\$16.77	\$8.06	\$8.71

Tier 1: Reference Pricing – Limited Therapeutic Classes

Tier 2: Reference Pricing – All Recommended Therapeutic Classes

- All drug classes except ADHD, antidepressants, and anticonvulsant/neuropathic pain drug classes
- 10-30% expected member savings on targeted drugs
- Includes ADHD, antidepressants, and anticonvulsant/neuropathic drug classes
- 15-30% expected member savings on targeted drugs

SAVINGS

5.5 - 6% expected overall Rx plan savings

SAVINGS

9 - 11% expected overall Rx plan savings

RXGUIDANCE PERFORMANCE

- TrueCost Rx – Tier 2

- Employer 4

	Avg Tot Cost / Rx	Avg Mbr Pay / Rx	Avg Plan Paid / Rx
Before TrueCost Rx	\$68.23	\$13.28	\$54.95
With TrueCost Rx	\$18.32	\$9.78	\$8.54

- Employer 5

	Avg Tot Cost / Rx	Avg Mbr Pay / Rx	Avg Plan Paid / Rx
Before TrueCost Rx	\$35.89	\$7.78	\$28.11
With TrueCost Rx	\$22.95	\$13.38	\$9.57

- Employer 6

	Avg Tot Cost / Rx	Avg Mbr Pay / Rx	Avg Plan Paid / Rx
Before TrueCost Rx	\$61.24	\$9.08	\$52.16
With TrueCost Rx	\$30.45	\$7.37	\$23.08

The Self-Insurance Classroom, Adam Russo, The Phia Group



Adam Russo of The Phia Group brought the classroom to us this year. He spoke to the trends in the Self-Insurance market and industry “musts” to remain relevant: advanced reporting, integrated clinical review, stop loss management, employee benefit captives, high dollar “carve outs” and Rx plans. Russo highlighted some dynamic ways to support engagement and better outcomes: health consumerism. By offering incentives to members, all can benefit. Consumers can create change just by shopping around and looking for better options – especially when offered a portion of the savings. These strategies helped reduce the Phia actual cost per employee from \$5,858.11 in 2017 to \$4,635.13 in 2018 (compared the cost of \$11,858.00 for a non-Phia employee in the region).

Russo also spoke to Patient Defender, a new service CDB is rolling out to its TrueCost clients to protect the member against provider balance billing. With Patient Defender, the members and the plan are both protected with industry-leading attorneys.

- Proactive and defensive litigation and negotiation strategies
- Patient and plan consent ensures no conflict of interest
- A PEPM fee guarantees an attorney is on retainer
- Attorneys represent patient directly in efforts to resolve balance billing
- The Phia Group continues to protect the plan
- Patient Defense can be added to any type of plan

If you have any questions or would like more information about the topics covered at the conference by our guest speakers or the CDB team, please let us know.

Silent Auction

Thank you to all who participated in the silent auction! We’re proud to announce that we raised \$6,000 for the American Heart Association. We’d also like to thank the following partners for their donations:



**Winner of the \$250 gift card:
Beverly Casey, Towne Properties**

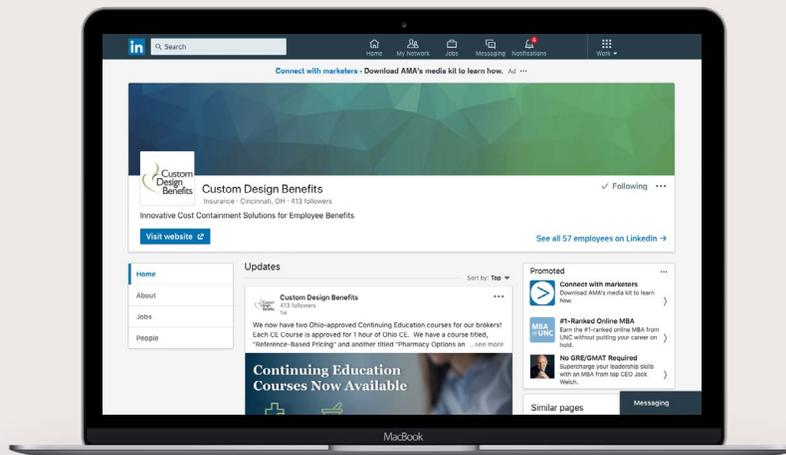
CDB Recognized!

GOERING CENTER | *for Family & Private Business*

The Goering Center Family and Private Business Awards is an event that identifies and celebrates Greater Cincinnati's family and private businesses that through strong business practices have contributed to the economy and community development of the region.

Custom Design Benefits was named a 2019 Goering Center Family and Private Business Semi-Finalist for the second year running. As one of only 75 companies to receive this, we are very proud of our team and honored to be recognized!

Thanks for reading this edition of the Custom Design Benefits Newsletter! To learn more about the products or announcements featured, call 513.598.2929.



**Are you following Custom Design Benefits on LinkedIn?
Be sure to follow along to stay up to date on the exciting things happening around CDB!**

 **Custom Design Benefits**
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