

Summary: Dr. Jill Sumfest, Medical Director of GatorCare, spoke at the August 2, 2016, College of Medicine Faculty Council meeting. This is a summary of the information from that presentation, both verbal and from the powerpoint presentation, in part aimed at addressing questions and concerns of the faculty (which had been provided ahead of time).

Governance Structure of GatorCare.

- GatorCare was originally formed in 2013 through legislative approval to allow UF Health to provide pharmacy and medical benefits for their own employees and their dependents. This program then expanded to include other employer groups at UF (see gatorcare.org/plans). GatorCare replaced the previous healthcare system for COM clinical faculty (Humana) because it was not financially sustainable. Under GatorCare, clinical faculty do not have to pay any premium costs (a perk not provided by some academic medical centers), but now have to pay deductibles and co-pays, which are out-of-pocket expenses that were covered under the previous plan benefits.
- GatorCare is considered a direct service organization (DSO) of UF. The GatorCare Governing Board (Ray Hoskavich, President) and the GatorCare DSO (led by Dr. David Guzick, (senior VP Health Science Center), Jodi Gentry (VP, UF Human Resources), and Win Phillips (UF Senior VP and COO for Admin. Services)) both report to the UF President. Dr. Sumfest, as Medical Director, reports to Mr. Hoskavich and the DSO.
- The Executive Sponsors Board makes decisions on benefits, with some input from subordinate committees (e.g. Plan Design, Finance, Operations). The COM Faculty Council has several representatives on a subcommittee working group that meets a few times a year.
- There are approximately 38,000 members in GatorCare, including employees and their dependents. There are 13 employer groups (9 in Gainesville, 4 in Jacksonville).
- GatorCare is not a health insurance plan, but rather an employer-sponsored/funded health and pharmacy benefits plan. GatorCare uses the medical and pharmacy coverage guidelines and systems of Third Party Administrators (TPA).
- A goal of GatorCare was to also encourage use of healthcare services at UF Health (Shands and UF Physicians); more UF employees/families are using UF Health Services since GatorCare was instituted.
- There are three network tiers for GatorCare (gatorcare.org/options) Dr. Marvin Dewar, Chief Exec. Officer of UF Health Physicians, has a significant role in determining which health care providers are part of Tier 1 coverage (includes UF hospitals, physicians and providers in Gainesville and Jacksonville), which has the lowest deductibles and co-pays. Tier 2 benefits come from use of FloridaBlue's "Blue Options" providers, with higher out-of-pocket costs. When Tier 1 providers are used for wellness and preventive care, there is no out-of-pocket expense for annual physicals and labs. Tier 3 is in the case of using an out-of-network provider; there is coverage but the member may be billed for the difference between the provider's charge and the allowed amount.
- Florida Blue is the TPA for medical benefits and GatorCare is currently reviewing a proposal from them for an early renewal – the current five year contract expires at the end of 2017. Florida Blue pays claims and makes utilization decisions. Case Management and Wellness Programs are also provided through Florida Blue. There is a service representative from Florida Blue located in the North Tower, dedicated to the GatorCare program: Leslie Florence is available to assist members with issues or direct them to the appropriate person for resolution. She can be reached at: 352-594-3354 (Leslie.Florence@bcbsfl.com)

- Magellan RX is the current Pharmacy Benefit Manager (PBM). The functions of the PBM include developing and maintaining formularies, handling customer service issues, maintaining contracts with pharmacies, negotiating discounts and rebates with pharmaceutical companies, processing and paying pharmacy claims, providing utilization managements, and overseeing home delivery of medications. [Note: Magellan Rx primarily serves Medicaid plans; GatorCare is currently conducting a market check with other PBMs and will be hiring a consultant to help with either selecting a new PBM or renegotiating contract terms with Magellan Rx].
- Not many Tier 1 providers for members in outlying areas (for example, Orlando, Pensacola, Dayton, Jacksonville); improvements in 2016 to the Premium Plan for out of area coverage are beginning to address these issues. Dr. Sumfest encouraged faculty to contact her to let her know of specific needs currently outside the network, to try to add a provider in that area (e.g. a child away at college).

Answers to concerns raised by COM faculty in the recent GatorCare survey.

- Dr. Sumfest addressed concerns about formulary changes. Members affected by formulary changes are supposed to receive a Disruption Letter from Magellan ≤ 30 days before the change is made. When this happens, members are encouraged to discuss alternative medications with their physicians. GatorCare may make exceptions if there are no other options available, but members will pay at the non-formulary level, with a higher co-pay. Of note, no co-pay exceptions will be made. Dr. Sumfest became aware that some members had not been receiving such notifications, which was one reason why the administration is considering changing the PBM from Magellan on Jan. 1, 2017, to improve customer service.
- Formulary: (1) because a large number of letters were not sent out by Magellan, the 30 day response time was extended and efforts were made to get the letters out; (2) members have appeal rights and should use these when appropriate; (3) five tier formulary dictates cost: preferred specialty, non-preferred brand, non-preferred specialty, generic preferred brand, generic preferred specialty; (4) 90-day retail or mail prescriptions require only a 2.5 month co-pay but the 90-day prescription has not been used as much as expected - there is no reason not to ask your provider for a 90-day prescription if it is a refill or it is very likely to be needed the full three months; (5) benefits under GatorCare are not separated by employee group, as was the case under the previous plan; (6) going to \$100 pharmacy deductible in 2017 on formulary tiers 2 and above (which will save GatorCare \$1.3 million); (7) working on eliminating the need for renewing prior authorizations on an annual basis if no change in therapy is initiated – prescriptions will need to be renewed annually and submitted to the retail or mail pharmacy]
- Through SureScripts, GatorCare formularies are now in the prescribing module in EPIC. This will inform prescribers about the tier of the drug, whether or not the drug is covered under GatorCare, and if needed, alternative lower-cost medications that would be covered. This should improve both member and provider satisfaction.
- Dr. Sumfest addressed problems with billing. She explained that the bills come from the providers, not GatorCare. The only bills from GatorCare are for monthly premiums, which COM members do not pay. GatorCare representatives may be able to help if members receive an Explanation of Benefits (EOB) for a service and determine that they have been billed inappropriately. The Faculty Council will ask providers to address billing problems.
- Dr. Sumfest addressed concerns about networks. Not all Tier I providers are from UF Health, which has been done to fill gaps in care. She reported that the number of Tier I in-network

Urgent Care Centers around the state has been expanded upon request to accommodate members (or family) attending school or working outside of Gainesville.

- Dr. Sumfest mentioned that when GatorCare runs in the red (which it did in 2015 mostly due to a few very expensive drugs, such as one at \$33,000/month for a COM dependent child), then premiums and/or other costs may be raised for the next year: but premiums (and any hikes therein) are paid by the COM (which ultimately affects the funds available for COM initiatives), and copays (or costs due to loss of meds from formulary) are paid by the members. So COM clinical faculty need to keep this in mind when managing the care of other GatorCare members as well as their own needs. Hopefully, likewise, any cost savings will result in reduced premiums and other expenses for the COM and members.
- Up to date quarterly pharmacy utilization data are available, including utilization by just COM members, and can be requested at any time. Unfortunately the medical claims trends have a 90-day lag which can be exacerbated if there are billing errors.

Improvements underway or planned:

- SureScripts was just implemented to be able to see the GatorCare formulary in EPIC, so that providers can prescribe covered meds.
- working on out-of-area additions to the network per faculty requests.
- Dr. Sumfest is happy to work with individual faculty members to evaluate data for requesting that a specific medication be added to the formulary, or address a gap in coverage. Having supporting evidence for the request is very helpful for her to be able to make recommendations to the decision-makers. She can be contacted at sumfej@shands.ufl.edu or 352-265-8049.
- GatorCare is trying to address the problem of needing prior authorization for some procedures and medications that really shouldn't need that.

more info at Frequently Asked Questions website: <http://gatorcare.org/faq/>

Other points:

Gaps in care in Tier 1 coverage; urgent care networks covered outside of Gainesville, are negotiated on a case by case basis for out-of-area coverage.

Implementation of virtual visits (Telehealth) is waiting on development of a platform in EPIC to be able to support it. Probably be the same co-pay as for in-person visit at first, until the benefits for telemedicine are accepted into mainstream medicine/reimbursement, so that members do not chose the virtual visit only because of a lower co-pay (would waive co-pay for office visit if required as a follow-up to a virtual visit).

State plan (non-GatorCare) has no opportunity to negotiate for benefits changes in plan, which is one advantage to GatorCare.

Need online listing of drug costs specific to pharmacies (to allow cost comparisons) to be one criterion for selection of new PBM contract; Dr. Sumfest did find out that a relatively new enhancement to the Magellan Rx member portal now allows a comparison of copayment costs for retail pharmacies online. Dr. Sumfest said that she will ask that this feature also be in any new PBM contract. Dr. Sumfest noted that mail order prescriptions are usually cheaper than through bricks-and-mortar stores.