Health care. The topic continues to make headlines every day. From the Affordable Care Act, to public exchanges, to state health reform, these complex issues are top of mind for employers. Municipalities feel the impact most acutely because you stand at the unique crossroads of policy, politics, and people.

We see our role as your partner, working with you to navigate the changes and help simplify health care. One in three Massachusetts residents is covered by Blue Cross, demonstrating two important facts: we understand our communities and we can tailor solutions to your needs.

Our familiarity with municipalities throughout the Commonwealth goes beyond our role as a health insurer. Commitment to community is something that runs deep in all of us at Blue Cross; I am proud to serve on the boards of two non-profits: Big Sister Association of Greater Boston and Project Bread. (See below for examples of how Blue Cross turns commitment into action.) While we do business—or hope to—in your city or town, we are also your neighbors.

With the Municipal Advisor, we’re helping you to get to know us better. In this edition, you’ll meet one of our longtime reps, Tanya Chakmakian, a member of our dedicated municipal sales and service team. This team is made up of experienced specialists, singularly focused on working with you to develop strategies that work in your community.

I’m also thrilled to welcome three new municipal partners who joined Blue Cross as of July 1: the Towns of Hopkinton, Milford, and Saugus. We look forward to building strong relationships with those communities, and to continuing our important work with all of you.

Tim O’Brien
Senior Vice President
Sales and Marketing

Connection with our community
We are deeply committed to our community. Here are some examples of our 2013 corporate citizenship efforts. Read more inside.
Turning commitment into action

We place a high value on our social and environmental responsibilities. Whether it’s our annual corporate Service Day, our strides to reduce our environmental impact, or our contributions to nonprofit organizations, we are committed to strengthening and empowering the cities and towns where our members live and work. We live in these communities too, and we dedicate ourselves to helping out.

Excellence in Service Awards
In fact, our employees volunteered close to 28,000 hours in 2013. At our annual Excellence in Service Awards Reception, we select one associate who has demonstrated an outstanding commitment to community service and has made a sustained and tangible impact on an organization. This year’s winner is Deirdre (Dec) Wigmore, a Hingham resident who works in our Health and Medical Management division. Deirdre volunteered more than 1,000 hours of her own time last year (20 hours per week) in support of the Cohasset American Legion and the American Legion Auxiliary.

Deirdre and fellow members of the Legion and the Auxiliary have proposed and implemented hundreds of programs for veterans, their families, young people, and the community at large. We are honored to have Deirdre as part of our team!

Meet our sales team: An interview with Tanya Chakmakian

Tanya Chakmakian works with accounts of all sizes, including big cities, joint purchase associations, and regional school districts. Because she’s worked with municipalities for more than 20 years, she has a broad understanding of their health care needs.

“The greatest challenge municipalities face today is their ability to offer health plans that are affordable while meeting and exceeding the needs of their employees,” she says. “They need to work within the constraints of the municipal budget process while providing quality health care for their employees.”

When asked what she enjoys most about her job, Chakmakian says without hesitation, “I love meeting the people that work behind the scenes in each community. They come from all walks of life and serve in different roles—from firefighters to custodians, finance folks to mayors, town managers, personnel directors, and DPW workers. I’ve become friends with them. I care about them personally as well as professionally.”

Chakmakian takes pride in meeting their unique needs. “I enjoy helping municipalities offset their challenges, whether through a wellness program, financial arrangement, or product offering,” she says. “As much as cities and towns are all governed by the same laws and requirements, no two are exactly alike. They all deserve to have a health plan designed specifically to meet their unique circumstances.” At Blue Cross, we help you do that.

Fun facts about Chakmakian

<table>
<thead>
<tr>
<th>Hometown</th>
<th>Providence, RI</th>
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<tbody>
<tr>
<td>College</td>
<td>Stonehill College</td>
</tr>
<tr>
<td>Favorite local restaurant</td>
<td>I have two kids, so one without crayons at the table</td>
</tr>
<tr>
<td>Coolest experience</td>
<td>Bungee jumping in Australia and skydiving</td>
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<tr>
<td>Favorite vacation</td>
<td>Safari in Africa</td>
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<tr>
<td>Favorite trip</td>
<td>Armenia to adopt my 7-year old son, Adam</td>
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Tanya, along with the rest of her colleagues at Blue Cross, welcome our new municipal partners:

- Town of Saugus
- Town of Hopkinton
- Town of Milford
In July 2012, we became the first health plan in the state to institute new safety measures that are reducing the risk of addiction to prescription painkillers and preventing the harmful effects from other medications used to treat pain.

We recently announced the results of our pain medication safety program. This program was designed after our own review showed that:

- More than 30,000 members received 30-day+ prescriptions for powerful painkillers such as Vicodin® and Percocet®—a duration which many experts believe increases the risk of addiction.
- Thousands of members were receiving combination prescriptions containing acetaminophen at levels that could potentially be harmful.

In an effort to help address these findings, we collaborated with an outside panel of experts. They developed new policies to improve communication between providers and patients on the risks of addiction; promote best practices for prescribing; and reduce the number and duration of painkillers prescribed without prior authorization for treatment lasting longer than 30-days.

The team analyzes claims data to understand trends, identify needs, and make decisions on how to best meet the account’s goals. Because we know one size doesn’t fit all, we are constantly modifying, improving, and updating the type of data we provide based on customer feedback.

Look for future articles to learn how we are using data to help municipal workers get to a healthy retirement.

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**Breast Cancer Screening Rates**

<table>
<thead>
<tr>
<th>% of members that had breast cancer screening</th>
<th>Municipal Account</th>
<th>Commercial Accounts</th>
</tr>
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<tbody>
<tr>
<td>Best in Class</td>
<td>88%</td>
<td>57%</td>
</tr>
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</table>

Municipality breast cancer screening rates compared to non-municipal accounts with 1,000+ members. Municipalities are doing very well, with one achieving the highest rate of screenings among all accounts. But, there is still room for improvement for many of our municipal accounts.

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**Pain medication safety program promotes quality and prevention**

In its first 18 months, the program has decreased painkiller prescriptions, lowered addiction risk for members, and prevented excess pills from reaching the community. Since 2012, we have seen:

- A 50% decrease in claims for long-acting opioids such as OxyContin®
- A 20% decrease in claims for short-acting opioid painkillers such as Vicodin® and Percocet®
- An estimated 6.6 million fewer doses of excess painkiller prescriptions in the community
- Enhanced care management services for those on large amounts of narcotic medications

Dr. John A. Fallon, our Senior Vice President and Chief Physician Executive, says, “The results show that health plans can play a meaningful role in helping to prevent prescription pain medication addiction.” At Blue Cross, we work with you to identify opportunities to help improve the health of your employees.

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**Massachusetts municipalities … and we have the data to prove it!**

*Thomas C. Hawkins, MD, MS, Medical Director, Health Informatics*

Massachusetts municipalities are not all the same. Each has unique populations and needs. At Blue Cross, we know the health of municipal workers because we have the data and we use it to help inform our interventions.

Our data helps keep people in your municipality healthy. For example, we contact that busy 55 year-old Stoughton man with two jobs to schedule his diabetes eye exam, and send a reminder to the 42 year-old working mother of three in Sterling who is overdue for her mammogram.

We focus on municipalities at the account level, and these analytics allow us to tailor our programs and offerings to meet your individual needs.

Our health information analytics strategy team includes members from across the organization, such as wellness and case management. Each is responsible for reviewing the data and providing recommendations.

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**Municipality breast cancer screening rates compared to non-municipal accounts with 1,000+ members. Municipalities are doing very well, with one achieving the highest rate of screenings among all accounts. But, there is still room for improvement for many of our municipal accounts.**
**Front row:** Mark Meunier, Mary Beverly, Suzanne Donahue, and Jarja Ann Marsden

**2nd Row:** Sharon Harrison, Lynn Bessett, Jennifer Tabakin, Maureen Senecal, and Maureen Daniels

**3rd Row:** Melissa Falkowski, Bruce Turner, Steve Presmal, Paul Seeloff, and Lisa Laramee

**Left to right:** Joe Shea, William Barnett, and Mark Meunier

**Left to right:** Lisa Jackson, Mark Meunier, Jeanne Parziale, Paul Cohen, Larry Croes, and Larry Tereso

**Left to right:** Mark Meunier, Larry Croes, John L. Herbert, James A. Smith, Ann Ludlow, Sandra Fiumefreddo, and Adam Thornton
Left to right: Adam Thornton, Mark Meunier, Larry Croes, Scott Crabtree, Billy Cross, Ann Ludlow, and Larry Tereso.

Left to right: Deanna Desroches, Joyce Mason, Susan Wallen, Marie Buckner, Skip Finnell, Larry Croes, Noreen Macro-Flinders, Suzanne Donahue, Deb Blanchette, Heather Harper, Carol Cormier, and Gerry Panuzzak.

Left to right: Cheryl Vaidya, Jeanne Lovett, Michael Guzinski, Timothy Bonin, Mark Meunier, Tiffany Rice, Lisa Jackson, and Casey Yates.

Left to right: Tom O’Brien, Michael Levy, Tanya Chakmakian, and Larry Croes.
Today's health care environment is complicated—maybe even more so in the municipal market—with a multitude of insurers, service options, as well as new laws and regulations. Health coverage is very important to employees, and the relationship that they have with their insurance provider can become very personal.

When municipalities negotiate with their employee unions on health insurance, they look to stretch their budget dollars, while unions want to provide their people with affordable, quality plans. These interests are not mutually exclusive. Whether the parties are using collective bargaining under Chapter 150E, or exercising other options—such as Section 19 coalition bargaining or the new municipal health reform law—both sides should have an open dialogue about the municipality’s finances, cost trends, and other cost-containment options.

Both parties must share responsibility for finding solutions. I would encourage municipal leaders and unions to consider interest-based bargaining. Many municipalities have used this method successfully to get a win-win solution to health care negotiations. And of course, reach out to the Blue Cross staff for additional support.

If you are interested in writing a guest opinion column for a future edition of the Municipal Advisor, please contact Mark Meunier at 617-246-2926 or Mark.Meunier@bcbsma.com

Paul Toner

The challenge
We understand that the rising cost of health insurance is challenging, and consumes a larger portion of your municipality’s budget every year. Health insurance costs are comprised of two main components: medical expenses and administrative costs. At Blue Cross, we are proud that administrative costs are less than 10% of the premium dollar. But to truly manage health care costs, we want to partner with you to control the other 90% — medical expenses.

Where to start
We work with you to review your claims utilization reports, which can help identify the services that are driving your medical expenses. For example, are most of your claims costs driven by inpatient hospitalization, pharmacy costs, or perhaps an increase in day surgeries? Does your municipality have a large number of hip and knee surgeries? Is high cholesterol or blood pressure an issue? Is emergency department use high? We will work with you to ask—and answer—the right questions.

Next steps
Armed with this information, we can help build a program that is responsive to your unique needs. One key component of managing costs is member engagement. We want employees and their families to make informed decisions about getting the right care at the right time and in the right place. This both improves member health and reduces costs.

Choosing the right product will also help control costs, and tactics include:
- Selecting plans that tier providers based on cost and quality. Members can have lower out-of-pocket costs based on their provider choices
- Switching retiree plans which can help lower costs with minimal benefit changes

Some municipalities have also introduced wellness programs, which can reduce immediate absenteeism costs and improve employee health and well-being over the long term.

But education, wellness programs, and plan design are just a few ways to control costs. Talk to your account executive who can review all of the options with you and tailor a program to help you manage costs.

Your health care dollar

<table>
<thead>
<tr>
<th>90¢</th>
<th>10¢</th>
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<tbody>
<tr>
<td>Medical Expenses</td>
<td>Administrative Costs</td>
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Guest column: Paul Toner, Past President of Massachusetts Teachers Association and Member of the BCBSMA Board of Directors
Bundling medical and dental can reduce costs

Bob Lewando, DDS, Executive Director of Dental Blue and Chief Clinical Officer for LSV Dental

The connection between oral health and overall health is clear. Treating periodontal disease may help control a diabetic’s blood sugar levels, cut a woman’s risk of delivering a pre-term, low-birthweight baby, and lessen the severity of heart disease.

By combining Dental Blue with your Blue Cross medical plan, you’ll have access to Total Health Solution, the only condition-specific dental program focusing on these at-risk members: those with diabetes, coronary artery disease, oral cancer, and/or women who are pregnant. Through Total Health Solution, we:

- Educate all members on the benefits of oral health care
- Identify at-risk members and outreach to those missing preventive or periodontal care

Introducing Blue 20/20—A stand-alone vision care benefit

We’re committed to helping our members be healthy from head to toe, and that includes their eyes. That’s why we have partnered with EyeMed Vision Care®, one of the largest vision benefit providers, to offer a stand-alone vision care plan for your employees.

Blue 20/20 offers an unsurpassed provider network that includes ophthalmologists, optometrists, and opticians. As you would expect from a leader in health care, we offer a variety of eye care plans to meet your employees’ needs.

Access and affordability
This benefit ensures our members get high-quality, affordable care, including:

- Access to one of the nation’s largest vision networks
- Affordable premiums
- Exclusive savings on designer frames, premium lenses and coatings, and contact lenses
- Routine exams
- In-network access to brand-name providers (LensCrafters®, Pearl Vision®, Target Optical™, JCPenney Optical®, and Sears Optical)

Smiling at the value
Our ability to integrate medical and dental information and reach out to at-risk members helps them stay healthy and reduces their costs. In a recent study, we found that during a one-year period, compared to dental members who did not have preventive or periodontal treatment, costs for members who had treatment were:

- 10% lower for members with coronary artery disease
- 10% lower for members with diabetes

Greater savings
Blue 20/20 offers savings to members on these eye care services:

- Laser vision correction: 15% off the retail price or 5% off the promotional price for LASIK or PRK procedures

- 40% off additional eyewear purchases
- 20% off non-prescription sunglasses
- 20% off supplies such as contact lens solution

There may be even greater savings if you already offer a medical plan with routine eye exams! We encourage you to contact your account executive today for pricing information and to see if Blue 20/20 is the right fit for your employees.
A website just for you: www.bluecrossma.com/muni

We recently refreshed our municipal employer website. Our goal was to create a site that would help municipalities get to know us better, and provide pertinent information in one central location. This new resource for Massachusetts cities and towns offers:

- A wide selection of customizable medical and dental plan options
- Our innovative efforts to lower costs, including data-driven wellness programs
- The latest press releases and articles that relate to municipalities
- An overview of health care reform changes impacting municipalities
- Current and past issues of the Municipal Advisor

The new website is just another way that we want to stay connected with municipalities. We are proud to be the carrier of choice for 79% of the Commonwealth’s cities and towns, and want to remain your trusted advisor. Visit our website and learn more about Blue Cross.