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County Insurance Costs Staying in Check

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Health insurance costs for some organizations might be spiraling out of control, but Chautauqua County's expenses are staying in check due in part to a wellness and risk-reduction program.

The program began several years ago in a concerted county effort to control costs. Hugh Trantum, county health insurance broker from Crown Benefits, said Univera Healthcare data reflects various maneuvers to keep insurance costs flat. Such changes included moving 200 retirees to a Medicare advantage plan or Medicare supplement program, establishing a high-deductible plan for the police union and managers and implementing a wellness and risk-reduction program.

According to Univera data, per year plan costs for county employees from 2010-2014 increased approximately 2 percent, from \$4,516 to \$4,791. Western New York's medical insurance trends run around 8-10 percent per year. Trantum said 2015 premium costs stayed flat, though official numbers have yet to be received.

"If the costs are staying close to flat, you're bucking a trend," Trantum said. "The medical products and services being bought are increasing, but we're keeping costs flat because utilization (of those services) is going down."

Through the wellness and risk-reduction program, employees are provided information on healthy habits as well as opportunities to exercise and stay active. County buildings possess employee fitness centers where employees have the ability to track their exercise as well as body mass index, weight and blood pressure among other information.

Kitty Crow, county program and budget director, said employees receive emails regularly and have the ability to partake in programs offering incentives, including "Just Lose 10 Percent." Through the program, employees who lose 10 percent of their body weight during a four-month period or year receive incentives. The initiative is more of a motivator for the person to lose body weight instead of a competition between employees, Trantum said.

Crow said insurance rates have stayed well under industry averages over the last five years. Between \$12-13 million is budgeted for health insurance annually, she said.

"We certainly have seen great success over the last several years with a continuous focus on wellness and risk reduction," she said. "That continuous focus really starts to get into the mindset of employees and they're mindful of it during the day. If we can keep health insurance costs from increasing, employees who have to pay their share as well as the county and taxpayers will be reduced."

Univera data shows circulatory costs on a per-member, per-year basis for county employees dropped 1.8 percent from 2010 to 2014. Neoplasm and injury and poisoning costs also decreased during the four-year span. Neoplasm costs on a per-member, per-year basis decreased 21 percent while injury and poisoning costs decreased by 14 percent.

In 2016, Tranum said premium increases will likely stay flat. "We're basically looking at the totality of what's pushing the costs and how we're going to approach it," Tranum said. "Premiums will increase some, but if you can cut that by a half or a third, you're (financially) ahead. That's been our objective in the county."

Chautauqua County is a three-time finalist of the annual Western New York's Healthiest Employers competition conducted by Business First, Buffalo's weekly business newspaper. As the only municipality competing in the challenge, the county was the highest-ranked employer in the 1,000-1,499 employee category.

Pam Pawenski, vice president of sales for Univera, said the program serves as a model for all large employers the insurance company insures. A key element to the program is the opportunity employees have to become engaged to address health concerns. As a result, she said the county is staying successful in dodging increasing health care costs.

"The county has been quite collaborative with us and Crown Benefits in terms of trying to find innovative ways to help support employees in their intention and initiative to do things to improve their health status," Pawenski said. "To the extent that we have an opportunity to participate in these programs at the workplace, we might be more inclined to get engaged than we would be if we had to find time on our own to fit that kind of activity in."

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