



Benetech
benefits • payroll • hr

Putting Efficiencies in Place – Saving Time & Money

Benetech achieves efficiencies through technology. Saves money through prescription drug initiative.

Client: County Government

Number of Covered Lives: Over 2,400 Active & Retired Employees

This client currently provides benefits to 2,400+ active and retired employees, including a self-funded medical plan (4 different options); a self-funded prescription drug plan (3 different copay structures); 3 community-rated HMOs (different drug plans for each); a self-funded dental plan; a community-rated dental plan; and a self-funded vision plan.

Prior to our engagement, the County had been using a paper-based process for its enrollment records maintenance. Basic information was recorded on 3" x 5" index cards, and historical enrollment and related forms were stapled to each individual's card(s). The information was then being stored, alphabetically, in filing cabinets. By the end of 2003, the cabinets contained in excess of 3,000 card files.

Upon being awarded the contract, we initiated meetings with County Personnel management and staff to:

1. gain an in-depth understanding of the current system and the County's recording/reporting needs
2. plan the transition from the paper-based system to our Benefit Records System
3. install secure, online access to the Benefit Records System directly in the Personnel Office

Due to the group/subgroup setup required by the County – including a complete separation of County and Community College employees – we were not able to load electronic enrollment files received from the payors into the Benetech system. Instead, we built the required group/subgroup structure first, then cross-referenced the payor's electronic files with the information contained in the card files, and then populated the required fields manually for all subscribers and enrolled dependents.

On May 1, 2004, we went “live.” County Personnel staff loads all enrollment information directly into the Benetech system onsite, and Benetech coordinates those enrollment transactions with the various payors, and maintains comprehensive enrollment records on the County’s behalf, including all required subgroups (35 in total). In addition, we send weekly electronic eligibility feeds to the Pharmacy Benefits Manager that is administering the self-funded prescription drug plan.

The transformation to our Benefit Records System has enabled County Personnel staff to:

- *eliminate much of the paper-based system for all enrollment transactions*
- *generate needed reports in minutes v. hours/days*
- *devote the significant time saved to other core HR-related accountabilities*

Also of considerable note, over the course of our ten (10) year relationship with this County, we have worked diligently alongside County Management on their long-term goal of reducing the County’s prescription drug expenditures. Managing a relatively complex set of rules and plan designs, as well as a Canadian Mail-order program has proven to be a worthy cause. Since the inception of the Canadian program in 2004, and in conjunction with several initiatives with their U.S.-based pharmacy benefit manager, the County has realized prescription drug savings approaching \$10 million dollars through early 2013.

Press Release

Excerpted from a Schenectady County, NY Press Release – May 23, 2013

FOR IMMEDIATE RELEASE

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SCHENECTADY COUNTY’S 2013 PRESCRIPTION DRUG COSTS PER MEMBER NOW LOWER THAN IN 2003 2013 ANNUAL SAVINGS ON PRESCRIPTION DRUGS ON TARGET TO EXCEED \$10,000,000 FOR 2013! FIELDS CREDITS SCHENECTADY COUNTY’S INCENTIVIZED CANADIAN AND U.S. MAIL ORDER PLANS.

Schenectady County Legislator Philip Fields, Chairman of the County’s Ways and Means Committee, announced today that Schenectady County’s prescription drug costs per member were now lower in 2013 than they were in 2003, and that in 2013, annual savings for drugs are on target to exceed \$10 million.

Philip Fields stated: “I have some truly remarkable news ... at a time when prescription drug costs have been escalating at a 12% or more annual clip – Schenectady County has actually reduced prescription drug costs in 2013 to a lower per member cost than existed in 2003.

In 2003, the cost per member per month for prescription drugs was \$139.82 per month.

In 2013, the cost per member per month for prescription drugs is \$134.55 per member per month for Schenectady Meds I, and \$86.82 per member per month for Schenectady Meds II. Schenectady Meds I is \$5.27 less costly in 2013 than our 2003 cost, and Schenectady Meds I is \$53.00 per month less costly than our 2003 costs.

As set forth in the attached chart, Schenectady County's actual savings for 2013 are on target to exceed \$10,000,000 and the County's actual savings since the inception of our U.S. and Canadian Mail Order Plans in 2004 through April 30, 2013, is now \$28,186,254.

Philip Fields added: "I would like to thank County Attorney Christopher Gardner for his outstanding work on healthcare, as well as County Manager Kathleen Rooney and Commissioner of Finance Deborah Mancini. I would note that Mr. Gardner on May 8, 2013, received from the New York State Academy of Public Administration its 2013 Award of Merit for his groundbreaking work in the area of healthcare reform. It is well-deserved. Mr. Gardner has carried out the County Legislature's mandate to reform healthcare in such a fashion that it has exceeded our expectations."