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National  
LABOR OFFICE

# LABORMatters

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**LIVE**

WITH SECURE AND STABLE HEALTH COVERAGE  
FOR AMERICA'S WORKING FAMILIES



BlueCross  
BlueShield

National  
LABOR OFFICE

**HAPPY  
LABOR DAY!**

From generation to generation, Blue Cross and Blue Shield companies have worked with organized labor to provide secure and stable health coverage for America's working families. We are committed to continuing this mission for years to come.

**Have a safe and healthy Labor Day.**

# Executive Director's Corner

A MESSAGE FROM THE NATIONAL LABOR OFFICE EXECUTIVE DIRECTOR, **BONNIE SUMMERS**

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Views expressed by contributors are their own and do not necessarily reflect the views of the National Labor Office or the Blue Cross Blue Shield Association. Any health information contained in **Labor Matters** is not intended to substitute for the sound medical advice of your doctor. If you have any questions or concerns regarding your medical condition, you should discuss them with your doctor.

To receive a copy of this newsletter or to update a mailing address, contact us at [nlo@bcbsa.com](mailto:nlo@bcbsa.com) or 202.626.4815.

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*"Change is the law of life. And those who look only to the past or present are certain to miss the future." – John F. Kennedy*

Happy Labor Day! On behalf of the NLO community, let us celebrate and recognize the working individuals and families across the United States. Labor Day weekend is one of the best times to enjoy summer weather, soak up the sun and get out the grill as we honor the hard work of millions of Americans before fall kicks off.

Labor Day is also an important time to recognize an important factor in workers' lives— good health and trusted medical coverage. As the Affordable

Care Act charges forward, the rise of value-based care is proving to be an effective means of addressing member health from a holistic perspective. Last month at the Federal Mediation & Conciliation Service's (FMCS) National Labor Management Conference, I had the opportunity to discuss BCBS's value-based delivery system and its early successes.

Value-based outcomes from BCBSA programs include a greater control of diabetes among diabetics, lower improper ER utilization among patients, higher control of hypertension and a decrease in both hospital readmissions and preventable hospital admissions among members utilizing value-based systems. Patient-centered medical homes (PCMH) are a significant piece of the value-based delivery system.

Just as we embrace the simple changes in life – leaves turning bright red and burnt orange and less sunlight as autumn moves along – we must also embrace the evolving healthcare landscape to ensure future generations of Americans receive the secure and stable coverage our workers have come to expect.

To keep connected with the NLO, follow us on Twitter @BlueLabor for healthcare tips, insurance info and labor updates.

For additional information regarding BCBS Plan programs, please contact your local Plan directly. If you have any questions about the NLO or this newsletter, contact us at 202.626.4815.

In unity,

A handwritten signature in black ink, appearing to read 'B. Summers', written in a cursive style.

Bonnie Summers, PAHM, CMCE, CHC  
Executive Director  
BCBSA National Labor Office



## Increase health care value and retirement savings plan with an HSA-eligible plan

Consumer-directed health plans (CHDPs) often get a bad rap because on the surface they appear to cost participants more out of pocket. If that were truly the case, then why does enrollment in these plans continue to grow at an increasing 10% year-over-year rate?<sup>1</sup>

According to the Bureau of Labor Statistics, union adoption of high-deductible health plan has increased 9% in the past five years.

Because HSA-eligible CDHP plans not only provide more cost savings opportunities for individuals, but also have shown success in improving engagement with wellness, health plan literacy, and an overall better understanding of how to navigate the complexity of health care decisions – not to mention the incredible tax savings.

As the adoption rate of these plans continues to grow, plan sponsors understand their participants are more likely to expect digital “on-demand” access to their health plans. More often, health plans and plan sponsors look for ways to include cost transparency tools, reviews and information about providers, and telemedicine options through digital channels to provide participants with more flexible and affordable health care options.

More engaging plans assist plan participants to better understand the complexities of health care, and HSA-eligible CDHPs offer significant tax savings and a vehicle for retirement savings as a complement to traditional 401(k) plans. Not only are dollars contributed through a payroll deduction to an HSA free of federal, state and FICA taxes, but many plans such as SelectAccount’s PremiumSaver HSA pay non-taxable interest at rates as high as 2%. Because HSA funds stay with participants for their entire lifetime, unlike a 401(k) these dollars can be used tax free on eligible medical expenses even if no longer enrolled in an HSA-eligible plan.

Plan sponsors seeking to offer creative benefit and network designs that increase participant engagement with healthier lifestyles while creating another venue for retirement savings often look to CDHP strategies paired with an HSA. Because of the plan design, people on CDHPs are 109% more likely

to take active roles in their treatment options and expenses with online cost tracking tools before seeking care and 52% of participants are more likely to inquire about generic prescription drug options – leaving more dollars in their HSA to accrue tax-free interest for future expenses.<sup>2</sup>

In an effort to educate CDHP participants about how to wisely navigate their health care, SelectAccount’s easy-to-use plan designs and Online Member Service Center encourage participants to engage with their health and finances more often. On average, more than half of account holders log into the SelectAccount Online Member Service Center 20-25 times per year to check their balances, manage contributions, submit claims and invest their savings, creating a prime opportunity to offer consumer tools like WalletDoc to navigate health care decisions. From peer support to procedure cost comparisons, WalletDoc helps answer important questions about treatment options, available care facilities, procedure costs, medical bill negotiation and discount opportunities. Guiding people along the continuum of care, these valuable tools walk health care consumers through each step of the purchase decision-making process.

“WalletDoc helps put knowledge and control right in [consumers] their hands, helping them shop for health care like they shop for anything else, giving them the ability to compare, learn and save,” said David Cantu, Chief Marketing Officer of SelectAccount. “Providing consumer tools like decision support, telemedicine, pick your price options and cost transparency, WalletDoc is the perfect resource for labor and working families alike who hope to tackle health literacy head on.”

The majority of CDHP participants are utilizing health management tools, and this WalletDoc platform encourages people to be smarter about how they treat their health issues. By providing research tools that enable savvy health care shopping behaviors, people are able to avoid trial and error treatments, attributing to an average of 20-30% savings up to \$1000 for the cost of care, including prescriptions.<sup>3</sup> With savings that stretch medical spending account dollars further, it’s possible for people to lower their out-of-pocket expenses while continuing to build their balances to grow interest without sacrificing their personal health.

**To learn more about how to add value to a health plan benefit by also adding value to a retirement savings plan, contact SelectAccount at (855) 363-2583 or email [SASales@SelectAccount.com](mailto:SASales@SelectAccount.com).**

<sup>1</sup>EBRI Consumer Engagement in Health Care Survey 2015

<sup>2</sup>EBRI Consumer Engagement in Health Care Survey 2012

<sup>3</sup>Wagner. 2015. “WalletDoc Utilization Survey,” Survey Report, 1-2.

# BACK-TO-SCHOOL CHECKLIST

September signals the end of summer and the start of another school year. Whether your child has already started a new school year, or will be soon, check out our back-to-school checklist to make sure your child is ready for a healthy and successful school year.



## Physical

- Annual physicals are equally important for children as they are adults. The Affordable Care Act (ACA) requires health plans to provide annual wellness check-ups for children, and depending on your child's age, your child may be eligible for more than one wellness exam a year.
- Physicals are required for children who participate in athletics and other extra-curricular activities. Make sure you have necessary documentation from the doctor's office so your child can stay active by participating in sports and other activities.
- Contact your local BCBS Plan to know what wellness services are available to you and your children.



## Eyes & Ears

- It's never a bad idea to ask your child if they can hear the teacher and see the chalkboard. According to WebMD, one in 20 children cannot see out of at least one of their eyes. It's often difficult for parents to detect eyesight or hearing loss, so having a discussion with your child is important.
- Ask your doctor to check your child's eyes and ears at the wellness visit.



## Immunizations

- Make sure your child has the necessary immunizations to attend school. Consult your child's school to determine what immunizations are required for each school year and grade level. Many times your child can receive appropriate immunizations during your child's wellness exam.



## Lunch & Nutrition

- Include fresh fruit and veggies in a packed lunch and talk to your children about making healthy choices when they purchase a hot lunch at school.
- The U.S. government's Choose My Plate campaign recommends 1.5 cups of fruit/day for girls aged 9-18 years old and boys aged 9-13 years old, and 2 cups of fruit/day for boys aged 14-18 years old.



## Backpacks & School Supplies

- Ensure your child has the right backpack size with enough support. We often underestimate the adverse health effects associated with a heavy backpack that offers little to no support to children. Long-term effects of back, neck and shoulder strain could limit growth and cause chronic health issues. Monitor your child's backpack use and make adjustments as necessary. Padding is a must.
- Consider sending your child to school with non-toxic and eco-friendly school supplies.



## School Nurse & Medications (emergency)

- If your child's school does not have this information already, make sure the school has a list of medications your child is prescribed and an emergency contact in the event a parent/guardian is needed during the school day.
- Ensure any medication includes written documentation on how to administer the medication, how much to provide your child and how often.

### Additional Resources:

- [www.choosemyplate.gov](http://www.choosemyplate.gov)
- [www.letsmove.gov](http://www.letsmove.gov)
- [www.webmd.com](http://www.webmd.com)

## Best Doctors: Second Opinion Crucial to Appropriate Care

Recently, a 50-year old woman with multiple sclerosis was referred by her health plan to Best Doctors for a second opinion. She had developed chronic lower extremity pressure ulcers and had been diagnosed with osteomyelitis, a serious bone infection. After multiple hospitalizations for antibiotic therapy and debridement procedures, she had five skin graft procedures and ongoing wound care for a physically and emotionally taxing situation. Despite aggressive treatment, instead of improving, her condition worsened. If you were to ask her, the worst part was simply not knowing if all the procedures and efforts were actually addressing the painful problem.

After a careful review of her case, the expert physicians at Best Doctors found enough evidence to change her diagnosis from osteomyelitis to suboptimal blood flow to the leg. That one change altered her treatment plan dramatically, and put her on the path to recovery. Most of all, she has the peace of mind knowing that her diagnosis is now correct and her treatment plan reflects that. She remarks, "I have my answer now. I have my life back."

Every day, far too many people struggle with medical uncertainty, that limbo somewhere outside of a confirmed diagnosis and accurate treatment plan. It's a vicious cycle of incorrect or unconfirmed diagnoses and expensive or harmful treatments that may or may not be addressing the actual problem. Diagnostic errors are an enormous problem in U.S. healthcare. According to a 2016 BMJ study, medical errors accounted for the third leading cause of death in the United States, higher than deaths from diabetes or breast cancer or motor vehicle accidents. A study from the Kaiser Family Foundation found that nearly one in three patients indicated that they or somebody in their family had been affected by a preventable medical error, with 21 percent suffering a serious health consequence.

As you can imagine, any case of misdiagnosis causes additional suffering for patients and their families – but it also causes the financial burden of wasted spending on patients, employers and the health care system. The Institute of Medicine (IOM) estimates that one out of every three healthcare dollars spent is wasted, so of the \$2.8 trillion expended on healthcare annually, nearly \$1 trillion is spent needlessly. Many of those wasted dollars can be tied back to an incorrect or incomplete diagnosis.

Health plans have been on the forefront of developing care management programs and transitioning fee structures to value-based payment models. They have also been analyzing data for care gaps and opportunities while implementing healthcare reform-driven initiatives. Now, new opportunities are emerging to enhance these efforts with programs focused on addressing diagnostic error.

### Strategies to Improve Diagnostic Accuracy

Diagnostic accuracy has a significant impact on member health outcomes and on reducing and controlling costs. As it becomes a higher priority, strategies for lowering diagnostic error are emerging, including:

- Incorporating programs to ensure diagnostic accuracy within value based arrangements
- Leveraging technology and data at the point of care to identify potential cases of misdiagnosis
- Educating consumers on the importance of independent second opinions prior to starting high-cost or high-risk treatment
- Using plan design with incentives and disincentives to drive members to Treatment Decision Support and other clinical advocacy programs to create informed consumers of health care

What else can we be doing to increase the rate of diagnostic accuracy?

Make second opinions more easily available. In addition to traditional second opinions, in-depth remote second opinions (for which the patient need not travel or make additional physician visits) are now readily available to millions of people in the US. Many of the world's leading employers offer expert second opinions as a valued employee benefit that can save healthcare dollars by averting unnecessary or even harmful testing and treatment, decrease absenteeism, and promote employee retention. Employers should be proactive in reminding their teams of these services and encouraging anyone with medical uncertainty to take advantage of them. These services dedicate a large amount of effort to gathering all medical records and providing access to leading physicians at major medical institutions of excellence. Taking enough time to synthesize and review each case is extremely important, as even excellent doctors can miss key information when harried by the time pressures faced by most U.S. physicians.

Second-opinion medical services offer health plans an effective way to contain costs for complex medical cases and reassure members that their diagnoses and treatment plans are correct. In a recent study of cases in Q1 of 2016 referred by a large BCBS Plan to Best Doctors, Inc., there was a major impact in terms of changing the diagnosis in 49% of cases. The Company also found that 79% of the time there was a major impact on modifying the treatment plan based on a new or confirmed diagnosis. Savings from averted medical costs exceeded a 2:1 ratio.

Regardless of the strategy undertaken, the evidence is overwhelming that incorrect and incomplete diagnoses are much more prevalent than we may have imagined. However, there is reason for hope, as many leading health plans, employers, and labor organizations are now beginning to study the problem and determine long-term solutions.

*Dr. Lewis Levy serves as Chief Medical Officer at Best Doctors, Inc., the global health company that brings together the best medical minds to help physicians get the right diagnosis and recommend the right treatment. In addition to over 25 years of clinical experience, Dr. Levy also has an extensive teaching career as an instructor at Harvard Medical School.*

### Additional Resources:

- Best Doctors site: [www.bestdoctors.com](http://www.bestdoctors.com)
- Stories of Members: [www.bestdoctors.com/about-best-doctors/our-stories](http://www.bestdoctors.com/about-best-doctors/our-stories)

## New Directions' Employee Assistance Program is Win-Win

When team members come to work feeling positive and stress-free, they're at their most productive. New Directions Behavioral Health®, an NLO strategic alliance, has been providing Employee Assistance Programs (EAP) for over 20 years to help employees and employers succeed. By giving workers access to free and confidential services such as short-term counseling, financial and legal consultation, family support services, and online resources, employers assist their staff professionally and personally ... so business can operate at its peak.

One maxim we take to heart is to expect the unexpected. New Directions is ready to support organizations when times are toughest. When a traumatic incident occurs, our Critical Incident Crisis Intervention program, a part of the EAP, is there to give staff members the help they need. Whether your organization suffers accidents, robberies, layoffs, weather incidents, or other misfortunes, our EAP buoys your workforce and gets them back on the road to recovery.

To make the EAP experience even easier, New Direction recently redesigned our online Individual and Family site. The site offers workers and their dependents online tools to improve health, get help with legal needs, manage finances, locate childcare and adult care, improve workplace skills and relationships, and much more. Available via any personal device, the EAP member portal site is a convenient, confidential way to tap into a wealth of tools and resources.

New Directions provides users multiple ways to request help so they can do so confidentially and conveniently. Individuals who want to schedule a meeting with a counselor can use the online site or call our 24/7 toll-free phone line to request an EAP session. A Live Chat feature is available to answer users' benefit questions.

Plan sponsors have resources available at their fingertips as well. New Directions supplies organization leaders with a login code so they can access resources such as supervisor videos, a Manager's Toolkit, and Formal Management Referral (FMR) services.

FMR services help organizations and workers by getting to the root of unexcused absences, conflict in the workplace, drug and alcohol problems, or mental health issues. The service is designed to maintain employee health and provide a pathway to improvement, while getting the workplace back to productivity.



In addition to the online tools available to employers, our dedicated account managers track and monitor utilization information on a quarterly basis, then make reports available to plan sponsors. For employers, this report has proven to be one of the most valuable benefits to using New Directions' EAP because it provides them with the following information:

- **Number of counseling sessions**
- **Number of intakes**
- **Number of referrals for outside services**
- **Referral source**
- **Client/employee relationship**
- **Total hours for other administrative services**
- **Total hours for benefit fairs**
- **Quarterly and year-to-date utilization**
- **Presenting problem**

All reports safeguard members' confidentiality and adhere to HIPAA regulations regarding Protected Health information and employee privacy. The report enables an employer to identify trends affecting its workforce, then offer targeted programs and services to address them. Included as part of the EAP, employers can select from a wide variety of relevant webinars and on-site training.

**For more information about New Directions' Employee Assistance Program, contact Peter Hendrixson, Director of Business Development, at [phendrixson@ndbh.com](mailto:phendrixson@ndbh.com).**

# Blue Cross Blue Shield of Michigan

## Three reasons why your employees should have a patient-centered medical home

Do your employees have access to patient-centered medical homes? A PCMH is a health care team, led by a primary care physician, which works together with all of a patient’s health care providers to keep them healthy through coordinated, high-quality care. Depending on each patient’s individual health needs, their care team could include nurses, specialists, care managers, nutritionists, or behavioral health providers.

To earn Blue Cross PCMH designation, doctors change their processes and procedures so they can be completely focused on the patient. That might mean they offer extended hours for patient appointments, personalized tracking of test results, or an online portal for patients to access their health information.

In Michigan, more than 4,500 primary care physicians have earned designation as a Patient-Centered Medical Home from Blue Cross Blue Shield of Michigan. It’s one of the largest, and most mature, PCMH designation programs in the country. But the PCMH model exists in similar forms across the country and in Blue Cross plans in many states.

Here are a few more reasons to recommend a Blue Cross PCMH for your employees:

1. They may avoid ER visits and hospital stays: With the PCMH model of care, their health care team communicates with each other and ensures everyone is on the same page. This type of quality, personalized care can

result in early diagnosis and treatment of health issues, and help them avoid emergency room visits and hospital stays. In Michigan, patients of PCMH practices have consistently lower rates of ER visits and hospital stays over the past 8 years of the program.

2. It’s more convenient: When doctors, nurses, specialty physicians, pharmacists and nutritionists work together, there is close collaboration. For example, if an employee needs a referral to a specialist doctor, the PCMH physician will recommend who to see, and may even make the appointment. Also, PCMH practices may have extended weekend or evening hours, so your employees can see their doctor after a shift. This makes medical care as convenient as possible, and saves valuable time.
3. It can save money: Timely preventive care means less expensive medical treatment and lowers the risk for serious and sometimes life-threatening illnesses. Over the past six years, Blue Cross Blue Shield of Michigan estimates its PCMH program has avoided up to \$427 million in costs—due to members receiving the right care at the right time.

**For more about the PCMH model of care in Michigan, see these frequently asked questions. To find a doctor who is part of a PCMH in Michigan, visit [bcbsm.com](http://bcbsm.com) and click on “Find a Doctor,” then check the “Patient-Centered Medical Home” option to narrow your choices.**

NATIONAL LABOR OFFICE 2016 EDUCATIONAL WEBINAR SERIES		
Month	Date	NLO Strategic Alliance
September	15	Ameritox – Being Part of the Solution in the Opioid Epidemic
October	6	New Directions Behavior Health (NDBH)
October	TBD	Best Doctors – Cognitive Computing: How Will IBM Watson Impact the Quality and Cost of Delivering Health Care
November	8	BCS Financial – Financial Wellness
December	15	NASCO – Claims Processing

To register for a webinar, contact [nlo@bcbsa.com](mailto:nlo@bcbsa.com) or 202-626-4815.

Who should register?

- BCBS Plan employees
- Organized Labor Leaders, Health Care Bargainers, and Fund Managers
- Benefit Consultants
- Human Resource Administrators

2016 NLO CALENDAR OF EVENTS					
Sept.	16 – 18	39th IBEW® International Convention (St. Louis, MO)	Oct.	17 – 19	NLO Fall Board of Directors Meeting (Chicago, IL)
	25 – 27	SIIA 35 <sup>th</sup> Annual National Educational Conference & Expo (Austin, TX)		23 – 26	NCPERS: Public Safety Employees Pension & Benefits Conference (Las Vegas, NV)
	26 – 28	NCCMP Annual Conference (San Diego, CA)		Nov. 12 – 16	IFEBP Annual Conference (Orlando, FL)
			Dec. 12	Food & Drug Conference (Las Vegas, NV)	
2017 NLO CALENDAR OF EVENTS					
Jan.	6 – 8	National LERA Meeting ASSA/AEA (Chicago, IL)	May	9 – 12	BCBSA 2016 Blue National Summit (Orlando, FL)
	22 – 24	Made in America (Las Vegas, NV)		16 – 18	SIIA Self-Insured Workers' Compensation Executive Forum (Asheville, NC)
	29 – 31	NCPERS Annual Legislative Conference (Washington, DC)		21 – 24	NCPERS Annual Conference & Exhibition (Hollywood, FL)
Feb.	31	Consortium Sales Advantage Conference (Palm Springs, CA)	June	1 – 4	LERA 69 <sup>th</sup> Annual Meeting (Anaheim, CA)
	1 – 2	Consortium Sales Advantage Conference (Palm Springs, CA)		5 – 8	NLO National Labor/Management Healthcare Strategies Meeting (Savannah, GA)
Mar.	16 – 21	National Labor Management Conference (Hollywood, FL)	Sep.	23 – 27	NCCMP Annual Conference (TBD)
	6 – 8	Consortium HealthCare Forum (Palos Verdes, CA)		Oct. 22 – 25	IFEBP Annual Conference (Las Vegas, NV)
	28 – 30	SIIA Self-Insured Health Plan Executive Forum (Tucson, AZ)	Oct. 29 – 31	NCPERS Public Safety Employees Pension & Benefits Conference (San Antonio, TX)	
Apr.	30 – 31	NLO Spring Board of Directors Meeting (Washington, DC)	Nov.	1	NCPERS Public Safety Employees Pension & Benefits Conference (San Antonio, TX)
	1	IBEW Construction & Maintenance Conference (Washington, DC)		6 – 8	NLO Fall Board of Directors Meeting (Nashville, TN)
	2 – 5	AFLCIO Building Construction Trades Department (Washington, DC)			

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\*NLO strategic alliances do not sell Blue Cross and Blue Shield branded products. Strategic alliances are not BCBSA partners or joint ventures. In addition, there is not an employer and employee or principal and agent relationship between BCBSA and any strategic alliance, or their respective personnel.

Blue Cross Blue Shield Association is an association of independent Blue Cross and Blue Shield companies.

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