EMPLOYERS HEALTH

A publication of Employers Health Coalition, Inc.
Spring/Summer 2018

# EHconnect

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Manager, Benefits Operations
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CVSHealth

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Diabetes is one of the most prevalent and costly chronic conditions in the nation.[1] Now you can get in front of this trend and soften the financial impact with Transform Diabetes Care™. This comprehensive management solution utilizes advanced analytics to target and address each plan member's unique needs to help improve health outcomes. Best of all, it offers *single-digit trend guarantee for diabetes drugs to rein in escalating costs.**

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**For more information** about Transform Diabetes Care, contact your CVS Health Account Team.

1 Source: CDC.gov

*Our program employs several cost containment and clinical strategies to help produce additional savings. While the guarantee will vary by client according to plan population demographics and other programs implements by the client, an employer client's current spending on these diabetes drugs, and other factors, we have developed the program to help clients reduce trends for diabetes drugs to single-digit.

**Based on a model 100,000 life commercial client population and CVS Health analysis. Actual savings will vary based upon factors such as demographic changes, plan design changes, and law/regulation changes). Source: CVS Health Analysis, Gilmer et al., Diabetes Care, (2005), CDC Prevalence Data.

*Inside this Issue*

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Emily Clevenger, Editor

# 2018 Meetings & Events

Stay ahead with Employers Health and save these dates!
You can always find our events calendar at www.employershealthco.com/events
**Employer Members only*

## PBM TRENDS

### SAN FRANCISCO, CA
SEPTEMBER 12
10 A.M. - 12 P.M.

### SEATTLE, WA
SEPTEMBER 13
10 A.M. - 12 P.M.

### ST. LOUIS, MO
SEPTEMBER 25
11 A.M. - 1 P.M.

## AUG 21

### EMPLOYER HEALTH AND WEALTH WORKSHOP*

COLUMBUS , OH
HILTON AT EASTON
8 A.M.-3 P.M.

## AUG 27

WEBINAR: SUICIDE PREVENTION AND AWARENESS IN THE WORKPLACE
3-4 P.M. EST

**SAVE THE DATE**

## NOV 28

CANTON, OH
KENT STATE UNIVERSITY AT STARK
8-10 A.M.

EMPLOYERS HEALTH ANNUAL MEMBERSHIP MEETING

CINCINNATI OHIO PBM CONFERENCE

**SAVE THE DATE**

## MAR 20, 2019

CINCINNATI, OH

ANNUAL INNOVATIONS IN BENEFITS CONFERENCE

**SAVE THE DATE**

## MAY 15, 2019

CANTON, OH
KENT STATE UNIVERSITY AT STARK

# Message from Chris

Health care, by design, is complex and with the current number of anticipated mergers and acquisitions, it is becoming increasingly difficult to follow and understand. While it is easy to look at these deals at face value, we at Employers Health are digging deeper, in order to help navigate, educate and inform our membership on this trend.

In the past year, we've heard announcements of a CVS Health – Aetna merger, UnitedHealth Group's purchase of DaVita's medical unit, Cigna's intent to purchase Express Scripts and the combination of numerous hospital systems. Even competitors like CVS Health and OptumRx have begun working together to help get the right drug to the right patient at the right price.

At a basic level, all these deals have one thing in common. Health care providers everywhere are coming together, whether through mergers, acquisitions, joint ventures, or other collaborations to create synergies and efficiencies they cannot achieve alone. In this issue of EH Connect, Bryce Horomanski, associate counsel, dives deeper into some of the deals that have been announced and shares what they may mean for health care purchasers. Additionally, Director of Pharmacy, Matt Harman, provides an update on the blockbuster drug class for migraine medications. To learn more about how these migraine therapies could impact your spend, be sure to read Matt's article on page 10.

Just as the health care industry continues to consolidate, plan sponsors throughout the country continue to realize the value in group purchasing for benefits. 35 new organizations joined our membership in 2017, putting the total number to more than 250 members who together spend more than $1 billion on pharmacy benefits.

While leverage can be achieved by a "jumbo" employer, more can be achieved by employers working together. The value of collaboration transcends the size of the individual employers – more can be achieved by working together.

We continue to expand our team to best serve our growing membership. If you've been to an Employers Health event recently, you have seen many new faces. Since the last publishing of this magazine, we've added six new employees to our team. If you visit our Canton office, you have likely met Lori Wasko and Diane Fitzpatrick. Lori and Diane joined us late last summer and are both administrative assistants, with Diane serving as our receptionist and Lori assisting with a variety of administrative duties. Team members added in 2018 include Mike Buddenberg, Joe Stoffer, Sean Godar and Whitney Burkhalter. Mike Buddenberg started in January as sales operations specialist working with the sales and marketing teams to plan and execute our annual growth strategy. Joe Stoffer joined the account management team to serve our growing membership. Sean Godar serves in a new role as director, product evaluation. In this role he assesses health benefits, technologies and educational opportunities to evaluate new product offerings. Whitney Burkhalter was previously an account management intern and joined our data analytics team as data analytics specialist.

Despite all the unprecedented growth and expansion, one thing remains the same, our commitment to engage, empower and equip, with resources, tools and advice that help plan sponsors deliver access to high-quality health benefits at a sustainable cost.

Christopher V. Goff

**Christopher V. Goff**
CEO & GENERAL COUNSEL

## Welcome to our newest members!

- Amgen
- Allergan
- ARC Administrators
- BJ Services Company LLC
- Bridgewater Associates
- Buckeye Partners, L.P.
- Buyers Products
- Churchill Downs Inc.
- City of Akron
- Community Consolidated School District 59
- Corelle Brands
- Diocese of Greensburg
- Liberty Hospital
- Pima County, AZ
- Princeton City School District
- Providence Service Corporation
- Rhode Island Interlocal Risk Management Trust
- Sharecare
- Spartech, LLC
- Trumbull County Schools Insurance Consortium
- Washington Elementary School District 6
- WellDoc
- Workplace Staffing Services

# CONTINUING TO CONSOLIDATE: HEALTH CARE MERGERS & ACQUISITIONS

WRITTEN BY: **BRYCE HOROMANSKI, JD** // *Associate Counsel*

With prescription drug prices rising, the spotlight is shining brightly on the health care industry. Consumers and politicians alike have questioned how best to curtail rising prices. Consolidation is a central strategy of managed care organizations, pharmacy benefits managers, pharmacies, wholesalers and insurers. These entities believe that through consolidation they could gain purchasing power and further reduce costs by increasing use of their own assets. As the pharmacy supply chain is predicated on scale, gains in purchasing power will purportedly allow managed care organizations to leverage their size and gain pricing improvements while, ultimately, reducing costs for all their customers.

## ANNOUNCED MERGERS AND ACQUISITIONS

### CVS HEALTH CORPORATION AND AETNA INC.

- The merger between CVS Health and Aetna was announced December 3, 2017.
- CVS Health agreed to pay $4.1 billion in cash, issue $21 billion in equity to Aetna stockholders and issue $44.8 billion in new debt to finance the acquisition. CVS Health will also assume Aetna's debt, which brings the total transaction value to $77 billion.
- CVS Health and Aetna already have a large share of their respective markets. CVS Health is the second largest pharmacy chain in the U.S., controlling approximately 25 percent of the retail pharmacy market. CVS Caremark, the prescription benefits manager (PBM) subsidiary of CVS Health, is the largest PBM, capturing approximately 30 percent of the PBM market. Aetna is the third largest health plan, capturing more than 5 percent of all covered lives.
- CVS Health believes that this merger can help to quell some of the rising primary care medical costs by allowing it to direct individuals using Aetna's network to CVS Minute Clinics, reducing costly and avoidable emergency room or urgent care visits, while also allowing better management of patients with chronic conditions.
- Many who oppose the acquisition, which would have been the number two revenue generating company in 2016, behind only Walmart, argue that the same efficiencies could be realized through contractual arrangements between the two companies.
- As CVS Caremark currently generates over 40 percent of its revenue from specialty medications, the merger with Aetna will also provide more access to current and future specialty utilizers. This will allow CVS to more effectively manage specialty prescriptions dispensed and reimbursed through providers in Aetna's network.

### ALBERTSONS COMPANIES LLC AND RITE AID CORPORATION

- The merger between Albertsons and Rite Aid was announced February 20, 2018.
- Albertsons stands to gain 2,569 retail pharmacies; it also plans to rebrand all its in-store Albertsons owned pharmacies as Rite Aid pharmacies.
  - This merger comes shortly after Rite Aid agreed to sell 1,932 stores and three distribution centers to Walgreens in January 2017.
  - This acquisition expands Albertsons' national network of pharmacies to around 4,300 stores, about half the size of market leaders, like Walgreens and CVS.
- With its increased footprint, Albertsons will provide PBMs a larger number of access points for participants. It will also benefit from increased negotiating power with wholesalers and PBMs. Both of which could increase its margins and theoretically allow it to pass potential savings on to consumers.

### CIGNA CORPORATION AND EXPRESS SCRIPTS HOLDING CO.

- The merger between Cigna and Express Scripts was announced March 8, 2018.

- Cigna is financing the merger with $52 billion in cash and new equity and assuming $15 billion in new debt.
- Currently, Cigna is the fifth largest health plan, capturing nearly 5 percent of all covered lives.
- Express Scripts is the second largest PBM, capturing approximately 25 percent of the PBM market.
- Cigna believes that this merger will allow it to provide end-to-end clinical, medical and utilization management, which would create significant efficiencies and cost savings.
- As with the CVS Health and Aetna merger, those opposed to this merger believe the same efficiencies can be achieved through contracting.

## RUMORED MERGERS AND ACQUISITIONS

### WALGREENS BOOTS ALLIANCE-AMERISOURCEBERGEN CORP.

- On February 12, 2018, The Wall Street Journal reported that Walgreens had initiated talks to acquire AmerisourceBergen.
- Walgreens is the nation's second largest retail pharmacy chain.
- AmerisourceBergen is a wholesale distributor of pharmaceutical products.
- In the U.S., three companies account for 90 percent of all revenues from drug distribution. AmerisourceBergen is the second largest of these distribution wholesalers, capturing approximately 35 percent of the drug distribution revenue (approximately $142 billion) in 2016.
- Walgreens currently owns approximately 26 percent of AmerisourceBergen.
- The acquisition would allow Walgreens to consolidate and streamline its supply chain, while also strengthening its global reach.
- On February 27, 2018, CNBC reported that talks between Walgreens and AmerisourceBergen had stalled, however, their source stated that the acquisition talks could resume.

### WALMART INC. AND HUMANA INC.

- On March 29, 2018, Reuters reported that Walmart had interest in acquiring Humana.
- Walmart is the nation's largest retailer and one of the larger pharmacy chains with pharmacies located in approximately 4,600 of its stores. Humana is the eighth largest health plan, capturing approximately three percent of all covered lives.
- Acquiring Humana would allow Walmart to have exclusive control over the health care offered to its employees, while keeping any profits made from administering the health care in house.
- As with the CVS Health Aetna deal, Humana could also drive use of Walmart's assets such as in-store health clinics and pharmacies.
- As of this time, the talks between Walmart and Humana are only in their early stages and there has been little indication if the talks will continue.

FAILURE TO EFFECTIVELY LEVERAGE SCALE WHILE SEEKING TRANSPARENCY CAN CREATE A SITUATION WHERE PLAN SPONSORS AND PARTICIPANTS ARE PAYING MORE, NOT LESS.

## REGULATORY CHALLENGES AHEAD

The recent vertical mergers, headlined by the acquisitions proposed by CVS Health and Cigna and the potential acquisitions by Walmart and Walgreens, are mergers between companies that occupy different stages of the same industry. Past mergers, akin to Albertsons' acquisition of Rite Aid, have been horizontal mergers between companies that occupy the same stage in the industry. As shown by the failed mergers of Aetna and Humana, Anthem and Cigna and Walgreens and Rite Aid, recent history has not been kind to large horizontal mergers in the health care industry. The same negativity may be shown to the large vertical mergers that we have highlighted. Makan Dalrahim, the Assistant

Attorney General for the Department of Justice, has expressed his skepticism on the ability of large vertical mergers to generate significant efficiencies and believes they would reduce competition in the industry. Many analysts note anti-competitive effects of such a vertically-integrated company that may result in the merged company failing to pass along any efficiencies and cost decreases to its customers.

While it is unclear if the CVS Health and Aetna merger will be approved by the Department of Justice, it is widely believed that its fate will forecast the fate of the Cigna and Express Scripts merger and the potential Walmart and Humana merger.

## THE TALK OF THE TOWN

Pundits have speculated that some of the consolidation in the health care industry is in response to Amazon.com. Amazon has expressed interest in disrupting the health care industry. In October of 2017, Amazon began targeting hospitals with its Amazon business offering, selling a limited amount of medical supplies directly. In early February 2018, Amazon started expanding such sales directly to dentists and doctors. In mid-April, Amazon decided to drop any plans to sell drugs to hospitals. In a further display of its efforts, in January 2018 it was announced that Amazon, Berkshire Hathaway and J.P. Morgan would collaborate on a new health care company aimed at providing high-quality and transparent health care at a reasonable cost. On June 28, it was announced that Amazon has agreed to acquire PillPack. This confirmed many pundits' suspicions that Amazon was just at the beginning of its journey into the health care industry. PillPack is licensed to mail prescription medications in 49 states and, once the deal goes through, Amazon will immediately gain access to those licenses, enabling Amazon to bypass some regulatory hurdles. It appears that Amazon has begun to do more than just dip its toe into the health care waters, and many think that there are more significant moves yet to come.

## WHAT IS A PLAN SPONSOR TO DO?

Plan sponsors should take note of the market dynamics these mergers, acquisitions and market disruptions are reinforcing. Plan sponsors must remember that the pharmacy supply chain is driven, first and foremost, by volume. Failure to effectively leverage scale while seeking transparency can create a situation where plan sponsors and participants are paying more, not less. A balanced approach, with prudent strategies and rooted in reality, typically leads to more favorable outcomes.

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# MIGRAINE MEDS

## An Employer's Next Big Headache in Drug Spend?

WRITTEN BY: **MATTHEW HARMAN, PHARMD, MPH** // *Director of Pharmacy*

In 2014, it was hepatitis C drugs while 2015 brought us PCSK9 inhibitors. Could 2018 be the "blockbuster" year of calcitonin gene-related peptide (CGRP) inhibitors for migraines? As was the case with those previous therapies, CGRP drug uptake will depend on a plan sponsor's population and how efficiently the class is managed by the plan's preferred vendors.

Before diving into the emerging migraine agents and potential strategies to contain them, a high-level overview of the world's third most prevalent illness may be beneficial, especially for American employers who lose over $13 billion annually due to an estimated 113 million lost workdays by employees with migraines [1].

### Migraine Basics

Migraine headaches impact about 18 percent of women and 6 percent of men in the United States, with a peak prevalence occurring between the prime working ages of 25 and 55 [2]. The 39 million sufferers of migraines, known as migraineurs, can experience incapacitating pain during an attack that lasts anywhere from four to 72 hours along with nausea, vomiting or sensitivity to light or sound. Other neurological symptoms, such as auras, fatigue and/or the inability to concentrate, often occur before and after migraine headache attacks, which is why migraines are classified based on the number of headache days per month [1]. About 90 percent of migraineurs experience 14 or less migraine headache days per month, which is the threshold for episodic migraine (EM). Chronic migraine (CM) is characterized by having 15 or more headache days per month for at least three months [3].

Even with the distinction in days, over half of migraineurs are never diagnosed and those who seek care are often not effectively treated [1]. The current treatment landscape can lead to depression, anxiety and sleep disturbances as patients cycle through nondrug therapies (e.g. diet and exercise, relaxation techniques, cognitive behavioral therapy) and medication treatments that are frequently discontinued due to lack of efficacy or tolerability [4].

At a high level, migraine products can be broken out as *acute* treatment for use when symptoms arise or *preventive* treatment to reduce the severity and/or frequency of attacks. Triptans are the standard of care for acute instances, but they are the only current drug class that has been specifically developed for migraines. Other acute treatment options that are typically prescribed are nonsteroidal anti-inflammatory drugs (NSAIDs), corticosteroids, opioids and anti-nausea medications. Preventive drug therapies that have shown effectiveness include drugs in classes used to treat depression, seizures and blood pressure [5]. CM patients have the added treatment option of receiving Botox® injections for prevention, and like the other preventive therapies, generally require at least three to four months of use to determine efficacy.

### Anticipation for CGRP Drugs

Discovered in 1983, CGRP plays an important role in pain signaling as well as dilating blood vessels in the brain and peripheral vasculature. During a migraine attack, CGRP levels rise and clinical trials for the drugs that inhibit its effects have shown some efficacy in treatment and prevention. While slightly effective in acute treatment, the quest to bring an oral CGRP product to market has met its challenges due to the adverse liver reactions associated with metabolism for some of the early attempts. After these setbacks, manufacturers focused in on the potential to develop CGRP products as self-injectable monoclonal antibodies (mAbs) for migraine prevention since their metabolism has not shown to produce toxic metabolites [6]. Patients in trials taking the CGRP mAbs saw an average decrease in the number of headache days by three to four per month, but this was only better than placebo by a day or two. That minimal gap in days was observed in trials for both EM and CM patients. However, the real excitement is for the roughly 15 to 20 percent of "super-responder" patients in trials who have experienced *zero* headache days taking CGRP mAbs whereas no placebo patient achieved that much relief.

Yet, the exact functions of CGRP still remains somewhat limited, especially when it comes to the long-term safety for drugs targeting the protein. Since migraineurs have higher cardiovascular risks, blocking the presumed protective effects of CGRP in the vasculature is a significant concern that may limit initial use. The good news is that short-term safety data does not show negative cardiovascular effects for the upcoming mAbs. In fact, all four CGRP mAbs that may be approved in 2018 (Table 1) appear to be well tolerated by patients [6]. The primary focus for payers will be to ensure that only those who respond to therapy will be able to receive the medications based on the evidence seen in trials and anticipated annual wholesale costs of $7,000 to $10,000 per patient.

## GRP Drugs in Development

TABLE 1

| CGRP DRUG (BRAND NAME IF AVAILABLE) | PROJECTED APPROVAL DATE | ROUTE OF ADMINISTRATION | DOSING FREQUENCY |
|---|---|---|---|
| **PREVENTIVE TREATMENT** | | | |
| Erenumab (Aimovig™) | Approved | Subcutaneous | Monthly |
| Fremanezumab | 6/17/2018* | Subcutaneous | Monthly or Quarterly |
| Galcanezumab | 9/1/2018 | Subcutaneous | Monthly |
| Eptinezumab | Q4 2018 | Intravenous | Quarterly |
| **ACUTE TREATMENT** | | | |
| Ubrogepant | 2019 | Oral | As needed |
| Rimegepant | 2019 | Oral | As needed |

*may be delayed until mid-2019 due to manufacturing plant issues

### Migraine Management

As with most drugs, the most effective way to manage CGRP drugs will be through the use of utilization tools, such as prior authorization and step therapy. Before digging into what that criteria may look like, it is important to not forget about the triptan drug class (e.g. sumatriptan), which are the acute medications used during a migraine attack. All plan sponsors should have quantity limits in place on these products because overuse of triptans can exacerbate further headaches.

If multiple CGRP products are approved as expected, PBMs should have extra leverage to negotiate rebates with manufacturers to lower the overall net price of the drugs. Thus, plan sponsors with exclusion formularies and sound contract language should be able to benefit from the increased competition. For those products that make it on the formulary, ensuring the patient is averaging at least four migraine days per month will be an essential part of prior authorization criteria. Another potential aspect could be necessary steps through cheaper generic alternatives, such as topiramate, which has similar effectiveness to the CGRP drugs for prevention but not as favorable of a side effect profile[6].

Perhaps the most important requirement will be recurring evaluation of effectiveness after six months, so those "super responders" can continue to receive the drug while those who do not experience at least a 50 percent reduction in migraine days would lose coverage. Pharmacies that utilize health care professionals for patient outreach should be able to assist in evaluating effectiveness as well as boosting adherence to the self-injectables.

Finally, employers may see benefits in absenteeism and presenteeism by providing migraine educational programs to their employees who may not seek care otherwise or understand the various nondrug techniques for migraine reduction.

While the thought of every migraineur taking expensive drugs may cause budgetary headaches, the potential savings from CGRP inhibitors may be seen if the drugs are taken by the right plan participants. The key will be to partner with vendors to ensure that takes place more often than not.

### To discuss further, please contact Matt Harman at mharman@employershealthco.com.


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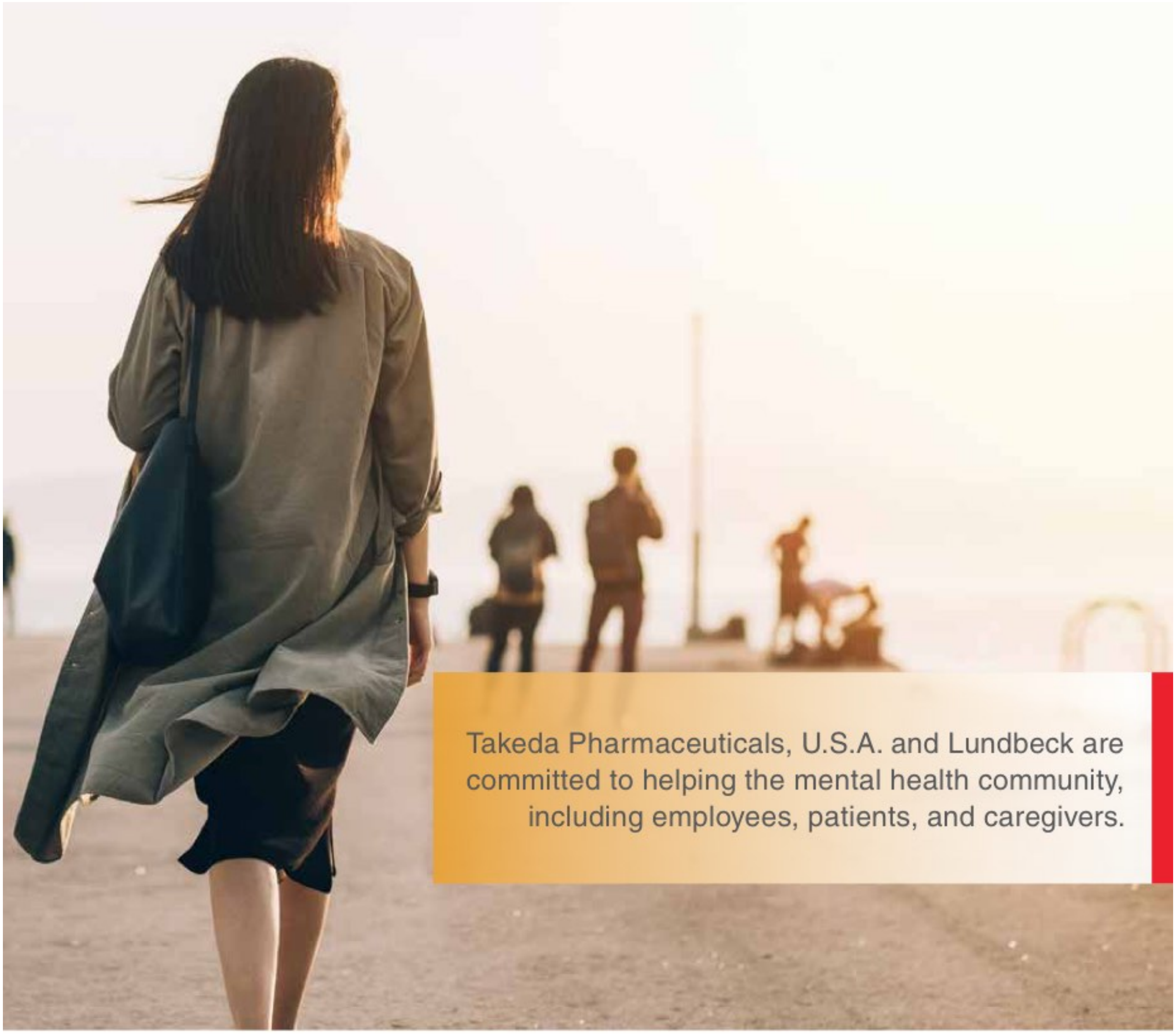


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# Where Policy Meets Culture

## Aligning for Mental Health at Work

WRITTEN BY: **MARCAS MILES, M.A.** //
*Senior Director, Marketing, Communications & Employer Engagement*

Change is hard, and many benefits professionals may not feel empowered or equipped with the resources needed to be on the cutting edge of adopting and implementing innovations. Benefits professionals routinely ask:

- Who else is doing "it"?
- What exactly are others doing?
- What results are those other employers experiencing?
- Is it giving them a competitive advantage and/or is there a positive value proposition?

Basically, they need to know why they should venture into the unknown and assume new risks.

This is especially true when it comes to addressing depression in the workplace. Depression is a sensitive topic and stigma around mental health persists. Many employers have taken steps to educate their employees, provide appropriate supports and normalize mental health as a part of wellness. Nonetheless, challenges continue to get in the way of achieving a mentally healthy workplace. One of the most pervasive challenges is workplace culture.

When we talk about the impacts of depression, we're not just talking about people feeling down or lacking motivation. Depression often impacts people's ability to concentrate and utilize their cognitive functioning. One organization, Families for Depression Awareness, has provided an acronym, "ROAM," to illustrate the areas of thinking affected by depression: reasoning, organization, attention and memory. In the workplace, depression-related cognitive challenges manifest as trouble concentrating, indecisiveness, forgetfulness and more.

Statistically, depression is associated with reduction in focus and productivity equivalent to 2.3 lost workdays per month (Wang, 2014). The Impact of Depression at Work Audit (IDeA), which evaluated the societal and economic burden of depression in the workplace, revealed that nearly 40 percent of workers diagnosed with depression reported taking time off of work, an average of 10 days per year, as a result of their diagnosis (Ipsos, 2014). To top it off, unsupportive work climates worsen mental health symptoms and job performance (IBI Survey).

On the policy side, employers have broadened their benefit offerings, reviewed or sourced a new Employee Assistance Program (EAP) and behavioral health vendors and adjusted time off policies to better support help-seeking for those who need it. However, it's not enough. When it comes to inspiring a culture of help-seeking, employers are falling short. A positive culture will ultimately yield employees who are both fully present and productive. Absenteeism and presenteeism (i.e., being physically present at work but not fully engaged) are two significant hits to productivity. When employees get the help they need, everyone wins.

It's understandable for employers to believe they've put forth enough effort to address the problem of depression in the workplace through policy and benefit-related matters. But to be effective, they must also take an honest and unbiased look at the culture they drive, inform and affirm. Employers are in an extremely powerful position. This power can be used to positively impact how, when and where employees seek help, and how comfortable they feel in doing so. At the same time, this power and influence can also have a completely negative effect, inhibiting employees from seeking the help that they need. It's no secret: employees don't necessarily know or want to admit that they're depressed, they are afraid it will adversely affect their work status, they feel embarrassed and alone, and the majority don't know where to seek help. A policy that allows time off to seek help, or to take time to refresh and renew is great. But when supervisors or managers complain, make derogatory remarks, or treat individuals unfairly for doing so, it completely defeats the purpose of the policy and renders it moot. The policy's intent is further degraded when other employees openly deride and talk down to colleagues that appear to be struggling with such issues. By aggressively attempting to stop this behavior, employers promote a positive, healthy culture.

Only by coupling strong policies and a positive culture together will employers ultimately move employees to seek help when they need it, resulting in a more healthy, present and productive workforce. There are a number of ways employers can help make this happen:

**Adopt policies that support employees' mental health and wellness.** Employee handbooks should clearly state the company's resolve to educate supervisors and employees about common mental health concerns and how to talk with someone about their concerns, support employees who face mental health issues, treat those with mental health issues fairly and without retaliation, and to make employees aware of options and benefits that may be available (e.g., short-term medical leave, employee assistance program, flexible hours, work remotely, etc.). Leverage relationships with all vendors to infuse best-in-class tools and resources related to behavioral and mental health into an overall strategy.

**Train and/or talk to managers and supervisors.** Even the most generous estimates indicate that slightly more than half of employers train managers to recognize mental health problems and help employees get treatment. Employers benefit in the short and long-term by training managers about mental health conditions and ensuring that staff is able to provide support to employees who may be suffering from depression.

**Evaluate – and address – sources of stress in the workplace.** Policies or practices that create stress can be counterproductive – uncertain work schedules, punitive practices, inattention to bullying, negative peer pressure, etc. Inattention to these issues in the workplace can add to stress that employees experience in their lives away from work. Rather than making assumptions as to contributors to workplace stress, ask employees – either through surveys or focus groups.

**Reduce the stigma.** By bringing information about mental health into the open – and sharing similar experiences when possible – employers can implicitly support early identification of symptoms, inspire employees to seek assistance, promote use of the EAP for accessing care and encourage pursuit of symptom management (and wellness). Consult EAP and other vendors for additional support, when needed.

**Share resources.** Many nonprofit organizations have free or low-cost resources available to help employers improve and support workplace mental health. Capitalize on resources available to help understand, communicate about, address and support those affected by depression. Here are a few:

> Right Direction from Employers Health and the American Psychiatric Association Foundation

> ICU from the American Psychiatric Association Foundation

> Mental Health First Aid at Work from the National Council for Behavioral Health

> Coping with Stress (brochure, workshop, webinar) and More Than Mood from Families for Depression Awareness

# Employer roles in managing perceived challenges and concerns

| | |
|---|---|
| **Cost of care** | Develop benefit offerings with reduced out-of-pocket expenses for mental health care. |
| **Don't know where to go for help** | Regularly promote and make available help and benefits through company-sponsored Employee Assistance Program, wellness programs or other resources. |
| **Can handle on your own** | Roll out campaigns and trainings to raise awareness about depression and educate on the signs, symptoms and ways to seek help. |
| **Not having time to get help** | Adjust policies for time off to seek help, relax and rejuvenate. Encourage a culture where these things are welcomed and supported. |
| **Confidentiality concerns** | Outline in policies and re-affirm through education, transparency and support for a positive culture. |
| **Negative effect on job** | Transparent and open dialogue about mental health issues communicated frequently. Visibility and messaging from leadership on the importance of self-care and overall concern for personal well-being to influence a positive culture. |

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*Integrated Benefits Institute. Human Capital investment for better business results connecting work climate, employee health and job-related outcomes. San Francisco: IBI. July, 2015.*

# GREAT PLACE TO WORK®

Employers Health was certified as a great workplace by the independent analysts at Great Place to Work®. Employers Health earned this credential based on extensive ratings provided by its employees in anonymous surveys. Great Place to Work® is the global authority on high-trust, high-performance workplace cultures.

Great Place To Work.

Surveys were completed by 29 employees ranking their trust, pride and confidence in the organization. Employees gave the organization a rating of 100 percent for offering great challenges, a great atmosphere and great pride in the organization. A summary of the ratings can be found at http://reviews.greatplacetowork.com/employers-health.


2018

# LARRY L. MORGAN

Award

The Larry L. Morgan Award was established as the William K. Wilson Service Award in 1988 after Bill Wilson, a retired vice president of marketing at Diebold Inc. Mr. Wilson played a pivotal role in the founding of Employers Health through his leadership as executive secretary of the Stark County Foundation, which provided initial funding for our organization.

In 2017, the award was renamed after longtime board member and advocate of Employers Health, Larry L. Morgan, who tragically passed away in late December 2016. Larry was the longest serving Employers Health board member and served as chair of the board from 2000-2015. This award is presented each year for outstanding support and contributions to Employers Health.

The award has been presented annually since 1988. Recipients are determined by nomination and ultimately selected by the board of directors. The award recognizes effort and service rendered to Employers Health which furthers its founding principles of high quality, cost-effective health care.

## 2018 Recipient

The 2018 recipient was Deborah Walter, Director, Therapeutic Area Policy & Advocacy, Takeda Pharmaceuticals. She has spent more than 20 years in the health care space representing commercial and nonprofit interests, 13 of those with Takeda.

In 2012, Deborah helped to champion the creation and development of Right Direction, a first-of-its-kind employer-facing initiative addressing depression in the workplace, reducing stigma and encouraging people who need it to seek help. Right Direction is an effort of Employers Health and the American Psychiatric Association Foundation's Center for Workplace Mental Health. Deborah is a strong advocate for employers and the pursuit of treatment for depression to improve worker productivity. Additionally, Deborah has spearheaded and been part of numerous initiatives, journal articles and papers on the topic of value-based insurance design and improving access to care. She works in tandem with other organizations such as the National Alliance of Healthcare Purchasing Coalitions, the Depression & Bipolar Support Alliance, Families for Depression Awareness and the JED Foundation.

Marcas Miles, senior director, marketing, communications and employer engagement and Deborah Walter

Due to her ongoing spirit of collaboration and support of Right Direction, it remains a completely free offering utilized by hundreds of employers across the U.S. More than 30,000 assets and materials have been downloaded for use in workplace settings. The initiative has been featured in countless industry publications, stories and presentations and is promoted by leading EAP companies, managed care organizations and employer coalitions and advocacy groups.

EXCELLENCE IN
# BENEFITS
AWARD

THIS YEAR'S WINNER

## Violet Vernon

Senior Manager, Aerojet Rocketdyne Holding

Employers Health is committed to the success of the benefits professionals from its member organizations. The Excellence in Benefits Award was created to recognize the accomplishments of these individuals.

This year's winner is Violet Vernon, senior manager in human resources at Aerojet Rocketdyne Holding. An independent panel of human resources and benefits industry professionals unanimously selected Violet. Nominees were scored on the impact made in the field of employee benefits, achieved outcomes and contributions to the betterment of the overall workplace and community.

In her tenure with Aerojet, Violet has successfully launched a two-year employee engagement campaign including development of an electronic benefits newsletter and in-person enterprise-wide focus groups. Additionally, she has championed the company's wellness program, gaining valuable internal support from Aerojet's CEO. Through her efforts, the company has been recognized as the SAFE Credit Union Wellness Employer of the Year for 2016 and 2017. Employers Health congratulates Violet Vernon!

Nominations for the 2019 award will open in January 2019. Go to **benefitsaward.com** for more information.

**VIOLET VERNON AND DIANNA WATTS** // *Aerojet Rocketdyne*

# OptumRx: Connecting care for better health and lower total cost

## Why Employers Health and OptumRx®?

When the nation's premier employer coalition with more than two decades of experience in managing group purchasing arrangements is paired with the industry's most flexible pharmacy care services model, you get a simplified experience, healthier outcomes and smarter pharmacy care.

## Tackling the biggest challenges in health care

**Runaway costs**
87% of employers identify rising pharmacy spend as a top health care priority.[1]

**Fragmented care**
Complexity and poor health care coordination nearly doubles the cost of patient care.[2]

**Lack of transparency**
Across the health care system, lack of transparency hinders decision-making and outcomes.

## Going beyond pharmacy to impact total care and cost

Powered by the data, analytics and expertise of OptumIQ™, OptumRx can help you address those challenges and more. By synchronizing care, empowering physicians, and simplifying the member experience, we can help you not only improve total health but also reduce total health care costs.

**Synchronizing clinical care**
Total health approach

**Empowering physicians**
Unprecedented visibility

OPTUM IQ™
Data, analytics, expertise

**Simplifying the member experience**
Personalized and connected

**Impacting total cost**
Pharmacy and medical

## Delivering value where others can't

Together with Optum®, we bring the scale, resources, knowledge and perspective to transform pharmacy benefit management.

- **1.3 billion** prescriptions processed
- **85 billion** total pharmacy spend
- **65 million** pharmacy members served
- **30 thousand** physicians and nurses
- **190 million** lives of claims data

## Demonstrated results

**19%**
reduction in total opioid prescription volume[3]

**9-14%**
decrease in Rx specialty spend[4]

**30%**
prior authorizations were initiated or avoided with PreCheck MyScript[5]

**60%**
improvement in overall health ownership[6]

1. Willis Towers Watson. Best Practices in Health Care Employer Survey. 2016. | 2. Care Fragmentation, Quality, and Costs Among Chronically Ill Patients. *American Journal of Managed Care*. May 2015. | 3. 2017 outcomes analysis of opioid risk management program. | 4. 2017 OptumRx Trend Insights, book of business data. Client results will vary. | 5. 2017 PreCheck MyScript program results. | 6. Pilot results based on 2017 3-month pilot period on 85K client membership. Optum consumer analytics.



OPTUMRx®


Member Spotlight
Marybeth Abramski
MANAGER, BENEFITS OPERATIONS
AKRON CHILDREN'S HOSPITAL

The mission of the Akron Children's Hospital and its more than 6,000 employees is to improve the health of children through outstanding quality patient care, education, advocacy, community service and research. We spoke with Marybeth Abramski, manager of benefits operations at Akron Children's, for more insight on how their benefits team works to help employees achieve this mission.

### How long have you been in benefits / HR, and how long have you been at Akron Children's?

I have been the benefits operations manager for five years. Prior to serving as the benefits operations manager I was a senior benefits specialist for 13 years. I've had the pleasure of working for Akron Children's for almost 19 years.

### Why / how did you choose to get involved in employee benefits?

Like many benefits professionals, I fell into benefits about 25 years ago. I returned to work after my youngest daughter started school and was hired as the executive secretary to the vice president of human resources at a local retail organization. The benefits coordinator left the organization and I took on more and more responsibility for the organization's benefits program. I attended classes and seminars and was lucky to have wonderful mentors along the way. Through these opportunities, I found that my passion is to help others navigate the complex world of benefits.

### Please provide a few sentences about your company – general facts about your industry, clients, mission and/or company goals.

Ranked among the best children's hospitals in the country, Akron Children's Hospital has had one focus: kids. Employees across two hospitals, 27 pediatrician offices, four urgent cares and 60 primary and specialty locations all live by the same three promises:

1. To treat every child as we would our own.
2. To treat others as they would like to be treated.
3. To turn no child away for any reason.

We fulfill these promises, serving over a million children a year, while also being recognized by U.S. News and World Report as a best children's hospital and as a NorthCoast99 winner for 11 years.

### How does your company approach health benefits and overall well-being for your employees?

The personal well-being of our employees, both on and off the job, is a priority at Akron Children's. Our benefits team goes "above and beyond" to take care of our people so that they are free to take care of the children and families we serve.

We realize that, now more than ever, employees are motivated by more than money. To this end we strive to provide a comprehensive total rewards package through our "Live More" Total Rewards Program. This includes market-competitive compensation and comprehensive health, retirement and related benefits.

We understand that work-life balance and employee recognition are keys to success, so we offer wide-ranging work and family programs, as well as education assistance and career development programs. Additionally, through our well-being programs, we offer yoga, Weight Watchers and fitness classes to encourage total health. Some of our more unique offerings include scholarships for dependents, library services, sick child care services and an adoption reimbursement program. In a nutshell, we provide programs that promote healthier living for our employees – physically, mentally and financially.

## How has your organization been innovative in delivering health care benefits?

We listen to the wants and needs of our employees and strive to provide the highest level of care at a reasonable cost. We recently surveyed our workforce to identify the benefits they wanted in a comprehensive total rewards package. Our employees asked for, and we delivered, ID theft insurance and pet insurance in addition to the other voluntary benefits already offered: home and auto, universal life, accident and critical illness insurance. We recently implemented a consumer-directed medical plan with a health savings account (HSA) that is offered at no cost for single coverage and includes an employer contribution to the HSA. This is in addition to our Gold CDHP with HSA contributions and two PPO plans.

## What are your thoughts on the future of employee benefits?

Benefit leaders need to figure out how to reduce costs yet offer employees the services they need at a cost they can afford. That may mean more emphasis on changing culture and attitudes towards healthy living and also educating employees on consumerism so that they are more aware of the cost of services. Our benefits program features four medical plans, two of which are consumer-directed plans with HSAs that encourage plan participants to be good stewards of health care dollars.

## How long have you been engaged with Employers Health?

We joined Employers Health in April of 2000.

### What value do you derive/perceive by being part of an organization like Employers Health?

Employers Health offers us better leverage when working with our PBM in several areas ranging from contracting negotiations, claims and rebate auditing, impartial clinical support and objective account management. They are a valuable partner that works with us to ensure we receive best-in-class pricing and rebates annually in what can only be described as a rapidly changing market. Employers Health assists by proactively analyzing our prescription utilization and costs. For example, their staff pharmacist reviews high-cost claims weekly and our account manager will notify us if there are management strategies available as well as advise us on programs we should implement to improve the services we supply to our employees while reducing costs to the plan. We are not on an island, but we are not in a cookie-cutter atmosphere either.

*"We understand that work-life balance and employee recognition are keys to success, so we offer wide-ranging work and family programs, as well as education assistance and career development programs."*

**Marybeth Abramski**
Manager, Benefits Operations

**Desirae Prestien**
Senior Benefits Specialist

**Melissa Onyeiwu**
Benefits Specialist

**EMPLOYERS HEALTH**
COALITION, INC.
4771 Fulton Drive NW, Canton, OH 44718


**WHEN:** August 21, 2018 // 8:30 a.m.-3:00 p.m.
Breakfast and registration // 7:30-8:30 a.m.

**WHERE:** Hilton Columbus at Easton
3900 Chagrin Drive // Columbus, Ohio 43219

**REGISTER:** please call 614.336.2883 or visit:
**Employershealthco.com/healthandwealth**
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employershealthco.com

Northeast Ohio Office
4771 Fulton Drive NW
Canton, OH 44718
330.305.6565

Central Ohio Office
5775 Perimeter Drive, Suite 100
Dublin, OH 43017
614.336.2883

Southwest Ohio Office
9032 Union Centre Blvd, Suite 202
West Chester, OH 45069
513.889.3952

Dallas Office
1777 North Record St.
Dallas, TX 75202

Denver Office
PO Box 13885
Denver, CO 80201
303.586.7315