

Demand Management

Introduction

The TPA offers to the employer a Demand Management Program described under the following broad headings:

- Overview of Program
- Program Checklist
- Annual Actuarial Statement
- Plan Document Amendment
- Annual TPA Statement
- Covered Person Analysis.

Certain basic principles must be followed:

- No covered person may be disadvantaged benefit-wise because of a health condition; plan-provided rules which are or are not followed may be used to determine benefits, however.
- An inconvenience to a covered person resulting from a plan-provided rule aimed at (a) behavior-changing; (b) wellness/preventive; or (c) better use of the healthcare or managed care provisions are not deemed inconveniences.
- Plan must not discriminate, either direct or *de facto* against the so-called protected groups or in favor of the so-called prohibited groups.
- Highest standards of privacy are followed.

The entire Program is described both in the plan document and booklet. The Participant is told in the booklet that acceptance of the benefits constitutes acceptance of the Program. A TPA-maintained free-standing demand management computer program is needed to run this program successfully.

Overview Of Program

Preface

The Plan consists of these parts:

- Wellness and Preventive
- Random Drug Testing
- Behavior Modification
- Self-Help and Self-Care
- Disease Management
- Accident Related
- Large Case Management
- Medical Review
- Health Care Plan Benefit Amendments.

Each part provides a range of choices open to the health care plan sponsor.

The Plan is administered by the TPA on a one-stop-shopping basis; i.e., the TPA, where needed, will subcontract certain functions best handled by a specialty company (EAP, disease management, large case management, nurse-managed screening, e.g.).

Wellness And Preventive

The plan shall be amended so as to provide a special wellness and preventive benefit consisting of an annual 100% plan-paid visit to primary care facility for all participants and covered spouses over age [____]. Such visit will involve only a nurse/PA and will follow this checklist:

- Update on all immunizations
- Annual flu shot (if timely)
- Vital signs (ht, wt, temp, bp, pulse)
- Urinalysis
- Complete blood analysis
- Fecal-occult (over age [____] only)
- Nurse-administered questions:
 1. Do you use tobacco?
 2. What medications (Rx or over-the-counter) do you regularly use?

The wellness and preventive screen is totally managed by the TPA; i.e., (a) establishing and maintaining a primary care relationship; (b) coordinating and scheduling visits; and (c) administering plan-provided incentives (either *carrot* or *stick*).

Incentives. The plan will [provide a wellness bonus of [\$____] to each covered person who submits to the screening]. [Reduce benefits by [additional [\$____] plan deductible] if a covered person fails to submit to the screening].

Response to Test. The results of tests shall be (a) reviewed by the nurse/PA for action and (b) initially provided to the covered person. The medical authority supervising such nurse/PA will take whatever action is medically proper including, but not limited to, (a) recalling for more tests on consultation and referring. Once the primary care facility has concluded its work, a copy of the tests and medical response will be sent to the Disease Management Company for plan-required monitoring. Such monitoring may involve (a) large case management; (b) self-help and self-care as well as (c) disease management.

Candidates for Wellness and Preventive are participants and covered spouses.

Random Drug Testing

The TPA will periodically notify by sealed envelope to Plan Sponsor the name of those participants who are to submit a random drug test. The frequencies of such tests shall be _____.

The tests offered shall be _____.

The penalty for failing to submit to such test shall be _____.

Candidates for random drug testing are participants only.

Behavior Modification

These are behaviors which are targets for modification:

1. Substance Abuse
 - a. Drugs
 - i. Illegal
 - ii. Legal
 - b. Alcohol
 - c. Tobacco (All Forms)
 - d. Food

2. Sedentary Lifestyle

For each of the substance abuses the Program steps are these:

- Identify the Behavior

Use of illegal drugs would come from random drug testing, police records, etc; use of legal drugs would come from a nurse-administered question. Use of alcohol would come from DUI-citations, prior health care claims, notations in personnel file, etc. Use of tobacco would come from a nurse-administered question, general knowledge of employer, supervisors, etc. Food abuse is determined by obesity which is not medically-related; this determination is made by the Disease Management Company which will classify obesity into (a) medically-related subject to management or (b) not medically-related.
- Modify the Behavior

Each covered person with a behavior needing modification will be directed to seek help from either (a) an EAP (where available) or (b) from a similar-type counseling organization.

- The behavior modification program will be a plan benefit. Failure to submit to such behavior modification or complete the program or modify the behavior after such program is completed will result in benefit reductions.

Behavior modification is limited to participants and covered spouses only.

Self-Help and Self-Care

Through the Disease Management Company are offered these services:

- Dial-a-nurse or dial-a-doc
- Pertinent literature
- Disease-specific training.

Dial-a-Nurse or Dial-a-Doc. There are numerous such 800-number services which are helpful to covered persons. If such is not offered by the Disease Management Company, it will not be plan-specific; otherwise it could be.

Pertinent Literature. The Disease Management Company maintains a library of disease-specific or behavior-specific literature which is mailed to the covered person once such person is clearly identified as a candidate for such literature.

Disease-Specific Training. Classes, provider-sponsored, are often available to covered persons to help them better handle their condition (insulin injections, e.g.). The plan should be amended to covered such classes.

Candidates for Self-Help and Self-Care are covered persons.

Disease Management

The Disease Management Company determines candidates for its protocols from a variety of sources:

- TPA-provided claims (including Rx)
- Screening reports from primary care provider.

Once a covered person is so identified the Disease Management Company implements its protocol.

Diseases to be managed include the following:

- Diabetes
- Hypertension
- Asthma
- High Cholesterol
- Obesity.

Incentives. The plan will [provide an additional benefit of [] if the covered person cooperates] [reduce benefits by [] if the covered person fails to cooperate].

Candidates for Disease Management are all covered persons.

Accident-Related

Work-Site. The employer may provide the TPA (and, in turn, the Disease Management Company) of any on-site accident studies made by a workers' compensation carrier or by OSHA. Further, the employer may make or cause to be made, a special study of on-site accidents for use by the TPA and Disease Management Company.

Personal Habits. Where a person is accident-prone or involved with the *excesses of youth*, such person may be a candidate of EAP-providing counseling. Other plan accident problems often arise where a covered person is engaged in dangerous hobbies (hang gliding, etc.). Plan amendments denying benefits for such activities are possible and commonly found.

Large Case Management

Large case management is where a fourth-party medical review firm (legally licensed and regulated as a utilization review firm) directly influences the medical care and its environment on certain large and ongoing medical problems (leukemia, burn, etc.). The plan will typically require any covered person to submit to such management of care as a condition to receiving any benefits. The TPA, as general manager of the Demand Management Program, will usually arrange for such on a *best terms* basis.

Medical Review

The basis of medical review (outside opinion as to whether a procedure is experiment, e.g.) should be predetermined and made part of the plan document. Choices of the employer as to the selection of such review firm include:

- TPA-provided
- Provided by Disease Management Company
- Stated explicitly in plan document.

Health Care Plan Amendments

There are a broad range of potential plan amendments each aimed at lowering the demand for benefits. Examples:

- Anti-double coverage
- Benefit cutbacks for hazardous avocations
- Encouragement of living will (penalty or bonus)
- Paying for alternate care (nutrition therapy, e.g.)
- Recognizing nurse practitioners/PAs as providers
- Using high and low benefit plans; gatekeeper, etc.
- Cover wellness/preventive care
- Cover disease-specific training
- State Medical Review Firm(s) in document

- Certain conditions or procedures carved-out
Organ transplant.