

## **Medical Non-Adherence: Can You Afford Not to Address It?**

**February 10, 2012**  
**11:15 am - 1:00 pm**  
**DoubleTree Hotel**

Non-adherence relates to not taking your prescriptions as prescribed. Especially in hard economic times, people don't fill a prescription in lieu of paying their electric bill or if on multiple medications, may forget to take a pill one day, etc.

This program is approved for one hour of CE credit in Kansas and Missouri is pending.

### **Jessica Lea, Pharm.D., BCPP**



With more than 10 years of extensive experience in pharmaceutical care, Dr. Jessica Lea was named President of Tria Health, formerly known as WellTrak, LLC, in 2010. Tria Health is an innovative medication therapy management company designed to provide solutions for patients with chronic diseases. Prior to her current position, Dr. Lea worked as a Clinical Pharmacist at MedTrak Services, LLC where she played an instrumental role in developing the concept of WellTrak and other wellness programs.

Dr. Jessica Lea graduated with her Doctor of Pharmacy degree in 2000 from the University of Missouri-Kansas City School of Pharmacy. In 2001, Dr. Lea completed an ASHP accredited psychiatric pharmacy practice residency at Northwest Missouri Psychiatric Rehabilitation Center in St. Joseph, Missouri. She continued on to complete a two-year post-doctoral fellowship in 2003 at Western Missouri Mental Health Center. Upon completion of her fellowship, Dr. Lea joined the UMKC School of Pharmacy where she spent four years as a Clinical Assistant Professor in Pharmacy Practice.

### *President's Message*

## **DEAR EBPA MEMBERS,**

2012 is a milestone for The Greater Kansas City EBPA. This year we celebrate a very successful 25 years of service to insurance professionals in our region. The founding members, led by Vince Peyton, had a stated purpose "to interchange information; advance knowledge and education; and foster sound principles, procedures, and practices in the field



of employee benefits." This stated purpose has remained constant, as today over 500 members participate and rely on the EBPA. I am fortunate to have the opportunity to serve an organization with such a long standing and good reputation. I thank all past and current members for their contributions over the years.

Enclosed in this newsletter you will find a "look back in time" from Vince Peyton who was kind enough to spend some time discussing with me, searching around in his files, contacting old board members, and finally contributing his thoughts. I believe you will enjoy reading and remembering some of "how it was" 25 years ago. Thank you Vince!

Looking ahead, I encourage insurance professionals at all levels to remember what the stated purpose of the EBPA is and apply that to current challenges in our industry. We are in the midst of a delivery system that is transforming and will continue to evolve as the traditional lines between insurance company, hospitals, and physicians become less defined.

New leaders will emerge and I am confident that the EBPA will continue to be an organization that is valued and recognized as a source of the most current and relevant information in our business.

*Matt Tritz*

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\* denotes an Executive Committee member

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The opinions expressed in the *EBPA Newsletter* are those of the writers and not necessarily those of the Greater Kansas City Employee Benefit Professionals Association.

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## 2012 MEMBERSHIP DUES

Invoices for 2012 dues have been mailed and are due by February 28. If you need another copy of your invoice, please send an email to ebpa@sbcglobal.net.

Dues may also be paid on-line at [www.ebpa-kc.org](http://www.ebpa-kc.org) on the Membership Page.

### 2012 CALENDAR

Friday,  
April 20, 2012  
Luncheon Meeting  
DoubleTree Hotel

Tuesday,  
May 15, 2012  
Golf Tournament  
Loch Lloyd  
Golf Course

Friday,  
June 22, 2012  
Annual Benefits  
Seminar  
Ritz Charles  
Meeting  
Facility

Check out web site for  
latest details at:

[www.ebpa-kc.org](http://www.ebpa-kc.org)

## A Look Back in Time . . . From the Kansas City Star in 1987

### Employee group celebrates its beginning

By Susan Lahey

Star business & financial writer

**W**hen Vincent Peyton's company transferred him to Kansas City in 1984, Peyton was eager to become involved in the local employee benefits association.

There was just one problem: Kansas City had no employee benefits group to join.

Three years later Peyton, the vice president of Byerly & Co., and others have started their own association. Last Friday more than 100 people attended the first meeting of the Employee Benefit Professionals of Greater Kansas City at the Overland Park Ramada Inn. Some came from as far as Omaha, Neb.

Peyton, the association's newly elected president, was overwhelmed.

"We sent out about 200 letters," he said, "but we only expected about 35 people. We even got letters from a lot of people who didn't come saying that they were interested in becoming part of the association."

The group's stated purpose is "to interchange information; advance knowledge and education; (and) foster sound principals, procedures and practices in the field of employee benefits."

"There hasn't been anything to service this sector," Peyton said. "With all the federal and state legislation occurring in this area, it is very difficult for the employer to keep up with all the laws."

The group is planning an all-day educational seminar later this year, Peyton said, adding that he hoped the group could gain approval to use the seminars for continuing education credits.

The group, which is seeking a permanent meeting place in Johnson County, hopes to gather on the third Friday of every other month. It will charge member corporations \$75, allowing three votes per corporation. Smaller, independent companies will be charged \$25 for a membership.

Peyton said the association hoped to attract a total membership of about 500 persons.

## Will ACOs be an Effective Cost Containment Vehicle for Medicare?

by Lauren Schultz, Legislative Chair

The Affordable Care Act (ACA) of 2010 includes several provisions to explore and implement Value-based purchasing programs, which provide the power to base a portion of hospital government reimbursement payments on performance, within the United States health care system. These provisions target Medicare in particular, aiming to increase the quality of patient care, while also lowering the overall cost of healthcare for any given community or population.

Section 3022 of the ACA expressly calls for the creation of a Medicare Shared Savings Program, which provides funding specifically for Accountable Care Organizations (ACOs) as of January 2012. ACOs are collaborations between individual physicians, hospitals and other providers that are responsible for the clinical and monetary healthcare delivery in their pools of participants.

Amongst the core values of these ACOs is the strong emphasis on primary care using evidence-based practices, where providers are responsible for outcomes and per capita costs, payment structures (fee-for-service, capitation, etc.) linked to improvements and progressive patient outcomes, and robust measurement tools and metrics to track linkages between improved quality of care and increased savings in hard healthcare dollars. These principles, in theory, make ACOs an ideal vehicle to help achieve the goals enumerated in the ACA.

A number of ACO pilot programs are currently being conducted across the United States with corporate insurers and state Medicaid programs without the financial assistance of the Medicare Shared Savings Program. Test pilots are currently being undertaken in the states of Colorado, Vermont, and New Jersey as well as the Brookings-Dartmouth ACO Learning Network. While some of these pilot programs have been successful thus far, there is little evidence to support their financial sustainability and strength to withstand the forthcoming competition and increased costs associated with the continuously increasing amount of regulation.

*Amongst the core values of these ACOs is the strong emphasis on primary care using evidence-based practices . . .*

Although many critiques have been made about the recent push to form more ACOs, there are a few primary issues at the forefront of this debate. It has been acknowledged that ACOs have many similarities to Health Maintenance Organizations (HMOs), which sought to control costs by limiting patient choices. However, HMOs were largely viewed as failures because in many cases providers had such great incentives to keep costs down that they would deny appropriate levels of care. ACOs attempt to straddle this hurdle by creating extensive quality metric recording requirements to qualify the quality of care they are providing.

The down side to this proposal is the extreme opportunity cost associated with the providers' time lost filling out the paper work to track patient improvement when they could be spending their time seeing more patients. This combined with the immense capital investment required to form an ACO makes it very difficult to maintain appropriate cash flow for this type of practice.

Lastly, some critics are concerned that ACOs may drive the cost of Medicare even higher. When physicians whom previously competed for patients start working together, they could create a monopoly on the market and be tempted to start charging higher prices to private insurance carriers and individuals to counterbalance the lost Medicare revenue.

Overall, unless the government can revise the legislation to help physicians and hospitals mitigate the extremely high risk or share in more of the potential savings associated with forming an ACO, it will be exceedingly difficult to engage enough providers to truly use these organizations as an effective cost containment strategy for Medicare participants. ♦

## A Look Back in Time

by Vince Peyton, EBPA President 1987-88

The Greater Kansas City Employee Benefit Professionals Association was founded during the potentially tough economic times of 1987. “Black Monday,” occurred with the second largest crash (22.6%) of stocks at the time. During the same year, President Reagan was able to get Mikhail Gorbachev to sign the INF (Intermediate-range Nuclear Forces) treaty marking the beginning of the end of the Cold War. While we were celebrating the possible end of that conflict, the Iraqi Air Force attacked the U.S.S. Stark, a United States Navy ship in the Persian Gulf, initiating an ongoing hostile relationship described as having possible long term consequences for our nation and our nation’s children.

On a different front, attempts by members of both political parties were continuing to try and balance the rising tide of health care costs with politically perceived need of increases in health services. HMO’s had been created to control costs, but were more typically the topic of jokes, than they were a long term solution to rising expenditures. More State and eventually Federal mandates, were designed to help consumers, regardless of cost, and were continuing to show they were far better at adding expense than reducing it.

Montgomery Ward, that had started the very first employer health plan, was continuing to have increasingly difficult financial problems because of warrantees that backed excellent quality goods that were becoming uncompetitive in an increasing throw it away society. It’s famous catalog sales had a sudden death in 1984 and the store chain itself would only survive another 14 years beyond 1987 on the strength of its hoarded assets. The **original** Ward’s plan had covered male employees and their families for required physician services and hospital care only *as determined by the employer*.

State governments were having less say in employees group coverage as more and smaller employers were jumping from fully insured plans, regulated by the states with all of the mandates and frills they included, into various forms of self funding of “ERISA” plans. The

original Board of EBPA included an unequal mix of company group representatives and brokers. All of the health companies these people represented have either dropped or sold the medical block of coverage they had marketed as the consolidation of insured business continued and competition decreased. We were not just about medical though as two primary LTD company representatives served on the Board as well and we did listen to the 120 or so people that attended the first real meeting.

At about this time, one large “house” prepared a “confidential memo” concerning loyalty to insurance companies in the overly competitive Kansas City Group Market. Where total premium collected may not come close to totaling the claims paid, certainly a buyers market with many group reps uttering the phrase, “just let me know how much more you need off the rates to get the sale.” Rescission underwriting was not a consideration and about anything over 10 to 25 lives was “guaranteed issued.” But, insurance companies were learning that they had been accepting risk instead of managing it.

A primary goal of the original Board was to seek out and have a more balanced representation of leaders of the employee benefit industry within Kansas City

***A primary goal of the original Board was to seek out and have a more balanced representation of leaders of the employee benefit industry within Kansas City area, with no firm dominating the organization.***

area, with no firm dominating the organization. My recollection of the Founding Board and employers represented in 1987 and my con-

tinuing thanks go to these folks and/or the memories of them. They are: Steve Isacks - Mutual Benefit Life; Dave Kiblen - Standard Of Oregon; Richard Mickelson - Northwestern National Life; Me - Byerly & Company; Sheryl Reynolds - Fringe Benefits Design; Dan Robertson - CNA; Sandra Ruder - Employers Reinsurance Company; Jamie Swett - Travelers Insurance Company and Flo Zalenka - Prudential. ♦

Celebrating **25** Years

## Notice of CEU Procedures

Participants must sign in at the registration desk **AND** submit a completed evaluation form in order to receive CEU credits. Documents will not be accepted by mail. *CEU credit is available to 2011 and 2012 EBPA members only.*

### EBPA February 10, 2012 Reservation

Company \_\_\_\_\_

Name(s) \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Phone \_\_\_\_\_ E-mail \_\_\_\_\_

**Registration and payment may be made online by going to  
<http://www.ebpa-kc.org/index.asp?initpage=Meeting%20Reservation>**

To pay by credit card: \_\_Mastercard\_\_ Visa\_\_ Amex No. \_\_\_\_\_

Expiration date: \_\_\_\_\_ Signature of cardholder \_\_\_\_\_

Registration fee: Prior to February 8: \$35 for members, \$45 for nonmembers, add \$5 after February 8  
 Payment must be received in advance of meeting.

Cancellations must be received 48 hours in advance of meeting.

*EBPA, P.O. Box 40071, Overland Park, KS 66204, 913.381.4458, fax 913.381.9308, ebpa@sbcglobal.net*

### CANCELLATION POLICY

✓ CANCELLATIONS MUST BE RECEIVED 48 HOURS IN ADVANCE of the meeting. A credit for a future meeting will be provided for any cancellations received within this time frame. No shows that have not been prepaid will be billed. Of course, if you wish to send someone in your place to the meeting, please feel free to do so!

We appreciate your compliance with these policies. If you have any questions, please do not hesitate to call (913) 381-4458 or any of the board members shown on page 2.

### Check Your CE Credits

EBPA files all credits for meetings electronically with the states of Kansas and Missouri. You are able to check the credits that have been filed on your behalf by going to:

**Kansas:**

<http://www.ksinsurance.org/industry/agent/conted.htm>

**Missouri:**

[http://insurance.mo.gov/agents/ce/ce\\_res.php](http://insurance.mo.gov/agents/ce/ce_res.php)

*You must be a member of EBPA in order to receive the CE credits from a meeting. An evaluation form must be completed and turned in at each meeting, as well as the sign-in sheet completed.*