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32BJ Health Fund

Leverage Your Data for Smarter Decision Making

CORA OPSAHL, HEALTH FUND DIRECTOR
32BJ HEALTH FUND



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Who is the 32BJ Health Fund?

- 32BJ Health Fund is a self-insured, multi-employer plan that provides health benefits to over 217,000 covered lives or union members of 32BJ SEIU and eligible dependents in 11 states and Washington, D.C.
- Union members are cleaners, property maintenance workers, doorpersons, security officers, window cleaners, building engineers, school and food services workers and airport workers.
- The Fund is jointly governed by the Union and the Employers, using contributions from 5,000 employers of all sizes to fund health benefits
- The Fund provides high-quality health benefits with \$0 monthly premiums, \$0 in-network deductibles, and low in-network copays
- The Fund has been leveraging data to drive innovation and save money for many years



How 32BJ Health Fund Uses Data



- The Fund receives claims data from all vendors
- Data is leveraged for all benefit and plan design decisions
- Proactively evaluate plan design changes and ways to maximize value
- Leverage outside tools

Agenda

- Why you should care about your data
- What the data shows you
- How a Health Care Data Analyst can help you
- How to start looking at your data
- What tools are available to look at your data



Why You Should Care About Your Data

You are required to care about your data

- The Consolidated Appropriations Act (CAA) codified requirements that you have a responsibility to know where your health dollars are being spent

You have a right to see your data!

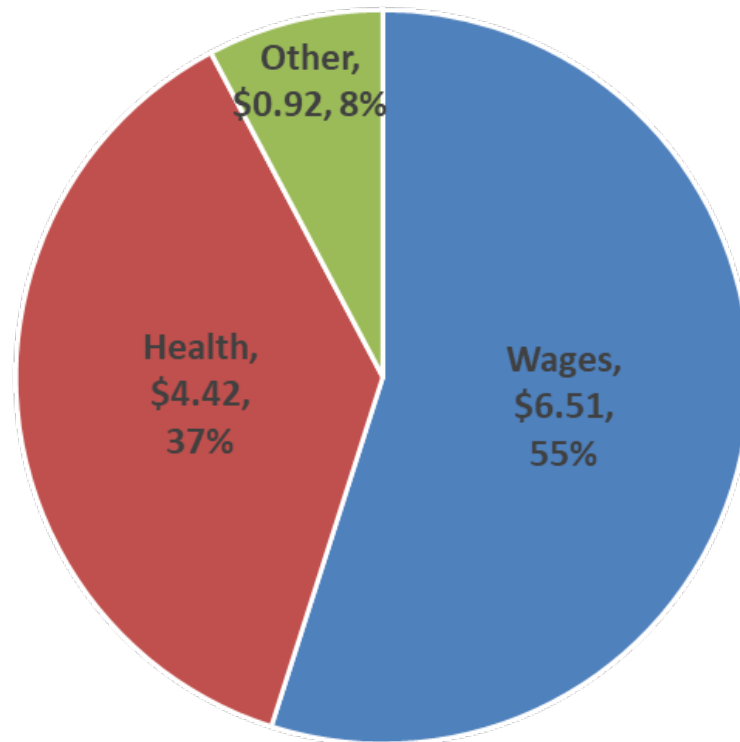
- The CAA banned gag clauses in contracts. This means your carrier **MUST** give you access to your claims data.
- If you don't have it now, demand it.

You have a right to know the data

- The Transparency in Coverage mandates that hospitals and payers **MUST** post their prices online.
- Compliance has been mediocre at best

Healthcare Is An Ever-Increasing Cost for 32BJ (And You!)

2014-2023 New York City
Increases



Wage Increases vs Healthcare Costs:
54% → 230%

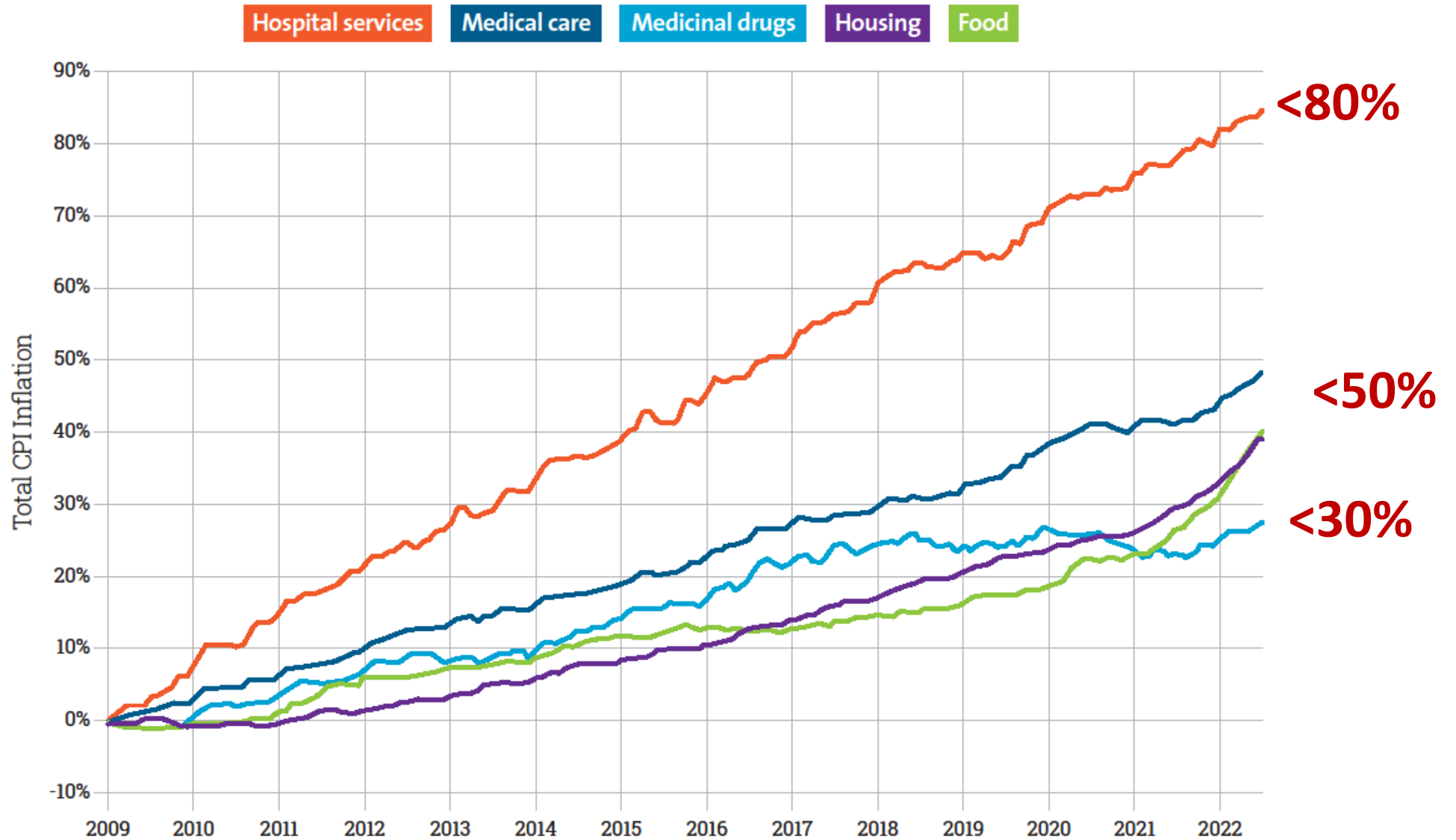
Healthcare as Total Compensation:
17% → 37%

Had Healthcare = Inflation:
\$5,000 more in annual wages



CPI Inflation since 2009

Source: U.S. Bureau of Labor Statistics



Why You Should Hire a Health Care Analyst



Experience in understanding health care claims data



Wrangle and clean messy data (carriers don't make it easy for you)



Conduct a wide variety of analyses



Create meaningful visuals to share with all levels of the organization



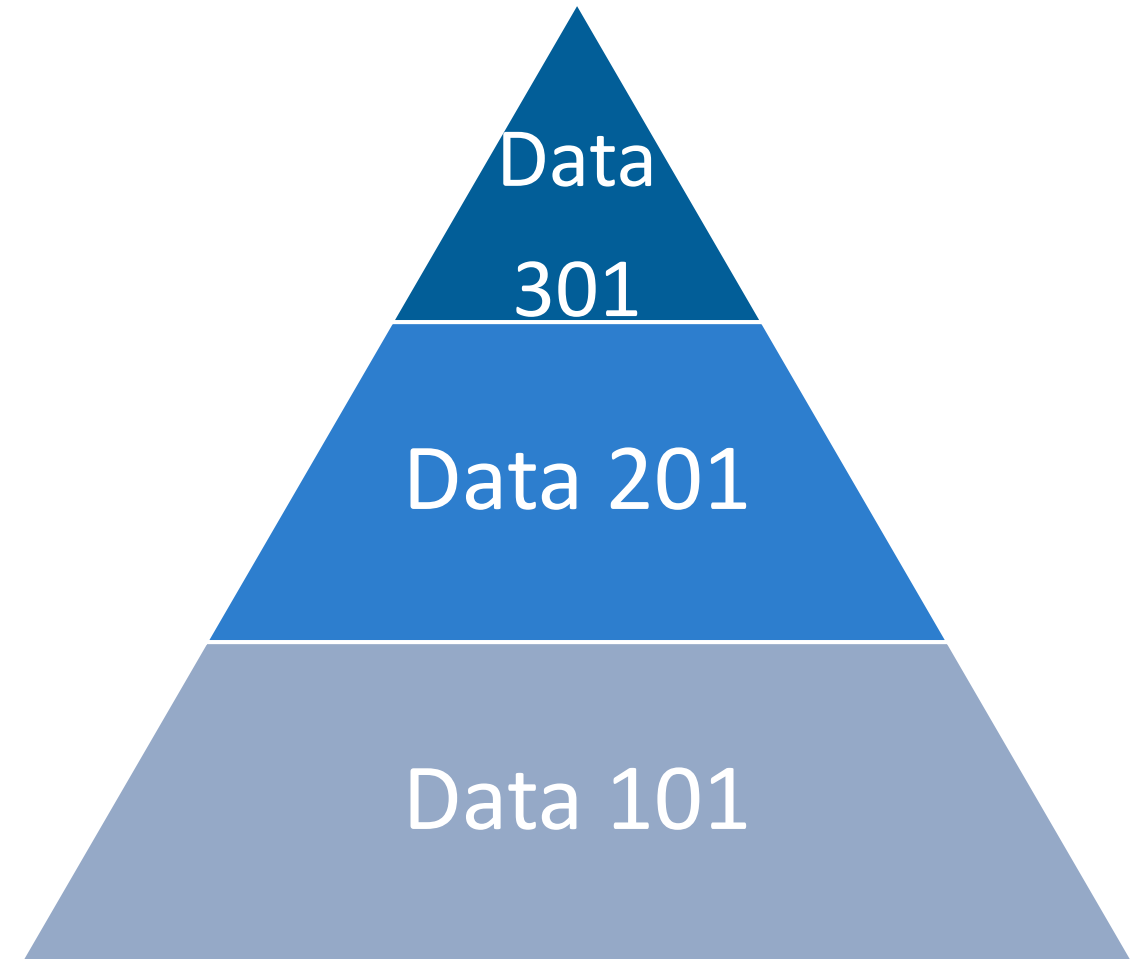
Investigate different business questions using data



Proactively engage with the data to provide business leaders with key insights

What can you do with your data?

- Data 101 (Who, What, Where)
 - How much are you spending?
 - Where are you spending?
 - What are you spending on?
 - Who are your top spenders?
- Data 201 (Deep Dive)
 - Dig into spending over time
 - Analyzing data by disease state, drug, or health system
- Data 301 (More Complex Data Analyses)
 - What is impacting your trend
 - How can you create a plan design that can creating savings and improve plan participants lives
 - Evaluate different health program vendors

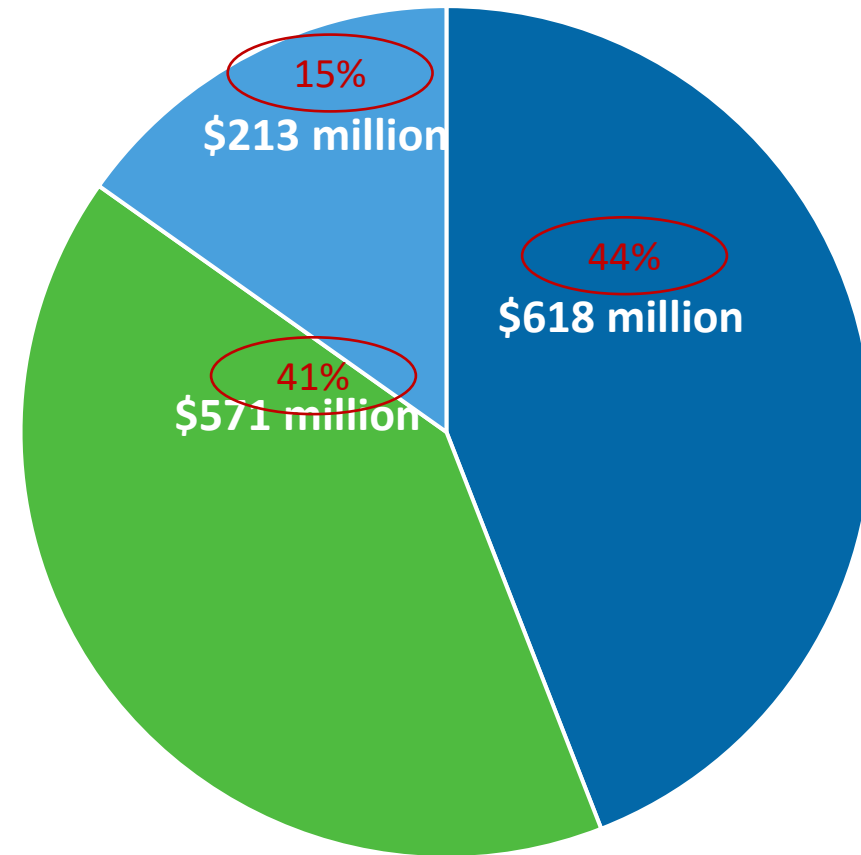


Data 101: Where are you spending your money?

Inpatient and outpatient hospital costs account for 44% of the average employer's spend

*Centers from Medicare and Medicaid National Health Expenditures, 2019

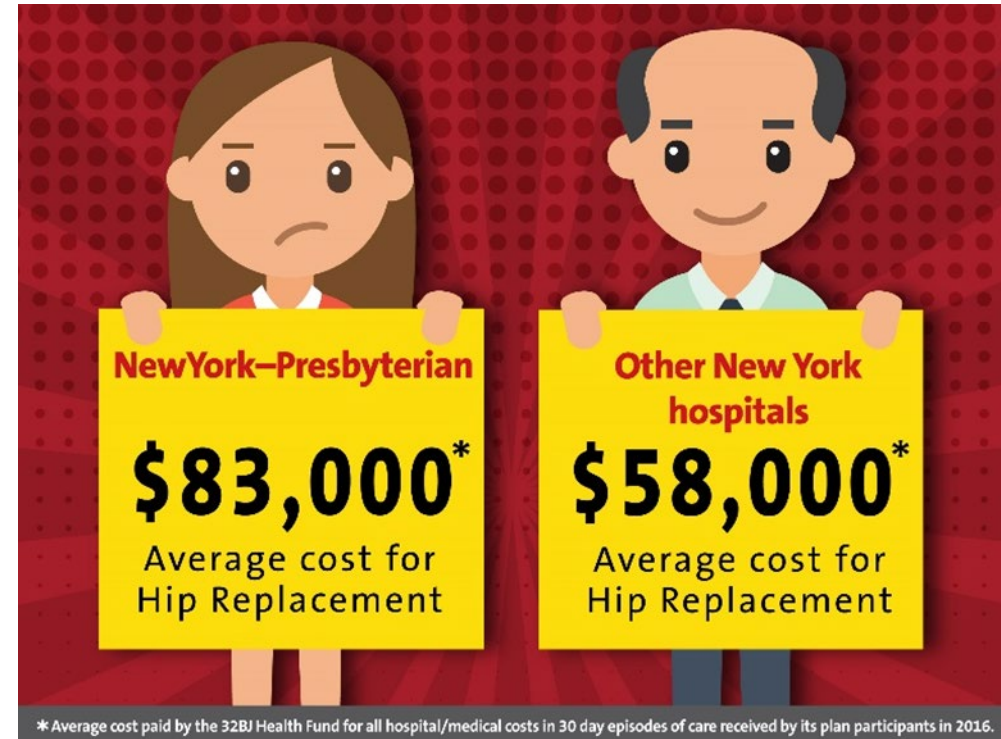
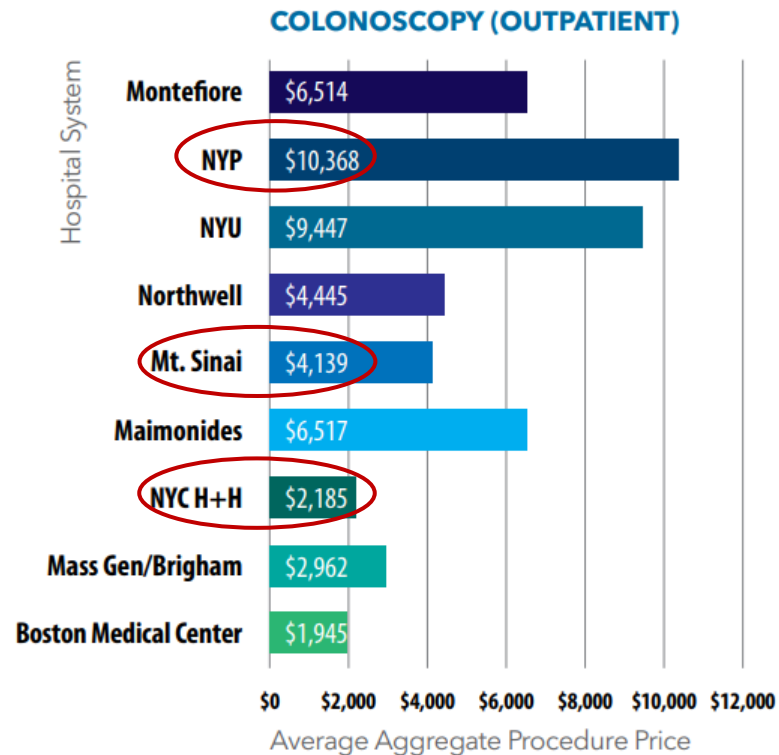
32BJ Health Benefit Spending, 2019
Total: \$1.4 billion



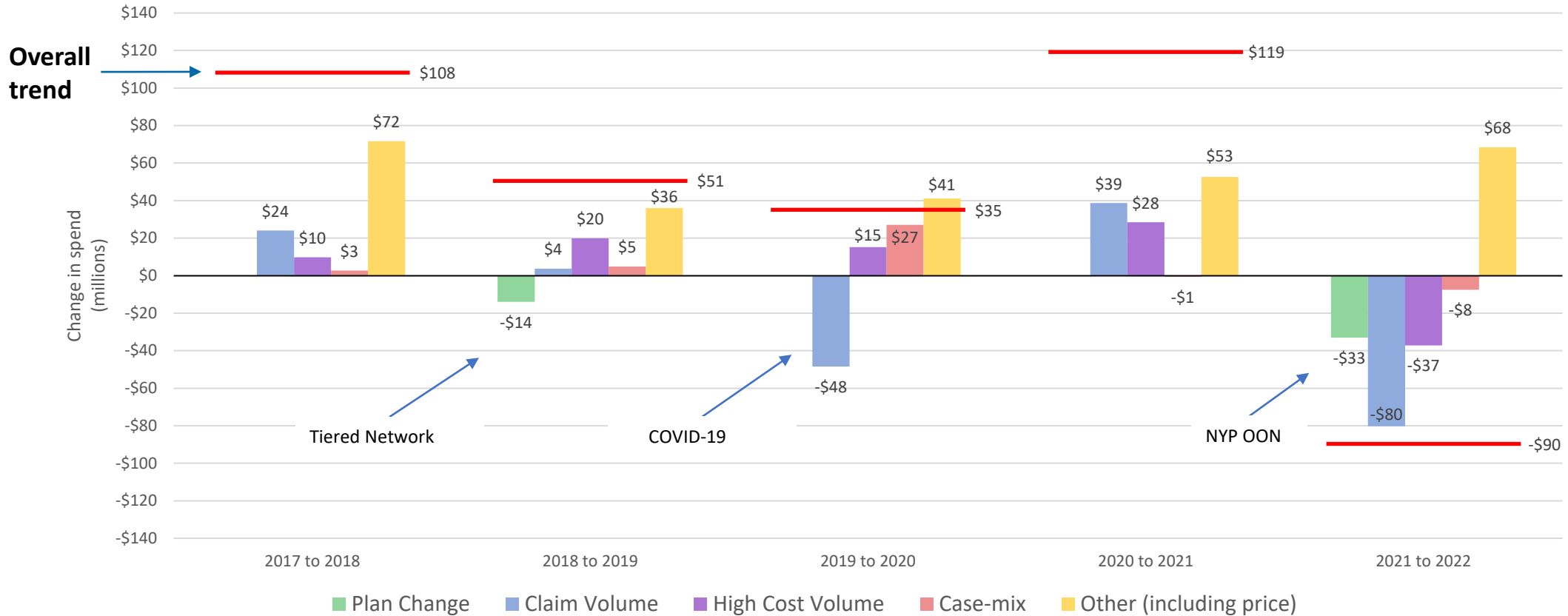
■ Hospital Costs ■ Non-Hospital Costs ■ Prescription, Dental, Vision, Ancillary



Data 201: Prices for the Same Procedure Vary Widely



Data 301: Detailed Trend Drivers Since 2017



- Since 2017, 32BJ has experienced a constant price increases of 4-8% annually
- In 2020, COVID-19 resulted in increases in patient severity and high-cost claims, while the volume decreased
- In 2021 we saw increased volume from deferred care as well as a high-cost claimants from the tail-end of COVID as well as catastrophic events



Data Impact Case Study: Removing a Large Hospital System

January 2022: Removed NY Presbyterian

Saved \$33M in 2022

-4.5% trend in 2022

Flat trend in 2023

- Savings helped the residential and commercial contracts (largest contracts of 32BJ Union)
 - Largest raise in contract history
 - One time bonus for members
 - Premium holiday for employers
 - 3% employer premium increase for 2024 and 2025 and less than 3% in 2026 and 2027



Many Tools Available for Looking at Data



Rand Corporation

- Claims data from self-insured employers that chose to participate in the study, state employee plans, and APCDs
- Calculate rough estimate of savings if paying Medicare prices

Sage Transparency

Sage Transparency Tool

- Leverages RAND, NASHP, CMS, Quantros, Turquoise data
- Compares hospitals to Medicare and one another
- Use Quantros & CMS Quality Data to compare price to quality



NASHP Hospital Cost Calculator

- Leverages CMS Medicare Cost Reports
- Use hospital and state median breakeven prices to determine hospital efficiency
- Can compare Net Profit Margin to Charity Care as a % of Net Patient Revenue



Turquoise Health Data

- Clearinghouse for Hospital pricing data
- Compare your rates to the market
- Provider price analysis with machine readable files

What Outside Tools Reinforce – Are You Getting the Best Price?

Hospital: The Mount Sinai Hospital

Inpatient Data from 2018-2021

32BJ Data

DRG	DRG Description	Volume
470	MAJOR HIP AND KNEE JOINT REPLACEMENT OR REATT	139
794	NEONATE WITH OTHER SIGNIFICANT PROBLEMS	71
807	VAGINAL DELIVERY WITHOUT STERILIZATION/D&C WI	61
871	SEPTICEMIA OR SEVERE SEPSIS WITHOUT MV >96 HOU	52
806	VAGINAL DELIVERY WITHOUT STERILIZATION/D&C WI	31
787	CESAREAN SECTION WITHOUT STERILIZATION WITH C	30

Hospital: NYU Langone Tisch

Inpatient Data from 2018-2021

32BJ Data

DRG	DRG Description	Volume
795	NORMAL NEWBORN	57
470	MAJOR HIP AND KNEE JOINT REPLACEMENT OR REATT	56
871	SEPTICEMIA OR SEVERE SEPSIS WITHOUT MV >96 HOU	52
807	VAGINAL DELIVERY WITHOUT STERILIZATION/D&C WI	47
794	NEONATE WITH OTHER SIGNIFICANT PROBLEMS	45
101	SEIZURES WITHOUT MCC	36

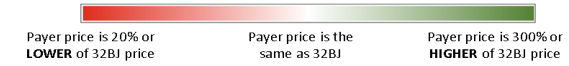
Hospital: NYP Weill Cornell

Inpatient Data from 2018-2021

32BJ Data

DRG	DRG Description	Volume
795	NORMAL NEWBORN	42
794	NEONATE WITH OTHER SIGNIFICANT PROBLEMS	31
807	VAGINAL DELIVERY WITHOUT STERILIZATION/D&C WI	25
621	O.R. PROCEDURES FOR OBESITY WITHOUT CC/MCC	23
101	SEIZURES WITHOUT MCC	19
708	MAJOR MALE PELVIC PROCEDURES WITHOUT CC/MCC	19

Scale



How do 32BJ prices stack up to...

Turquoise: Empire	Turquoise : Aetna	Turquoise: Cigna	Turquoise: Oxford	Turquoise: United Healthcare	Turquoise: Unsorted
102%	70%	78%	75%	63%	58%
105%	74%	89%	97%		60%
105%		100%	105%	90%	89%
97%	63%	97%	88%	48%	55%
108%		97%	91%	83%	86%
102%		87%	99%	76%	85%

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107%	111%	75%	87%	91%	121%
86%	87%			82%	136%
101%	256%	76%		95%	135%
126%	104%		95%	97%	109%
	118%			86%	90%
	125%	95%		342%	291%

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133%				101%	99%
151%	321%	516%			357%
102%	77%	94%			92%
102%	84%	104%			72%
144%		141%			136%
99%	88%	108%			105%



**“Lack of transparency results in distrust
and a deep sense of insecurity.”**

--Dalai Lama

