

employer **QUARTERLY**TM

spring

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NEW CANCER CENTER NOW OPEN

Fighting cancer requires the best professionals and the best technology, equipment, and facilities. A grand opening ceremony was recently held for the new Jon and Karen Huntsman Cancer Center at Intermountain Medical Center in Murray. The three-story center offers outpatient radiation treatment and comprises 48,000 square feet filled with state-of-the-art diagnostic, treatment, educational, and patient services.

A COOPERATIVE EFFORT

The center represents a cooperative effort between cancer specialists and researchers at Intermountain Healthcare[®] and Huntsman Cancer Institute. Patients benefit from Huntsman's leading cancer research and Intermountain Healthcare's clinical excellence, as the two organizations team up on research, education, prevention, diagnosis, and clinical care.

"Modern cancer treatment is a team event," said Bill Sause, M.D., medical director of Intermountain Cancer Services, at the grand opening. "[This] will be as good as any cancer facility in the United States. The building is fantastic, but the real issue is the kind of care we'll deliver and the culture in which we'll deliver that care."

In addition to the new center at Intermountain Medical Center in Murray, Huntsman-Intermountain Cancer Centers are also located in Ogden, American Fork, and St. George.

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Send questions, ideas, or comments to marketing@selecthealth.org.





DID YOU KNOW?

Nearly 20 million Americans have asthma, including nine million children. Asthma is the leading cause of school absences and the fourth leading cause of missed work days. It is responsible for one quarter of all emergency room visits.

HOW CAN SELECTHEALTH HELP?

Most individuals with asthma can stay healthy by taking medications consistently and avoiding things that might trigger an attack. For those who need additional care or support, SelectHealth offers asthma management resources, including the following:

- A quarterly newsletter with helpful articles about asthma management
- Care managers to assist with problem solving, goal setting, and community resources
- Patient-focused intervention to help members self-manage their asthma
- Information about achieving a healthier lifestyle
- Pulmonary education courses taught by certified asthma educators at Intermountain hospitals*
- Follow-up care for members who have recently received treatment in the emergency room
- Access to online resource tools available at www.selecthealth.org/asthma

To enroll in this program, please call 800-442-5305.

**Some employers may not cover the education benefit.*

HERE'S HOW YOUR LUNGS WORK



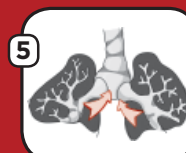
1 When you take a breath in, air flows down your throat and windpipe (trachea).

From the trachea, air flows into two large, tubular airways (bronchial tubes). The bronchial tubes branch as they extend into your lungs.



3 From the bronchial tubes, air goes deeper into the lungs through smaller and smaller branches (bronchioles).

Tiny air sacs called alveoli take oxygen from the air and pass it into your bloodstream. They collect carbon dioxide from the bloodstream for you to breathe out.



5 When you breathe out, air—now carrying carbon dioxide—travels out of your lungs the way it came in.

ANNUAL FAMILY FITNESS FESTIVAL

Join us for our annual SelectHealth Family Fitness Festival Saturday, June 2, from 9:00 a.m. to 3:00 p.m. The festival will be held at the recreation fields directly east of the Salt Lake County Ice Center, 5201 Murray Park Lane (325 East).

The free festival will be a great opportunity for your employees to learn about fitness, nutrition, and safety for the entire family.

Children of all ages can participate in interactive booths, soccer clinics, inflatable rides, games and contests that encourage physical activity.

Real Salt Lake™ will host two free soccer clinics during the day for children ages five to fourteen. Registration begins at 8:30 a.m.

The event will also offer free child immunizations provided by the Immunization Care-A-Van from 9:00 a.m. to 12:00 p.m.

For more information visit www.selecthealth.org or call 801-442-5679.

MEMBER DISCOUNT PROGRAM

SelectHealth provides discounts on many health-related services. The following discounts have recently been added to our member discount program:

Participating Vendor	Member Discount
Anytime Fitness (Davis County)	\$29 monthly membership fee (with 12-month contract)
ShopKo® Eyewear	Free one-year eyeglass breakage warranty
Integrated Wellness Center (Salt Lake County)	\$8 day pass, 15% off personal training, massage, and chiropractic
Elast Medical Spas (Salt Lake/Utah Counties)	15% off any service, 10% off any product (on first-time purchase only)

To receive these discounts, members must simply show their ID Card. A complete list of member discounts can be found at www.selecthealth.org/discounts.

QUICK ACCESS TO CARE

Intermountain Healthcare is now making it quicker and easier to receive healthcare. Intermountain ExpressCareSM clinics provide convenient, affordable, and quick care for many minor, one-time medical conditions—visits are expected to last only about 15 minutes. Clinics are located in Smith's® Food & Drug in Layton, Farmington, Midvale, and Draper and in Smith's Marketplace in East Millcreek.

ExpressCare clinics are staffed by nurse practitioners, with doctor oversight provided by Intermountain Medical Group doctors. The clinics can treat symptoms ranging from ear infection to poison ivy and also offer immunizations, including influenza, tetanus, pneumonia, and pertussis (whooping cough).

Any patient age two or older will be treated—no appointment or referral is needed. The basic charge for care is \$35 per visit; however, some exams or immunizations may result in a slightly higher fee. Payments are made at the time of treatment; the clinics accept cash, check, credit and debit cards, and Medicare. SelectHealth may reimburse the cost of ExpressCare visits.

ExpressCare is open weekdays from 10:00 a.m. to 8:00 p.m. and Saturday and Sunday from 10:00 a.m. to 4:00 p.m. For additional information, please visit intermountainexpresscare.org.

NEW ONLINE PHARMACY TOOLS

MySelectHealth.org empowers members with the information and resources they need to make informed healthcare and financial decisions. This Web site now includes the following pharmacy tools, designed to help members save money on prescription drugs:

- Member-specific prescription benefit summaries
- Prescription copay calculators
- Price comparison tool for similar medications
- Member prescription history
- Local pharmacy listings
- Medication information sheets
- Additional information on drug interactions and safety

Members can log in to www.myselecthealth.org to access these pharmacy tools and to view eligibility, claim status, amounts paid by SelectHealth, and more. For more information or questions about this service, call the SelectHealth Marketing department at 801-442-5679.

RIVERTON HOSPITAL GROUNDBREAKING

A formal groundbreaking ceremony for Intermountain Healthcare's new Riverton Hospital was held Friday, April 6 at the hospital site at 12600 South Bangerter Highway. Neighbors, community officials, and leaders from Intermountain Healthcare participated.

"Riverton Hospital is on a perfectly situated site in the middle of the fastest growing community in Utah," said Larry Hancock, chief operating officer of Intermountain's Urban Central Region. "We have lots of room to grow and an excellent mix of services designed to give the residents of the southwest valley exactly the kind of care they need."



Rendering of the new Riverton Hospital

The following are key facts about the new Riverton Hospital campus:

- **TIMELINE** — The hospital will take just over two years to build; it will open in mid-2009.
- **FACILITIES** — The campus will include a four-story hospital, an attached physician office building operated by Intermountain's Medical Group, and a three-story outpatient facility operated by Intermountain's Primary Children's Medical Center. The hospital will open with 44 beds with room to grow up to 86; it will employ an estimated 400 employees.
- **RANGE OF SERVICES** — Hospital services will include emergency care, women's/birthing services, six operating rooms, general medical/surgical care, and full-service imaging and other diagnostic services. Primary Children's outpatient facility will offer surgery, radiology, pediatric subspecialty care, and other procedures.

SELECTHEALTH JOINS DISCOVERY GATEWAY EXHIBIT



SelectHealth's interactive booth in the Junior Achievement City features displays on exercise, nutrition, self-esteem, safety, and health insurance.

SelectHealth has joined several respected organizations in a project to teach school-age children about careers and the responsibilities of adult life.

Partnering with Junior Achievement, local businesses have created a replica "city," which officially opened in April on the fourth floor of the Discovery Gateway in Salt Lake City.

"We are pleased to participate with others in the community to support such a meaningful program," said Sid Paulson, SelectHealth president and CEO.

Through the Junior Achievement program and curriculum, visiting students will learn about health insurance from the perspective of an employer or individual purchasing coverage and from various careers in the health insurance industry.

"We hope the booth is a fun way for students to see how exercise, good nutrition, safety, and positive influences can help them be happy and stay healthy," Paulson said.

ASK THE ACTUARY & THE PHARMACIST: MANAGING SPECIALTY PHARMACY

Pharmaceutical costs have been a major topic of concern with local and national brokers, employers, and insurers for the last several years. To address these concerns, significant emphasis has been placed on plan design, cost-sharing, and increased use of generics. As discussions continue regarding the abundance of pharmaceutical treatments available now and in the future, “specialty pharmacy” has emerged as an area of increased focus.

There is no industry-standard definition of specialty pharmacy. As a result, the specific pharmaceuticals included in this category vary with almost every organization. Though critical to developing an effective strategy for addressing utilization and cost, creating a finite definition for specialty drugs poses a significant challenge. The terms “biologic,” “biological,” “biopharmaceutical,” and “biotech” are often used interchangeably and imprecisely to describe novel biology-based therapeutics. Not all drugs classified as “specialty” are biologic in origin. In general, specialty drugs are defined as high-cost injectable, infused, oral, or inhaled drugs that usually require close supervision and monitoring of the patient’s drug therapy. Medicare has defined “specialty” as any drug where the plan-negotiated price exceeds \$500 per month.³ The table below lists some of the top categories where specialty medications are used.

Less than 3 percent of the private healthcare population uses specialty pharmaceuticals. On average, these patients account for approximately 25 to 30 percent of total medical costs for private healthcare payers.^{1,2,3} A recent Aon survey¹ indicated that the specialty drug trend rate for 2006 was expected to be 60 percent higher than the general pharmacy trend rate, and specialty drug spending would likely double over the next four years.

At SelectHealth, we have seen some of these same trends, but we have had success in managing and mitigating associated costs. Although employers and consultants will find varied approaches among the different insurers and specialty vendors in the market, successful companies will encompass most, if not all, of six key areas:

- Cost-effective contracting and discounts
- Source of distribution control
- Appropriate contracting with specialty pharmacies
- Preauthorization
- Clinical programs/disease management
- Benefit design (i.e., medical vs. pharmacy, copay vs. coinsurance)

We have also found the knowledge and experience of our Injectable Guidance Council (composed of practicing physicians, medical directors, and pharmacists) to be invaluable in creating an effective strategy for properly assessing and providing coverage for appropriate specialty pharmaceuticals.

As technological advancements continue to be made in the field of specialty pharmaceuticals, biologics will undoubtedly provide significant therapeutic advances and opportunities for treatments and cures. They will continue to become the standard of care in many disease states. It is critical that employers, consultants, and insurers actively monitor and discuss the emerging trends, opportunities, and experiences with specialty pharmacy in order to ensure effective outcomes at the most appropriate and affordable price.

Chronic Condition	Average Annual Cost (Average Wholesale Price)
Growth Hormone Deficiency	\$18,000
Hepatitis C	\$24,000
Infertility	\$18,000-\$20,000
Multiple Sclerosis	\$15,000
Oncology, BMT, HIV/AIDS	\$5,000-\$20,000
Hemophilia	\$150,000
Rheumatoid Arthritis	\$15,000
Gaucher Disease	\$250,000
Pulmonary Hypertension	\$30,000-\$100,000
Psoriasis	\$16,800-\$25,400

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¹Aon. Fall 2005 Health Care Trend Survey. Aon; 2005.

²Medco. Medco 2005 Drug Trend Report: Managing Generation RX: How to Balance Cost and Care. Medco; 2005.

³Stern et al. Specialty Cost Management Strategies for Private Health Payers. J Manag Care Pharm 2006; 12 (9): 736-44.



HEALTH-RELATED LEGISLATION UPDATE

More than 100 health-related bills were introduced at the 2007 session of the Utah Legislature, many of which would have led to increased costs in premiums and administration. Thanks to the efforts of employers, brokers, and insurers, every bill that would have negatively impacted health insurance was either neutralized or defeated.

House Bills 152 and 225 were both sent back to the House Rules Committee. House Bill 152 called for the creation of a \$200,000 task force charged with identifying cost-effective health insurance programs for small employers. House Bill 225 required insurance coverage for treatment of morbid obesity.

Senate Bill 66, an any-willing-provider law dictating all Utah health insurance plans offer employers at least one plan with a swing-out provision, also ended up in the defeated category.

Representative James Dunnigan's House Bill 295, Insurance Law Amendments, passed. The bill makes several technical corrections and policy changes, which are outlined below:

ANNUITY, HEALTH, LIFE, PROPERTY AND CASUALTY— Allows the Utah Insurance Department to adopt rules to define an “incentive” in a program designed to reduce claims or claim expense.

HEALTH INSURANCE— Eliminates the requirement of automatic or special enrollment of a newborn or adopted child on an

individual health policy. Updates the limits and cost-sharing to be used in a basic healthcare plan (which is also used for conversion policies).

LICENSURE— Federal employer identification numbers are no longer protected under the Government Records Access and Management Act (GRAMA).

LIFE INSURERS— Increases the free-look period for life insurance from 20 days to 30 days.

VIATICAL SETTLEMENT PROVIDERS— Requires viatical settlement providers to pay costs associated with an examination.

If you would like further information, please contact Eliana White, government relations director, at 801-450-7359 or eliana.white@selecthealth.org.

HIPUTAH WAIVES PREMIUMS FOR LOW-INCOME ENROLLEES

Thanks to a federal grant, the Utah Comprehensive Health Insurance Pool (HIPUtah) now waives premiums for enrollees who have moderate or low household incomes. HIPUtah enrollees who have an income below certain levels will qualify to have their premiums waived for up to four months within the next year.

For more information about the premium waiver program, contact a HIPUtah representative at 801-442-6660 (Salt Lake area) or 800-705-9173.

CHANGES TO RETIREE POLICIES

Employers with Medicare-eligible retiree plans should note that there has recently been a state-mandated change related to Medicare Part A and B. SelectHealth may no longer reduce benefits by the amount Medicare would have paid if an enrollee did not select both Medicare Part A and Medicare Part B. Employers affected by this change may contact their sales representative for more information.

REDUCING PERSONAL HEALTHCARE EXPENSES AND IMPROVING HEALTH

Though healthcare costs are on the rise, there are many small things you and your employees can do to reduce personal healthcare expenses and improve overall health.

“Ongoing factors continue to affect the rising cost of healthcare,” said Tamara Lewis, M.D., director of community health and prevention at Intermountain Healthcare. “The largest factor, accounting for about half the annual increase, is that society is using more healthcare than in the past.”

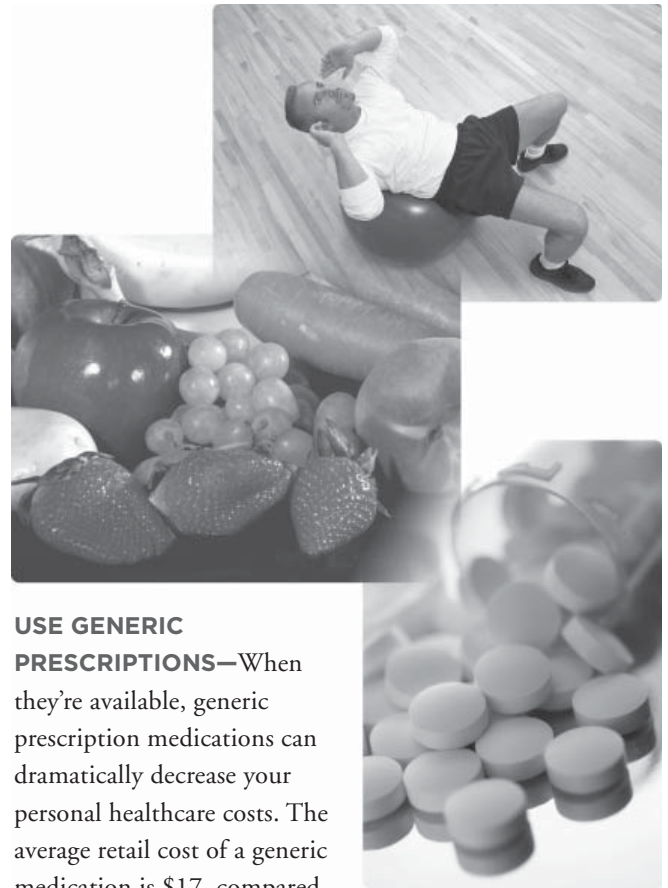
Studies have found an aging population, unhealthy lifestyles, the availability of new treatments, and increased consumer demand are also driving the rise in usage. “This doesn’t mean we can’t do anything to help keep our personal healthcare expenses lower,” Lewis said. “By being smart consumers and following good principles of health, we can impact how much we personally pay for health services.”

Here’s the good and bad news about healthcare costs:

- *The good news:* Utah enjoys some of the lowest healthcare costs in the nation, and we have a relatively healthy and young population. In addition, national increases in healthcare costs have slowed in recent years.
- *The bad news:* Utah is still impacted by the national trend of rising costs, and those costs are expected to continue to increase.

Here are seven steps you can share with your employees to help reduce personal health expenses and the overall cost of medical services in our communities:

1. **EXERCISE**—If exercise isn’t part of your daily routine, make time to get moving. Walking daily at a brisk pace for 30 minutes can help lower the risk for diabetes, high blood pressure, and high cholesterol.
2. **EAT HEALTHY**—Studies show that about half of Utahns are either moderately or extremely overweight. Good nutrition not only helps maintain a proper weight but also contributes to a healthy body.



3. **USE GENERIC PRESCRIPTIONS**—When they’re available, generic prescription medications can dramatically decrease your personal healthcare costs. The average retail cost of a generic medication is \$17, compared to \$72 for a brand-name medication, according to the U.S. Food and Drug Administration.
4. **GET IMMUNIZED**—Basic immunizations will help you avoid diseases that are very costly to treat.
5. **GET SCREENED**—Screenings are recommended at certain ages to detect possible health problems. While there is generally a fee for the screenings, they’re far less expensive than treating a serious problem that could have been detected earlier.
6. **DON’T SMOKE**—This helps prevent many diseases that afflict tobacco users. Utah has the lowest smoking rate in the nation. Only 10 percent of Utahns use tobacco. Call the Utah Tobacco Quit Line at 888-567-TRUTH for help.
7. **GET A DOCTOR**—Get to know your Primary Care Provider (PCP) and make sure he or she knows you and your medical history. Your PCP reviews your history, cares for your overall health, can help you prevent or manage medical conditions, and is available for follow-up.

SelectHealth also offers a number of work site programs designed to help encourage your employees to live healthy lifestyles, reduce health risks, and promote productivity. For details, visit www.selecthealth.org/worksithealth.



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