

# Wappingers Central School District

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## Health Insurance Cost Savings – Dutchess Educational Health Insurance Consortium & WCSD

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*The mission of the Wappingers Central School District is to empower all of our students with the competencies and confidence to challenge themselves, to pursue their passions and to realize their potential while growing as responsible members of their community.*

# DEHIC and Cost Savings

- Wappingers CSD is a member of the Dutchess Health Insurance Consortium (DEHIC)
- Wappingers and all other members benefit from the large group format provided by DEHIC
  - These benefits include but are not limited to a large claim pool that can offset larger individual claims, reduced premium based on claim pool outcomes etc
- DEHIC has created a Product Development Committee (PDC) to assist in assessing and realizing cost savings
  - These measures have included alternative benefit plans, more efficient enrollment, alternatives to costly current processes ie: mandatory mail order for maintenance prescriptions

# Mandatory Mail Order

- Currently each benefit plan requires a member to pay one co-payment for each 30 day prescription through a retail pharmacy
- Using mail order for maintenance medications, members will make two co-payments for a 90 day supply
  - This is a savings of one co-payment over a three month period OR four co-payments annually per prescription
- Maintenance drugs available for mail order will be shipped directly to the members home
  - No more trips to the pharmacy
- Maintenance medications treat long term chronic health conditions like high blood pressure, high cholesterol and diabetes

# Cost Benefit Analysis

- DEHIC and member savings comes from the delivery of these medications through a distribution center (i.e., automation equipped) and not a retail pharmacy setting
  - Following implementation on 7/1/18, estimated annual savings = **\$2.2 million**
- Higher accuracy in dispensing medications for members
- Co-payment savings for members
- Convenience, as well as safety, of delivery to home for members
- Medications NOT on the approved list would still be filled through the retail pharmacy setting
- Transition and support process has been put in place to assist all members with the conversion to mail order for maintenance medications
- As with any legislation impacting health insurance benefits, DEHIC and the District will be monitoring all regulatory/legislative action, should it arise