

**Senate Benefits and Welfare Committee  
University of Pittsburgh  
Minutes of January 29, 2019**

**9:30 – 11:00 a.m. ALCOA Room – Law School**

**Attendees:** Irene Kane, Cheryl Johnson, Mike Modo, Harvey Wolfe, Angie Coldren, Victoria Lancaster, John Kozar, Marty Levine, Christina Newhill, Lucas Berenbrock, Angie Riccelli, Sachin Velankar, GK Balasubramami, Miriam Meislik, Linda Tashbook

**Guest Speakers:** Chronis Manolis, Vice President – Pharmacy at UPMC Health Plan

**Topic:** Pharmaceutical Prices

Minutes taken by: Linda Tashbook

Topic	Discussion	Action to be Taken
Call to Order		
Committee Business	<ul style="list-style-type: none"> <li>• The smoking/tobacco cessation matter is no longer in our portfolio. We have succeeded in convincing the Chancellor to form an <i>ad hoc</i> committee to deal with it.</li> <li>• LT called for topic suggestions for our spring meetings. Harvey Wolfe suggests checking to see how our new array of retirement investment plans are performing. J. Kozar will arrange for at least one representative from our team at <a href="#">Cammack Retirement Group</a> to speak at one of our spring meetings about its processes, engagement with Pitt’s plan managers, and results—basically a one-year look back.</li> <li>• We need to reschedule our final meeting of the semester because too many people declined the schedule invitation for April 4.</li> </ul>	
Benefits Report –	<ol style="list-style-type: none"> <li>1. Staff Changes               <ol style="list-style-type: none"> <li>a. Lost Lori Carnvale to the Rand Corporation                   <ol style="list-style-type: none"> <li>i. Interim Director will be Pat McCann who will start in February</li> </ol> </li> <li>b. Changes</li> </ol> </li> </ol>	

- i. Ryan Arrington – has been promoted to supervisor
- ii. Christine Ko –Transferred into an Analyst position in the Retirement area taking over for Ryan Arrington
- iii. LaKeisha Gray – Move back in the Benefits Department as an Analyst responsible for disabilities and life insurance
- iv. Magdolyn Sims – New to the University as a Benefits Representative
- v. Lindsey Bandison – Moved from Administrative Assistant to Benefits Representative
- vi. Michaela Hardy – New to the University as an Administrative Assistant

2. Awards and recognition

- a. Eddy Award – The Pensions and Investments professional trade publication announced that the University is a winner of the prestigious Eddy Award. It recognizes organizations that exhibit best practices in offering investment and financial education to defined contribution participants.
- b. The National Committee on Quality Assurance (NCQA) has accredited the MyHealth@Work Wellness Center on campus as a patient-centered connected care facility.
- c. Plan Sponsor professional trade magazine has made the University as finalist for “Plan Sponsor of the Year” because of its actions in:
  - i. Streamlining the investment platform
  - ii. Adding a brokerage window
  - iii. Reducing Fees
  - iv. Adding a 457(b)
- d. The Benefits Department was selected for the Excellence in Driving Innovations for Employee Health and Wellness Award from the Pittsburgh Business Group on Health

3. Open Enrollment for Post-65 Retirees

- a. Out of 610 enrolled in Freedom Blue PPO

	<ul style="list-style-type: none"> <li>i. About 300 remained despite the best efforts to forewarn members of the out-of-network consequences</li> <li>4. The Benefits Department continues working with BMS on flexible spending account rollover issue <ul style="list-style-type: none"> <li>a. Make certain rollovers occur and communicate them <ul style="list-style-type: none"> <li>i. There is a bit of a misinterpretation on how it works</li> </ul> </li> </ul> </li> <li>5. Open Enrollment for Active Faculty and Staff <ul style="list-style-type: none"> <li>a. Greg Scott will recommission the Medical Advisory Committee – a group of faculty and staff gathered together to discuss the medical plan and the forthcoming renewal</li> </ul> </li> <li>6. 1095c forms, a requirement of the Affordable Care Act have been issued timely – actually far in advance of the government’s deadline. The form provides information that is needed to be reported on federal tax returns.</li> <li>7. Financial Literacy Platform</li> </ul>	
<b>Topic</b>	<b>Pharmaceutical Prices</b> In general, drug prices are not set by law. Regulators do not want to stifle innovation. But several influences have driven drug prices up significantly in recent years: <ul style="list-style-type: none"> <li>- the fact that prices reflect whatever the market will bear</li> <li>- inflation is easing, but still higher than the consumer price index</li> <li>- price gouging (Epi-Pen example)</li> <li>- shortages</li> <li>- shadow pricing (subsequent versions and related products simply mirror existing pricing rather than setting a lower price and competing)</li> <li>- legal challenges (patent defense costs and the related result of effective patent litigation which is a delay in generic version releases and limits on other competitive products).</li> </ul> The government’s new plan (Dep’t of Commerce or FDA—not specified) focuses on improving competition, leveraged negotiation, transparency, and affordability. Healthcare reform is changing the emphasis from volume to value.	<b>Action to be Taken</b>

	<p>UPMC Health Plan is working to implement a tool that enables doctors to see drug prices at the point of care—drug prices in relation to that individual patient’s insurance coverage—in real time. This way, the doctor can make the most price-conscious and patient-centered prescription for someone who prefers the medicine in a particular form (like liquid not pills) or can get the brand name instead of having to use the generic version or is in the Medicare donut hole (This will end soon, but for several years has been a gap in coverage between a user’s coverage limit and the point that the patient reaches need-based price reduction.)</p> <p>2-3% of our UPMC Health Plan members at Pitt are driving most of our health insurance spending-- Overuse, underuse, and misuse of prescription medication causes significant health insurance costs—largely in connection with emergency room visits. Patients who talk with the pharmacist about their medicine, how the medication affects them, and the science behind the medicine are more likely to take their medicine (and get good results from it). Also, these 2-3% of our users are likely getting expensive specialty drugs. Big pharma spends its research and development money on inventing specialty drugs, not into improving existing day-to-day drugs for routine conditions. 80% of new drugs approved by the FDA are specialty drugs for less common conditions.</p>	
Adjournment		

ELECTED MEMBERS	TERM	DEPARTMENT	ADDRESS	PHONE	EMAIL
Filip Barbaric	2019	Dental Medicine	3062A SALK	648-8272	<a href="mailto:fib54@pitt.edu">fib54@pitt.edu</a>
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Mike Modo	2018	Medicine	MCGOWN 0000		<a href="mailto:mmm154@pitt.edu">mmm154@pitt.edu</a>
John Pierce	2018	SHRS	PROF 500	647-4648	<a href="mailto:jfp14@pitt.edu">jfp14@pitt.edu</a>
Joanne Prasad	2019	Dental Medicine	SALK G133	648-8637	<a href="mailto:jlp92@pitt.edu">jlp92@pitt.edu</a>
Linda Tashbook, Chair	2019	Law	406 LAW	648-1303	<a href="mailto:tashbook@pitt.edu">tashbook@pitt.edu</a>

#### Student Representatives

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#### Staff Association Council

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Pro-tem

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Harvey Wolfe (R)	Engineering	1178D BENDM	624-9830	<a href="mailto:hwolfe@pitt.edu">hwolfe@pitt.edu</a>

Chancellor's Liaisons

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John Kozar, Assistant Vice Chancellor	University Benefits	223 CRAIG	624-4845	<a href="mailto:jkozar@pitt.edu">jkozar@pitt.edu</a>

Senate Appointments

Frank Wilson	Senate President	Greensburg	724-836-9883	<a href="mailto:fdw@pitt.edu">fdw@pitt.edu</a>
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