Six Massachusetts Communities Recognized by Blue Cross Blue Shield of Massachusetts for Improving the Health of their Workforce and Lowering Health Care Costs

BOSTON — March 18, 2013 — Blue Cross Blue Shield of Massachusetts (BCBSMA), the trusted health plan of cities and towns for more than 75 years, today announced the winners of its fifth annual Municipal Blue Innovation Awards. The cities of Amesbury, Fall River, Newburyport, the town of Ware, the Mayflower Municipal Health Group*, and Southeastern Massachusetts Health Group** are this year's winners. The Municipal Blue Innovation Awards — *a first-of-a-kind* program in Massachusetts — recognize cities and towns for successfully implementing health and wellness initiatives and plan design changes to make health care more affordable, while improving employee health.

The awards will be presented, along with a $5,000 wellness grant, to the winners in ceremonies at their local City/Town Halls this spring. View a video about last year's winner here.

"Blue Cross works directly with the state's cities and towns to help them develop customizable health plans and wellness solutions," said Larry Croes, BCBSMA's Vice President of Commercial & Municipal Markets. "We applaud this year's Municipal Blue Innovation Award recipients, who are on the forefront of making sustainable changes that will improve the health of their workforce and help lower health care costs for their communities."

Award Recipients and Achievements:

Mayflower Municipal Health Group — Health Care Savings Champion
Mayflower Municipal Health Group worked with their consultant Group Benefits Strategies (GBS) and BCBSMA to offer three new insurance plans to meet the needs of the 34 participating groups in its health care purchasing arrangement. Offerings include three Blue Cross Network Blue plans and three Blue Care Elect Preferred PPO plans. Two of the new plans have deductibles, copays, tiering and other comparable features similar to those offered through the state's Group Insurance Commission (GIC). Both plans provide opportunities for significant cost savings when employees seek care from low-cost, high-quality hospitals — and cities and towns benefit from lower premiums.

"Enrollment in the new Blue Cross plans for policy year 2012-2013 alone collectively **saved Mayflower $1.5 million in health care costs**, and some member units set up a mitigation fund to help offset co-payment changes," said Michael Levy, chairman of the steering committee. "We could not have achieved this without Blue Cross' innovative health plan designs. This also demonstrates the meaningful results that management and unions can accomplish by working together."

"The health and wellness of our membership are also important concerns to the Mayflower Municipal Health Group," said Sheila Avery and Kelly Morse Perez, who both lead the wellness program. "By establishing a wellness committee with representatives from our member units, and by listening to our members, we have been able to create a wellness program that is meaningful and effective. Successful programs include wellness grants for member units, biometric and health screenings, fitness classes and challenges, on-site health seminars and targeted educational outreach and incentive-based programs. We distribute a quarterly wellness newsletter and include wellness information on our website: www.mmhg.org. We are also on Facebook and Twitter."

Amesbury — Employee Engagement Champion
Amesbury, which purchases its BCBSMA health plans through the Massachusetts Interlocal Insurance Association (MIIA), one of the nation's largest health trusts designed to help cities and towns save on health care costs, offers its employees and unions two innovative Blue Cross tiered network health plans — Blue Options and Hospital Choice Cost-Share. Both plans provide opportunities for significant cost-savings when employees seek care from low-cost, high-quality doctors or hospitals — and cities and towns benefit from lower premiums.

Amesbury is also in its third year of engaging its employees through the Well Power program, a three-year initiative that helps employees become more involved in the health care decisions they make and lead healthier lifestyles. Developed in partnership by MIIA and BCBSMA, the program is positively bending the trend of health care costs in the following ways:

- **Emergency Room (ER) Admissions**: The city promoted BCBSMA's Blue Care Line, a 24-hour nurse care line members can call with medical questions. Speaking with a nurse before making a trip to the doctor or ER is a convenient way to seek medical advice and save on health care costs such as copays and deductibles. They also educated employees about the benefits of using Limited Service Clinics for non-emergent conditions. As a result, unnecessary ER admissions decreased 23% and spending reduced 38% due to employees seeking the right care in the right setting. Â
- **Outpatient Surgical Day Care Admissions**: Admissions decreased by 15% due to members better

managing their health care conditions through exercise and diet.
- **MRIs**: Employees, considering the cost of where they choose to receive high-value care, are opting to get MRIs at high-quality, lower cost facilities.

"Because of Blue Cross' innovative health plans and the Well Power program, town management, our employees and the unions are fully engaged in the health care decisions they make," said Amesbury Town Mayor Thatcher Kezer. "This engagement is making a significant and sustainable impact on health care cost trends for our community."

Fall River — Wellness and Plan Design Champion
"Employee health care costs are one of the largest budget items we face," said Mayor William A. Flanagan of the City of Fall River. "Recognizing the benefits health plan changes and wellness programs can have on moderating costs, we have taken important steps to implement plan design changes and educate and motivate our employees about wellness through programs aimed at early detection of cancer and diabetes, reducing unnecessary emergency room visits."

Fall River's Accomplishments Include:

- **Plan Changes**: Fall River made significant health plan design changes in 2012. The city, its employees and the unions worked together to create a cost-effective benefit offering that worked for all parties.
- **Incentive Programs**: The city implemented a colonoscopy incentive program. Employees earned a gift card for receiving a doctor-recommended early detection screening, which resulted in 116 participants receiving a screening.Â
- **Emergency Room Admissions**: The city promoted Blue Cross' Blue Care Line and educated employees about the benefits of using Limited Service Clinics for non-emergent conditions. The city saw a 179% increase in utilization of Limited Service Clinics in the six months following the Blue Care Line campaign — contributing to a reduction in unnecessary ER visits.

Newburyport — Health Plan Innovation Champion
Newburyport, which also purchases its BCBSMA health plans through MIIA, also took steps to reduce costs by implementing Blue Cross's tiered network health plans — Blue Optionsand Hospital Choice Cost-Share.They also put financial vehicles in place, including Health Reimbursement and Flexible Spending Accounts to help reduce out-of-pocket costs for members.

"Moving to these innovative plans helped Newburyport keep health care costs nearly flat in 2012," said Mayor Donna D. Holaday. "Our employees are engaged and value that, by selecting high-value doctors and hospitals, they can save significantly on health care costs."Â Â

Newburyport's health care decisions are negotiated between the Public Employee Committee (PEC) and the city. Patricia Levitt and John Piretti, co-chairs of the PEC, are enthusiastic about what they've been able to accomplish. They agree that the PEC is a very cohesive group of employees, who, while representing their individual city unions, have worked diligently to minimize health insurance costs and maximize the benefits for all city employees. Together with Jennifer Lamarre, Human Resources Coordinator for the City of Newburyport, the PEC meets regularly throughout the year, and in addition to working on health care plan design issues, they have focused on reducing areas of cost to the city and employees such as educating members about the cost benefits of migrating from a PPO health plan to an HMO plan. As a result of this effort, approximately 30 employees moved from the more expensive PPO plan to a more cost-effective HMO.

Southeastern Massachusetts Health Group *— Employee Health and Wellness Champion*
Recognizing the benefits health plan changes can have on moderating costs, the Group has taken important steps with BCBSMA to also implement cost-effective plan design changes such as Blue Cross' Network Blue New England plans.

The Group also takes employee wellness seriously and has implemented programs to reduce unnecessary ER visits, encourage the use of high-quality, lower cost imaging facilities, and initiatives to improve employee health including walking challenges, on-site flu clinics and a diabetes program.

"According to the Wellness Councils of America, for every $1 spent on wellness, companies can save approximately $3.48 on health care and $5.82 in regard to preventing absenteeism," said Teresa DeSilva, Board Chair and Treasurer Collector, Town of Easton. "This is a statistic the Southeastern Massachusetts Health Group takes very seriously. Helping our employees improve their health and well-being is our number one priority and we have implemented a number of initiatives designed to educate and motivate them."

Town of Ware *— Health Plan Design and Wellness Champion*
Ware, working with its Insurance Advisory Committee (IAC), has been successfully keeping health care costs down the past several years by negotiating cost-effective health plan design changes. This collaboration has

enabled them to make adjustments in their plans while maintaining the same premium rate as they did four years ago.

"This collaboration is a true testament that the relationship between the IAC and management is critical to success, and that negotiations to keep health care costs down can be accomplished outside of the state law," said Ware Town Manager Stuart Beckley.

Ware is also a strong health and wellness proponent and offers various programs to inspire employees to get fit and stay active, including:

- **Biggest Loser Program**: Annual two-month program that monetarily incents participants to lose weight; the person who loses the most in terms of Body Mass Index is awarded a prize.
- **Walking Clubs**: Schools and the town participate in walking clubs designed to keep employees active. Studies show that walking provides integral benefits such as helping to lower bad cholesterol and blood pressure, manage weight and improve mood — among many other benefits.

BCBSMA provides more than 75% of the cities and towns in Massachusetts with health insurance and is committed to partnering with them to reduce health care costs while improving the health of their employees. Past Municipal Blue Innovation Award winners include:

- 2012: Gardner, Hampshire County Group Insurance Trust, Middleborough, Scantic Valley Regional Health Trust
- 2011: Amesbury, West Springfield, Gateway Health Group
- 2010: Arlington, Beverly, Lexington, Peabody, Reading, Berkshire Health Group
- 2009: Haverhill, Wachusett Regional School District, Wakefield, Lowell, Mansfield

Blue Cross Blue Shield of Massachusetts (www.bluecrossma.com) is a community-focused, tax-paying, not-for-profit health plan headquartered in Boston. We are committed to working with others in a spirit of shared responsibility to make quality health care affordable. Consistent with our corporate promise to always put our 2.8 million members first, we are rated among the nation's best health plans for member satisfaction and quality. BCBSMA is proud to provide health coverage to more than 250,000 municipal employees, their families and to 120,000 federal employees.

*__The Mayflower Municipal Health Group__ is a health care Joint Purchasing Arrangement comprised of Brockton Area Transit, Carver Marion Regional Refuse Disposal District, North River Collaborative, Onset Fire District, Silver Lake Regional, South Shore Vocational, South Shore Regional Emergency Communication Center, South Shore Tri-Town Development Corp., Wareham Fire District, Whitman-Hanson Regional, South Shore Educational Collaborative, Plymouth County, Bristol County, Norfolk County, Plymouth County Retirement Association, Southeastern Regional Transit Authority, Water Works Abington/Rockland and the Towns of Abington, Bridgewater, Halifax, Hanover, Hanson, Hingham, Hull, Kingston, Marshfield, Norwell, Pembroke, Scituate, Plympton, Rochester, Whitman, West Bridgewater and Rockland.

**__Southeastern Mass Health Group__ is a Joint Purchasing Arrangement comprised of Massachusetts communities including: Berkley, Dighton, Easton, East Bridgewater, Mansfield, North Attleboro, Norton, Plainville, Raynham, Rehoboth, Seekonk, the South Coast Education Collaborative and Westport.

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