



Kaiser Permanente Proposal Executive Summary for Warehouse Local 730
Prepared by NFP and Kaiser Permanente
June 18, 2020

Current State

- Warehouse Employees Local 730 Health & Welfare Fund recently entered into a multiyear CBA to support medical and prescription coverage for all participants. To ensure and protect the long-term sustainability of the Fund and to promote the health and well-being of the participants, NFP and Local 730 requested a proposal from Kaiser Permanente (Kaiser or KP)
- In order to sustain and preserve the Fund, it is important to partner with an organization that is a leader in prevention, managing chronic conditions and that has a track record of financial efficiency. It is also important that the Fund can find a solution that breaks down financial barriers to care enabling members to access services with no deductibles or coinsurance

Proposed Solution

- Kaiser has proposed a solution with a product designed specifically for the Warehouse employees H&F Fund. This plan brings together the care and coverage of Kaiser with an enhanced level of benefits to members that eliminates deductibles and coinsurance when they seek care from a Kaiser provider
- The plan also provides coverage outside of Kaiser at the same level as out of network benefits today, allowing members to continue existing provider relationships, or seek more affordable care at a Kaiser Facility
- This solution also provides immediate cost savings compared to current medical and pharmacy spend. The KP Plan is fully insured, meaning the Fund will no longer be taking the risk for overall claims
- Kaiser evaluated and segmented the providers used by Local 730 and established an outreach program to the providers to ensure they know how to switch coverage to Kaiser. Also, *very important*: Kaiser has a team of dedicated POS Choice Account Experts who will reach out to every union member who joins and will ensure that they are aware of their benefits and how to obtain services
- Kaiser will also have an assigned Account Team including multiple Engagement Specialists who will be available for all new and existing members for enrollment, education, hand hold members on how to use KP services at our medical centers and OON services, and how to address escalated issues

Recommendation

- Based on the superior level of benefits, projected long term costs savings and anticipated better health outcomes, **we are recommending a transition to KP as soon as reasonably possible**
- Kaiser has significant experience managing groups and has agreed to put money at risk in the form of financial performance guarantees around implementation and satisfaction
- Kaiser welcomes the opportunity to offer Local 730 a customized health program designed to move members toward a state of total health and productivity. Because prevention, and disease management are built into the way we deliver care, Kaiser is uniquely suited to be your single, expert source for bringing health and wellness initiatives to your members.



Examples of Resources and Services:

Members can:

- Select a Kaiser Permanente physician and find Kaiser Permanente locations
- Exchange e-mail messages with their providers
- View lab results and other personal medical information
- Schedule or request routine appointments and cancel appointments
- Order prescription refills
- View past visit information, including recommended follow-up steps
- Find out when they are due for preventive screenings
- Learn about their plan benefits

Case Management:

Potential candidates for case management include, but are not limited to:

- (1) Catastrophic conditions such as high-risk obstetrics/neonatal, HIV/AIDS, Amputation, Asthma/COPD, Cardiovascular disease, Severe burns, Cerebrovascular accident with deficits, Infectious disease, Oncology including all metastatic cancer, complications of diabetes, traumatic injuries, neuromuscular disease, low back pain, end stage renal disease;
- (2) Members with complex care coordination needs;
- (3) High dollar cases (>\$100,000 incurred / year);
- (4) 3 or more ER visits within 6-month period for same or related condition;
- (5) 2 unscheduled admissions within 6-month period;
- (6) Inpatient length of stay > 10 days;
- (7) Inpatient rehabilitation or skilled nursing facility admission;
- (8) Home healthcare services beyond 50% of benefit level;
- (9) Home healthcare services beyond 30 days for one episode of care;
- (10) Members with 3 or more providers;
- (11) Prescriptions for controlled substances from more than 3 providers.

Population Care Management

Members identified with chronic or high-risk conditions are automatically enrolled in appropriate population care management programs.

- Asthma
- Hypertension
- Diabetes
- Heart failure
- CAD