

About ECA

- ◉ Formed July 01, 1992
- ◉ Specialty in rural Arizona public sector self-funded accounts
- ◉ Individual entity per A.R.S. § 11-981
- ◉ Pooled per A.R.S. § 11-952.01

General Observation:

- Rural and Metro face different structural issues relative to health benefits, but...
- The fundamental cost drivers remain the same

Some Things that Work...

◎ Strong financials

- Structural rate adequacy
 - Each year must stand on its own
- Sufficient surplus to weather the storms that will come along...
 - Without unnecessarily tying up scarce resources in tight times

◎ Simplicity in benefit design

- Complexity is an iceberg as regards costs
 - It's often the costs you can't see that do the most damage
- Can't be all things to all people, so...
- Do less but do it well
 - Employees will quickly exhibit consumer behavior /self-interest regardless

Some Things that Work...

◉ Un-bundling services

- Introduces uncertainty for vendors
 - Increases client/EBT control
 - Increases vendor accountability
- Greater transparency in pricing/charges, etc.
- Allows for much more efficient utilization of specialty resources
- Increases workload on those responsible for managing the plan

Some Things that Work...

● Wellness*

- War stories (“saves”) are nice and fun to tell, but..
- It’s a #’s game....
- Challenge the statistics and don’t promise what can’t be delivered
- What gets measured....
 - Activity indicators
 - % of eligible population involved in specific activities
 - Outcome indicators
 - % abnormal
 - Satisfaction/other?

Some Things that Work...

- ◉ (Really) involving employees, departments, work-areas, etc.....
- ◉ Wellness
 - Lifestyle
 - Early detection
 - Chronic disease

Some Things that Work...

○ Overall approach

- Control rests with the Trust, not vendors
- Long term view
- Ounces add up to pounds (and pennies to dollars)
- Transparency
- Privacy
- Challenge statistics
- Ask if (and why) things work the way they do rather than attempting to prove they work

Question & Answer