

**THE SCHOOL DISTRICT OF LEE COUNTY  
MINUTES**

**Insurance Task Force Committee Meeting  
HR Community Training Room  
2855 Colonial Blvd. Fort Myers FL**

**Thursday, January 9, 2014**

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Members Present

Shandra Backens  
Steve Bowman  
Leo Burt  
Mark Castellano  
Karen Cooley  
Ami Desamours  
Ashley LaMar  
Bonnie McFarland  
Jamie Michael  
Leanne Migliore  
Donna Mutzenard  
Joe Pescatrice, Retiree Liaison  
Jimmy Riley  
Suzan Rudd  
Rita Zazzaro

Members Absent

Joseph Pitura  
Thomas Scott, Board Liaison

Others Present

Tammy Martin, Aon Hewitt  
Keith Coghlan, Aon Hewitt  
Karen Toro, Florida Blue  
Terri Roney

The meeting was called to order at 3:01 PM.

**Approval of Minutes – December 5, 2013**

Ms. McFarland reviewed the draft 12/05/13 ITF meeting minutes, and asked if there were any additions, deletions or corrections. None were requested. There being no changes to the minutes, Ms. Leanne Migliore made the motion to approve the minutes of the meeting. Mr. Ashley LaMar seconded the motion; motion passed unanimously.

**Review of Health Plan Financials**

Ms. Tammy Martin from Aon Hewitt reviewed the financials, noting that calculations include information through November 2013. Total 2013-14 claim projection is 5.2% below the 2013-14 budget. November paid claims total \$4.1 million. Average 2012-13 monthly paid claims were \$5.5 million and the 4/13 – 11/13 average monthly paid claims were \$5.0 million - down by \$.5 million per month. There has been a 0.7% increase in enrollment since April 2013. Trend is 7.5% for 2013-14 with the same administrative costs and pepm costs. Rx rebates are the same at \$250,000 per quarter.

Projection updates were reviewed. YTD actual (4/13-11/13) is \$46.3 million. 2013-14 projection is \$70 million. 2014-15 budget including waivers is \$73.7 million, 2014-15 updated projection \$73.4 million. Contributions will be the same for 14-15 as there was no change to premium, resulting in a surplus of \$1.1 million for 2014-15.

Discussion was held about projections and fees. It was noted that 2014-15 projections include fees for the 522 employees who waived insurance.

Current loss ratio is 85%. Claims for the current period are at 71%.

### **FSA Follow-up**

Ms. Tammy Martin informed ITF members of the new IRS rule that you can now roll over leftover FSA dollars. There is no limit to the number of times that an unused balance can be rolled over. The \$500 carryover does not affect the \$2500 maximum and at no time can you have more than \$3000 in your account. Examples of different rollover situations were reviewed. District employee data for the 2012-13 plan year was reviewed:

Employees with a balance of over \$500: 45

Average balance over \$500: \$827

Median balance of those over \$500: \$720

Number of Members with 100% of their balance forfeited: 16

Mr. Ashley LaMar asked if the ITF should revisit the issue of a rollover versus a grace period noting that the information provided indicates that most employees would benefit from a rollover. He asked that ITF members think about this information for further discussion in the future.

### **PPACA Update - Health Care Reform Update**

Ms. Tammy Martin reviewed recent reform changes, noting that most proposed rules and regulations do not affect the District. The rules and regulations apply to the health care exchange. The IRS EBSA and CMS released proposed regulations that amend the regulations on excepted benefits. No impact to the District. Excise Tax changes have no impact to the District.

Ms. McFarland noted that these changes could have a secondary impact to the District if these changes result in employees losing their coverage where they currently have it as they may get coverage here with the District as a qualifying event.

Large Claims were reviewed. It was noted that one large claims came off, leaving six large claims.

### **Wellness Coordinator Recruitment Update**

Ms. McFarland thanked the subcommittee for participating in the hiring process for the Wellness Coordinator. A total of eight applicants were interviewed. Three were selected for the second round of interviews which included a scenario of a theoretical \$25,000 grant used to create an employee wellness plan including marketing, planning and budgeting which was presented to the committee. One candidate rose above all of the rest and she will go to the Board for approval on January 28<sup>th</sup>. She currently works with Lee Memorial Wellness Centers. She is expected to start in the middle of February.

Ms. McFarland also noted that recruitment was done for two benefits specialists for the Compensation, Benefits and Insurance Department. They have been hired and will start on Monday, January 13<sup>th</sup>.

Health screenings are being held today and tomorrow, January 9<sup>th</sup> and 10<sup>th</sup>. Ms. McFarland noted that she will update the ITF regarding attendance of these health screenings at the February meeting. Statistical information will come later, such as how the incentive increased employee participation.

### **Good of the Order**

Mr. Leo Burt asked if the Obama Care changes will result in the loss of participating providers in the new plan year. Ms. Karen Toro from Florida Blue stated that no, that will not be the case.

Mr. Mark Castellano noted that TALC is participating in a 5K Dollars for Scholars event on the evening of April 5<sup>th</sup> at Cape Harbor. They are encouraging participation. Money raised will be used for scholarships.

It was noted that during open enrollment the Compensation, Benefits and Insurance Department will be at the transportation compounds on January 27<sup>th</sup>, 28<sup>th</sup>, 29<sup>th</sup> & 30<sup>th</sup>. Staff will be at one compound each day. Ms. McFarland noted that the Compensation, Benefits and Insurance Department will be working extended hours next Tuesday, Wednesday and Thursday, the 14<sup>th</sup>, 15<sup>th</sup> & 16<sup>th</sup> as well as on the 21<sup>st</sup>, 22<sup>nd</sup> and 23<sup>rd</sup> of January for employees who can't call or visit the office during regular hours.

Ms. Jamie Michael noted that some schools have extended days and it will be difficult for staff to attend the wellness classes as they are currently scheduled. Ms. McFarland noted that this will be addressed in the future.

### **Adjournment**

A motion was made by Mr. Mark Castellano, seconded by Ms. Jamie Michael and unanimously carried to adjourn the meeting at 3:55 p.m.