

**THE SCHOOL DISTRICT OF LEE COUNTY  
MINUTES**

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

**Thursday, May 1, 2014**

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Members Present

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

Members Absent

Ami Desamours  
Ashley LaMar  
Joseph Pitura  
Thomas Scott, Board Liaison

Others Present

Tammy Martin, Aon Hewitt  
Keith Coughlin, Aon Hewitt  
Karen Toro, Florida Blue  
Karen Whitmore, Florida  
Blue  
Terri Roney  
Antonio Rainey, WageWorks  
Bill Sowders, WageWorks  
Barbara Gonzalez,  
WageWorks  
Jim Lynch, WageWorks  
David Toomey, Compass  
Health  
Dr. Conard, Compass  
Health

The meeting was called to order at 3:04 PM.

**Approval of Minutes – April 3, 2014 -**

Ms. Bonnie McFarland reviewed the draft 4/3/14 ITF meeting minutes, and asked if there were any additions, deletions or corrections, noting that two minor edits were made on page 3 – TPA was added in two places for clarification. No other changes were requested. There being no further changes to the minutes, Ms. Donna Mutzenard made the motion to approve the minutes of the meeting. Ms. Jamie Michael seconded the motion; motion passed unanimously.

Ms. McFarland informed ITF members that the seating arrangement is set up for the two presentations that will be given today.

**WageWorks Presentation – HSA**

Mr. Bill Sowders, from Atlanta, Georgia and Mr. Jim Lynch from Denver, Colorado introduced themselves, noting they are here from WageWorks to give some information about the health savings account (HSA), and a member/participant experience review. Mr. Antonio Rainey and Ms. Barbara Gonzalez are also in attendance from WageWorks. Mr. Sowders presented information regarding WageWorks to the ITF. WageWorks is currently administering our flexible spending account (FSA). They use many different tools to get info out to employees – pre enrollment. Ms. Barbara Gonzalez reviewed enrollment methods, noting that the District’s utilization of PeopleSoft makes enrollment very convenient. Two types of enrollment were reviewed – online on the WageWorks website or through PeopleSoft. Ms. Gonzalez informed ITF members that WageWorks has partnered with BNY Mellon – employees could set up an account with BNY Mellon to have funds directly deposited. Types of claims

and claim payments were reviewed. The card used for the FSA account is also used for the HSA. It is a smart card that can recognize the charge and what will be paying it – FSA or HSA. EOBs are generated to explain what has been paid.

Mr. Jim Lynch logged into his personal HSA account on the website to review how it is set up. Alerts to submit receipts are there – open enrollment period could be announced there. An automatic investment transfer can be set up and does earn interest. \$1,000 must be in the account to begin an investment account. Investment options were reviewed and can be set up to happen automatically. These investments can be changed whenever the employee wishes to do so. Funds can be moved from the investment account to the HSA account at any time. Employees can link an outside account to this as well if they want to move funds to that account. Submitting a claim was reviewed. Receipts are not required, but can be submitted for record keeping. Submitting a request for payment was reviewed. A tutorial can be made available to employees to review prior to enrollment to help them make a decision on how much they will want to put in their account. Tax savings are also shown. Cards can be ordered for spouse or dependents free of charge. Numbers are different on each card.

Submitting receipts for FSA was discussed. Copays are auto-adjudicated. If the payment is an odd amount that doesn't match a copay, a receipt will have to be submitted. About 84% of claims don't require backup.

Pay my provider for daycare provider can be set up on a recurring payment for the FSA.

WageWork's call center is open Monday through Friday 8 am to 8 pm if an employee doesn't want to use the portal.

### **Review of Health Plan Financials**

Ms. Tammy Martin noted that claims experience includes paid claims experience through March 2014. Plan cost is 5.8% below what was budgeted. We have a surplus. March paid claims total \$5 million. Enrollment is 9,983 for March, a 1.1% increase since April 2013. Enrollment increased by about 100 people throughout the year. Assumptions have not changed. Budgeted projection is \$69.9 million, recast projection for incurred claims is \$61.2 million, total cost \$65.9 million, employee contributions are \$10.3 million, employer cost is \$55.5 million, resulting in a surplus of \$4 million.

The loss ratio for March is 85%. Performance of the plan outperformed last year. Plan design changes and wellness factor in to this.

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

New guidance addressing FSAs and HSAs and how they are integrated has been issued. If you have an FSA you cannot participate in an HSA. If we rollover money from this year's FSA, we cannot enroll in an HSA until that money is gone out of the FSA. Money left in an FSA cannot be moved to an HSA.

### **Compass Professional Health Services**

Ms. McFarland reminded ITF members that Compass Health provides concierge services for employees. This service would work well with the HSA. There is also value to this for employees who don't have an HSA. Today's presentation will provide us with information on what services are available. The focus of today's presentation is employee experience.

Mr. David Toomey, President of Compass Care Engineering, is a former Aetna and Cigna employee. Compass takes massive amounts of material and organizes it so employees can make informed decisions and have help in navigating a very complex healthcare system. Hospitals charge different prices for healthcare services. There is a gap in the process of communication between doctors and hospitals, as well as doctor to doctor.

Typically, 5% of population drives 50% of healthcare costs. The goal is to decrease medical costs. There is a lot of variation in pricing between providers. The goal is to take care of a high number of employees to connect them with premier providers in our network. Each employee gets a health pro- three would be dedicated to our District. They help employees make better informed decisions. Information is provided within 24 hours of the request.

Open enrollment support is also provided. Dr. appointments can be scheduled for employees. Prescription review and savings are provided. Bills are audited for errors. Services are provided for employees, their household, plus one- whether or not they are on our plan. Members must sign a HIPPA release.

There is a 25% engagement on average with a 6:1 return on investment. More progressive clients see 40% engagement and an 8:1 return on investment. If the District is not happy with Compass Health's services, we can fire them with 30 days' notice. Compass tracks wellness participation to help with incentive payouts. Their services result in lower health plan costs, create a culture of safety and quality, and increase employee benefit satisfaction.

Ms. McFarland asked for feedback from ITF members, mentioning that cost of these services is a concern and there are different levels of what can be purchased. If the ITF is interested, we can get price quotes. We can provide a slice of our data to Compass and ask them to dig in further. They charge a per member per month fee. Their services provide a lot of leg work to employees who have difficult health issues.

Security of private information was questioned. Mr. Toomey noted that they take precautions regarding security of information, but there is never a 100% guarantee that information is secure.

Ms. Heather Parker feels that this would be a great asset to the wellness program in helping with participation, and tracking data.

Ms. McFarland noted that return on investment is 6.1 to 8.1%. The more people who engage in the services, the greater the savings will be. The District's health plan will save money, and the employee will also save money. Ms. McFarland stated that if ITF members know someone in Sarasota County, who is currently using these services, call them and see if they are happy with the service. She would appreciate the feedback.

Ms. Zazzaro stated that feedback on return on investment and cost to the district would be helpful information. She also asked if an RFP is necessary or is this a unique company. Ms. McFarland stated that based on our research so far, Compass appears to be a sole provider for the package of services and an RFP is probably not necessary. Ms. McFarland will confirm the required process with Procurement.

Ms. McFarland noted that Mr. Robin MacDonald of Florida Blue stated at the April ITF meeting that they are looking at Compass to provide this service for Florida Blue. She also reminded ITF members that

Compass is providing information only – not recommendations - the employee makes the choices.

Ms. Suzan Rudd stated that we have an obligation to be skeptical. How do we know all of this information is true? She was not satisfied with their answer about security of private information. She is also wondering about the liability regarding the information given to employees. Are they liable for the information they give out, or do we sign waivers in order to do business with them?

Ms. Tammy Martin stated that Compass buy the data they use. Ms. Leanne Migliore stated that this is a service that saves employees from spending hours and hours gathering this information themselves.

Ms. McFarland noted that the more employees, the less ppm cost. Managing data for the wellness program would be very helpful. With the HSA expense of \$2.19 ppm which the District would pay, it is anticipated that the District should also pay the ppm fee for this service.

Information that will be followed up on:

ROI

Specific cost for the district – this will be negotiated

Security – firewalls, protocols, how data is protected, safeguards

Sample waivers employees are asked to sign

Sources of data

We need to have a comfort level before we recommend this to the Board.

We need to make sure employees know Compass is not making recommendations, just providing data.

What assurance do we have that they are not funded by healthcare providers?

Need more info about wellness initiatives.

Should this be made available to all employees – even if they don't participate in the health insurance? Do we have the choice?

### **Good of the Order**

Ms. McFarland stated that Ms. Michael indicated there are some rumors about the District dropping the current health plans and getting a high deductible health plan only. Ms. McFarland stated that decisions about plans won't be made until the fall and that is when we take all plan designs and costs to the Board for approval. We cannot put information out on things that have not been Board approved. Ms. McFarland reminded ITF members that medical plans are not going to be eliminated. The ITF approved the concept of having an HSA plan added for next year, and will be looking at detailed plan design and cost next fall for approval. Generally this goes to the Board in October. Suzan Rudd noted that those with questions could be directed to the minutes of the ITF meetings.

Mr. Castellano noted that the 5k run – Dollars for Scholars - made enough money to add a \$1000 scholarship. They hope to have more participants next year. A total of 105 runners participated this year.

### **Adjournment**

A motion was made by Ms. Jamie Michael to adjourn the meeting at 5:44 p.m. The motion was seconded by Mr. Mark Castellano; motion passed unanimously.