

**THE SCHOOL DISTRICT OF LEE COUNTY
MINUTES**

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

Thursday, December 4, 2014

Members Present

Steve Bowman
Leo Burt
Mark Castellano
Karen Cooley
Bonnie McFarland
Jamie Michael
Donna Mutzenard
Heather Parker
Angela Pruitt
Suzan Rudd
Rita Zazzaro

Members Absent

Shandra Backens
Ashley LaMar
Leanne Migliore
Joseph Pitura
Jimmy Riley

Others Present

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

The meeting was called to order at 3:00 PM.

Approval of Minutes – November 6, 2014

Ms. Bonnie McFarland reviewed the draft 11/6/14 ITF meeting minutes, and asked if there were any additions, deletions or corrections. There being no changes to the minutes, Mr. Mark Castellano made the motion to approve the minutes of the meeting. Mr. Leo Burt seconded the motion; motion passed unanimously.

Health Plan Financials

Ms. Tammy Martin noted that claims are through October 2014. The 2014-15 update is 0.8% below the 2014-15 budget. Paid claims are a little higher than they have been at \$5.6 million. The updated projected surplus is \$611,000.

The current loss ratio for the month of October is 96%. Losses for October 2013 were at 88% and the rolling 12 month loss ratio is 90.8%.

Ms. Martin noted that the appendix contains large claims review, which went down to under the \$3 million mark.

PPACA Update

Ms. Martin informed ITF members that the excise tax will be covered in detail at the January ITF meeting. We need to keep this under consideration as we move ahead. This tax is for the purpose of funding Health Care Reform and to put employer plans more in line with what is on the exchanges.

Ms. McFarland noted she recently listened to a webinar on the excise tax. It is projected that 30% of employers will have to pay an excise tax when it first goes into effect. The further the District can push out when we first have to pay the excise tax, the better. There are things we will need to start talking about for future plans.

Ms. Martin noted that there is new guidance on excise tax – self- insured dental or vision plan costs are included when calculating excise tax. Fortunately, the District does not have self-insured dental or vision plans. Medical plans, prescription drug plans, HSA contributions, FSA contributions – both employer and employee - count towards the excise tax.

Ms. McFarland noted she has heard that costs of clinics will also count towards the excise tax. How clinics will be valued is unknown at this time.

Ms. Martin noted that everything that has to do with health care – whether dental or vision etc. is lumped into the cost of our health plan. This will be the big topic at the January 8th ITF meeting.

Ms. Martin informed ITF members that information regarding IRS plan limits – maximum contributions for HSAs and FSAs is on page 8 of their financial report.

Open Enrollment Update

Ms. McFarland noted that 9.2 PeopleSoft conversion updates will happen over the break as well as transitioning to Aetna from Florida Blue. Work is being done to make a smooth transition. Plan design information will be out on the website as soon as possible. Where minor differences in programming happened, and changes had to be made to a benefit, the benefit was made richer. An example of this is therapies. All therapies have the same number of visits now – if adjustments were made, therapies were increased, not decreased.

Ms. McFarland and Ms. Karen Cooley will attend the TALC meeting on December 17th. The Benefit Contact Kickoff meeting will be on January 9, 2015. Ms. Cooley will send this information to the ITF so they have the information. Meetings are being planned for presenting information to employees. There will be afternoon meetings at most locations. At LCPEC there will be staggered meeting times on different days to try to catch all employees. The Insurance and Benefits Department is down one employee as Ms. Lynda Madison accepted another position and has left the District. Aetna is starting their onsite person early; she will be on site with us in January. She will be able to talk with people about their continuity of care.

Open enrollment will be from February 6, 2015 through February 20, 2015. Benefits are effective April 1, 2015. Medical underwriting forms must be turned in by February 24, 2015. (Cancer, Life, and Disability Insurance require medical questionnaire forms.)

Wellness Update

Ms. Rita Zazzaro asked if Wellness will be offering any additional classes such as Weight Watchers, noting that her staff is asking. Ms. McFarland noted there is a lot required to run

these programs and they will be offered next school year, as we currently don't have staff to run the programs. Bonnie asked that people email her or Heather with their interests. Ms. Zazzaro stated that the CHIP program was very good, and thanked the ITF for funding it. Ms. Heather Parker noted that Weight Watchers could be offered to employees, but not paid for by the District as it is considered a membership. Ms. Cooley noted that this has been done in the District before and could possibly be offered again in the future. The next CHIP program will begin soon and those most in need will be taken first. The program has done wonderful things for participants.

Financial Wellness Proposal – Smart Dollars

Ms. McFarland requested that ITF members consider adding a financial wellness program to the District's wellness offerings and consider attaching incentive dollars to it.

Ms. Parker informed ITF members that she feels financial wellness should be offered to employees. She looked into several options, and the program she is proposing is completed by employees in the privacy of their own homes. Stress is a major factor in employee wellness, and 70% of employees live paycheck to paycheck. The only thing offered to employees for stress at this time is the Employee Assistance Program for counseling. There is also a short one hour stress reduction class being offered at this time, but this is not enough. Ms. Parker showed a brief video about the Smart Dollar program, noting that stress about money affects employees' job performance. Employees are wasting 20% of their income towards debt. This program helps employees get out of debt and start a savings plan, creating lower turnover and more effective employees.

Ms. Parker stated that this program consists of seventeen 20-minute sessions for a total of 6 hours of instruction. She would like to incentivize employees to complete the sessions in 90 days. The program is completely confidential - she would simply get a list of names of those who completed it. If employees don't want the District to know they took it, which is possible as well – they just won't be paid the incentive. Ms. Parker stated that she would like to offer this program to 100 employees to start with. The funds for this are in the Wellness budget at this time. This is simply another option for offering an incentive. The cost of the program is \$100 per person until the end of December. After December the cost will be \$120 per person. The program will start in January. If it goes well, and employees like the program, it would be offered again.

Ms. McFarland noted we are introducing the concept to the ITF today for consideration. Ms. McFarland stated that this program is very interesting and financial wellness is a new arena that wellness is moving into. The total cost is \$100 per person, or \$10,000 for 100 people. Employees would have one year access to this program. They can do it once and then do it again with their spouse during that one year time period if they choose to. The incentive would be tied to them completing the program initially within 90 days - roughly two 20-minute sessions a week online at home. It would be launched in January and completed in time to pay out the incentive in May.

Mr. Mark Castellano stated that he appreciates the approach of looking outside the box. He has no problem offering this program and the incentive for completing this program within 90 days.

Ms. Parker noted she has researched this company and they are not trying to sell anything at all to employees. The cost of the incentive would be \$2500 in addition to the \$10,000 for the program.

Ms. Jamie Michael noted that she herself would like to participate in the program and show it to employees. Mr. Burt asked how the information about the program would get out to employees. Ms. Parker said there is a flyer the company will give her and she will put it out at bus barns and support services before she sends it out by email to all District employees.

Ms. McFarland noted we are starting small by offering the program to 100 employees to see how they like this program. A certain percentage could be offered to different groups for the first week it is offered – SPALC, TALC, Teachers, N, then it would be first-come first-served. Ms. Parker noted that research shows that 87% of employees complete the program in 90 days. It is also available in Spanish.

Mr. Castellano asked if this could be presented at the TALC meeting on the 17th. Ms. McFarland noted that it could.

Ms. Jamie Michael made a motion to approve the Financial Wellness Program as presented and the \$25 incentive. Mr. Leo Burt seconded the motion. Motion passed 11-0.

Wellness Update

HEALTH FAIRS-

Ms. Parker stated that there have been 14 health screenings so far, with 2057 people participating. There will be one more screening on December 9th. There are currently 38 group exercise classes held every week and there have been five full food for life classes, and three one-session food for life classes at various locations - Transportation West, Support Services and Transportation Leonard.

Ms. Parker also informed ITF members that Kind Bars were handed out to the entire District. They were donated to the District by the KIND Company.

CHIP-

Ms. Parker informed ITF members that the first CHIP program is completed. There will be another weigh-in and blood work to be done by Dec. 18th, but in 6 weeks the group of 30 people lost a total of 360 pounds – and this program is not about weight loss alone – but this results in a return on investment of \$21,600. Cholesterol dropped 31 points on average per person. Everybody had a reduction in blood pressure. One person lost 28.5 pounds in 6 weeks. One participant's cholesterol level went from 229 to 149 in 6 weeks.

Ms. Parker read some letters of thanks from participants of the CHIP program. All were extremely grateful and thankful to the ITF and the Board for approving this program, and the letters included amazing testimonies. Ms. Parker noted that CHIP participants wanted to come to the ITF meeting to thank the members for approving this program.

Ms. McFarland noted that as these people stay off their meds and get healthier, the impact to the health plan will continue to improve. There are already over 30 applications for the next CHIP program and December 5th is the cut off for applying. If an applicant isn't selected for this program, they will be put on a waiting list for a class in the spring. We will be coming back to the ITF to continue this program in the future. The class dates and locations will be changed to be able to offer the program to different groups of employees. Ms. Parker noted that four programs per year are all that should be offered - to do more would be difficult to manage with current resources.

Ms. Parker informed ITF members that she can work individually with employees regarding nutrition if they don't get into the class. She is certified to do so, and is currently doing this, and there will be an Aetna nurse onsite in April 1, 2015 who will be of assistance in this area.

Ms. Parker also shared that Healthy Wage was the first program that was offered to employees. Employees paid \$70 each to participate. One of the District's groups won a \$3,000 prize. They continue to lose weight and are still engaged in the program. This program resulted in a total loss of 200 pounds and a \$12,000 saving to the health plan.

Good of the Order

Ms. Michael noted that there have been changes on CDL physicals. There may be some increased claims due to these changes. One gentleman had to pay out his entire deductible and see specialists due to a previous health issue of several years ago.

Adjournment

The meeting adjourned at 4:32 p.m. upon motion by Mr. Mark Castellano with second by Mr. Leo Burt.