

**THE SCHOOL DISTRICT OF LEE COUNTY  
MINUTES**

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

**Thursday, June 4, 2015**

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Members Present

Shandra Backens  
Steve Bowman  
Leo Burt  
Mark Castellano  
Karen Cooley  
Bonnie McFarland  
Jamie Michael  
Leanne Migliore  
Donna Mutzenard  
Joe Pitura  
Angela Pruitt  
Jimmy Riley  
Suzan Rudd  
Rita Zazzaro

Members Absent

Ashely LaMar  
Heather Parker

Others Present

Tammy Martin, Aon Hewitt  
Alyson Hall, Aetna  
Kim Howe, Aetna  
Kim Murphy, Aetna  
Sara Venus, Aetna  
Bill Grand, IS  
Joe Pescatrice, Retiree  
Liaison  
Terri Roney

The meeting was called to order at 3:07 PM.

**Approval of Minutes – May 7, 2015**

Ms. Bonnie McFarland reviewed the draft 5/7/15 ITF meeting minutes, and asked if there were any edits or corrections. There being no changes to the minutes, Ms. Donna Mutzenard made the motion to approve the minutes of the meeting. Mr. Mark Castellano seconded the motion; motion passed unanimously.

**Review of Health Plan Financials**

Ms. Tammy Martin noted that the financials are for April only - the first month of the plan year. Aon worked with Aetna to get claims information from them in the format we have been using – this took a little coordinating. Information is projected for 2015-16 with claims data through April and run-out claims information from Florida Blue. The 2015-16 updated projection is 2.4% above the 15-16 budget. This is because the budget was set in October of last year, and some things have changed since then; however this is not bad. Plan 3769 has 60% of enrollees, Plan 5773 has 34% of enrollment and the HDHP has 1% of enrollment as of April. April 2015 paid claims total \$5.2 million. Average monthly paid claims last year was \$5.4 million. Medical plan enrollment is 10,129 for April 2015. The average expected enrollment is 10,007. Average enrollment last year was 9,971.

Ms. Martin noted that last year trend was 7.5% and this year trend is reduced by 1 point to 6.5%. Administrative fees are \$38 PEPM and the ACA transitional reinsurance fee is \$3.38 PEPM.

Ms. McFarland noted that the District pays this fee for the privilege of having our health plan - \$38,000 per month, which is \$456,000 per year - just to have the privilege of having a health plan.

Dr. Angela Pruitt asked how many retirees have the District's medical insurance. It was noted that there are approximately 400 retirees using the District's medical insurance. The number of active employees on the health plan is 10,129. Ms. Jamie Michael asked how many employees opt out of the District's insurance. Ms. Karen Cooley noted that it is 541 as of April 1, 2015.

Ms. Martin reviewed the projection update. Actual YTD budget projection total cost is \$5.6 million. Budget Projection - which is the rate multiplied by current enrollment is \$71.5 million. Incurred claims are \$71.7 million, fees are \$4.9 million for a total cost of \$76 million. Employee Contribution is \$10.8 million, net employer cost is \$65.8 million. Updated 2015-16 total cost projection is \$71.8 million. Recast incurred claims \$5 million. Projected claims have come down - less than budget forecasted.

Ms. McFarland noted that the projected \$5 million deficit was expected. This is due to the ITF's recommendation and the Board approval to keep employee premiums the same for the new plan year.

Loss Ratio was reviewed. Total plan loss ratio is 87%. Loss ratio for the prior year was 93%. Claims are running very well. Rolling 12 month loss ratio is 90.9%.

Large claims were reviewed. There are currently 8 large claims.

### **PPACA Update**

Ms. Tammy Martin noted that currently there is a family deductible and all family expenses go toward this deductible. The final 2016 Notice of Benefit and Payment Parameters states that no person will have more than \$6,850 in out of pocket maximums. This is a change that we will have to take a closer look to see how it is going to impact the District. Currently this has a minimal impact but we will keep an eye on it as we set rates for next year. This change is effective 1/1/16.

Ms. McFarland noted that there are laws being passed that require the District to make changes to our plans. Each of these changes costs the plan money, and these things all add on to the cost of the plans.

The IRS has determined that annually the District has to report who has coverage, how long they have had coverage. Everybody who gets a W2 will now get a form stating what healthcare was for the year. (Form 1095-C) Communication regarding this will go out to District employees after Labor Day.

Ms. Rita Zazzaro joined the meeting at 3:26 p.m.

Ms. Martin shared that the Department of Treasury, Labor and Health and Human Services is saying opt out credits may impact an employer's affordability calculation – the employer may be penalized if someone who opts out goes to the exchange and gets a subsidy. Opt out credits may be on the way out.

### **Aetna Health Care Management**

Ms. McFarland noted that the ITF heard a presentation last year by Compass, a medical management services company. Last month MAP presented their services to the ITF and at last month's meeting it was determined the ITF would hear a presentation from Aetna to see what medical management services they currently offer District employees.

Ms. McFarland introduced Ms. Kim Murphy, Ms. Kim Howe, Ms. Sara Venus, and Ms. Alyson Hall from Aetna.

Ms. Howe thanked the ITF for having them. Ms. Venus, account manager, shared the Aetna Navigator website – the portal to all benefits and claims with Aetna and some of the tools available to employees in Navigator.

Aetna's online payment estimator process was reviewed. This gives employees information of nearby facilities and cost of services at each facility. It also gives further details of cost of service, negotiated rate, and savings. This information can be printed and taken to the physician's office with the patient. Most frequently used sites are listed at the left of the web page. Employees can look up estimated costs of managing different diseases. Drug information can also be looked up. When the brand name is entered, the cost of the brand name drug and its generic(s) will be listed. This page can also be printed and taken to physician's office.

Ms. McFarland noted that this website will also be the portal for all of Wellness – i.e. health screenings. This will be communicated to all employees.

Mr. Pescatrice left the meeting at 4:00 p.m.

Ms. Suzan Rudd asked if the information looked up on this website is saved in the system. Ms. Venus noted that all information clears out when the page is closed out. She also noted that Aetna has a huge security system, which has been a very large investment for Aetna. They recently did a survey check and came out very high in regard to security. Aetna will bring this information to a future ITF meeting. If you are away from your computer screen for a certain amount of time, you will be logged out. Passwords are also very secure with lower case, uppercase and numbers. Registration for this website is very secure.

Another tool is the hospital comparison tool. Employees look under care and treatment. They can put in a specific health issue, their zip code and it will give a list of hospitals and ratings of these hospitals including mortality rates, lengths of stay, complications, safety, and patient experience. Emergency Rooms, Trauma Centers and ICUs are also included in these reports.

The hospital name can be entered for a report on that specific hospital – all of these reports can be printed.

Ms. McFarland asked if Aetna has a tool that rates specific physicians individually. Ms. Venus informed her that the Doc Find search provides this information, but does not provide specific ratings. Employees can see if the physician is an excellent provider in the Aetna network, but there are no ratings. All of their providers are credentialed before they are allowed to participate in the Aetna network.

Employees can download the Aetna mobile app on their phones. An ID card can be printed from the website.

Ms. McFarland asked ITF members to complete a homework assignment which will be due at the next ITF meeting on August 6<sup>th</sup> – log into Aetna Navigator, create an account and come back with any questions or concerns.

### **Good of the Order**

Ms. McFarland noted that Heather Parker will be back from maternity leave later this month. She has been in touch with Alyson Hall, our Aetna Health Coach over the last couple of days to get things started in Wellness for the 2015-16 school year.

Ms. McFarland also noted that the Board approved the wellness incentive money for next year. We stayed flat with \$150.00 per employee; however Aetna is offering employees the opportunity to get a \$50 gift card for doing their wellness screening. There will be no more bubble sheets at wellness screenings. Employees will use Aetna Navigator. Aetna is visiting almost every SDLC location for health screenings - almost 100 locations. All of this information will be sent out in the fall. We are very excited about the increase in locations and the streamlined process.

Ms. McFarland noted that this is Mr. Steve Bowman's last ITF meeting, as he is retiring. She thanked Steve for his years of service on the ITF. It was noted that Mr. Bill Grand will be taking Steve's place on the ITF.

Ms. McFarland noted that Mr. Pescatrice left early as he is being presented an award for his service to the Red Cross today.

It was also noted that there will be no meeting in July. The next meeting will be August 6<sup>th</sup>.

### **Adjournment**

The meeting adjourned at 4:22 p.m. upon motion by Mr. Mark Castellano with second by Ms. Donna Mutzenard.