

**THE SCHOOL DISTRICT OF LEE COUNTY  
MINUTES**

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

**Thursday, September 3, 2015**

---

Members Present

Shandra Backens  
Mark Castellano  
Karen Cooley  
William Grand  
Bonnie McFarland  
Jamie Michael  
Leanne Migliore  
Donna Mutzenard  
Heather Parker  
Joseph Pitura  
Angela Pruitt  
Rita Zazzaro

Members Absent

Toni Abrams  
Brian Curls  
Jimmy Riley  
Suzan Rudd  
Joe Pescatrice, Retiree  
Liaison

Others Present

Tammy Martin, Aon Hewitt  
Keith Coghlin,  
Aon Hewitt  
Kim Murphy, Aetna  
Pamela LaRiviere, Board  
Member  
Leo Burt  
Terri Roney

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

**Approval of Minutes – August 27, 2015**

Ms. Bonnie McFarland reviewed the draft 8/27/15 ITF meeting minutes, and asked if there were any edits or corrections. There being no changes to the minutes, Mr. Mark Castellano made the motion to approve the minutes of the meeting. Ms. Jamie Michael seconded the motion; motion passed unanimously.

**Review of Health Plan Financials**

Ms. Tammy Martin reviewed the executive summary noting it includes claim experience through July 2015. The 2015-16 updated projection is 5.2% below the 15-16 budget. Paid claims including runout is at \$6.2 million. Claims were low at the beginning of the plan year, but have jumped up because many employees had things done during summer break. Current enrollment is at 10,144. 65% of enrollment is in the 3769 plan, and 1% in the HDHP.

Trend is 6.5%. Expenses are \$37.02 per employee per month. There have been no RX rebates yet from Aetna. COBRA and retiree enrollment remains constant. The 2015-16 year to date budget projection is \$24 million. Recast incurred claims are at \$18.4 million. Fees are \$1.6 million for a total cost of \$20 million, resulting in a \$3.9 million surplus. Updated 2015-16 projection is a \$3.7 million surplus.

Enrollment was discussed. It was noted that July enrollment is always high because retirees and employees who have resigned are still covered – they will come off the insurance in September. The new employees will come on the health insurance in October and November.

Loss ratio was 103% for July – it was noted that this is not unusual. April loss ratio was low at 66%; May was exceptionally low at 55%.

Large claims were reviewed. Two large claims came off in June. There are currently four large claims (over \$250,000).

### **PPACA Update**

Mr. Keith Coghlin reviewed ACA updates.

Excise Tax - The IRS has issued a request for a second round of comments on calculating the ACA's 40% excise tax – what will be included and what won't. Currently there is talk that the FSA will not be included – where it previously was. There is also talk about repealing the excise tax.

Minimum Value Rules – The treasury and IRS released a supplemental notice of proposed rulemaking on the minimum value of eligible employer-sponsored health plans. They are trying to determine a consistent way of determining the value of a health plan. Health plans do this in different ways – so minimum value means different things to different people. This will not affect the District as we do not have any plans below the minimum value.

Veterans Health Care Choice Improvement Act of 2015 - Previously there was a rule that a veteran could not contribute to their HSA during a month that they have received treatment at a VA clinic. This is no longer the case. If employees have TRICARE, the District no longer has to include them in the count of employee enrollment in minimum essential health care coverage under an eligible employer-sponsored plan.

Ms. McFarland informed ITF members that the Insurance & Benefits Management Department sent letters to employees whose dependent information was lacking their social security number. The District is required to send a letter to these employees three times to attempt to get this information. If employees don't respond, it is up to the employee to work this out with the IRS.

### **Wellness Update**

Ms. McFarland noted that this school year more employees are reaching out to Employee Wellness to get information about wellness classes and exercise classes. 1,000 people registered for wellness classes in one day. This is a wonderful shift. We are starting to see that culture shift that a successful wellness program must have.

Ms. Heather Parker handed out the health screening schedule for 2015-16. There are 93 health screening events happening over the next 70 days. The schedule is color-coded according to District zones. An email was sent out notifying employees that the wellness website was up and running. Another email was sent out about the health screenings and incentives. There are currently 1,550 people signed up for health screenings.

Ms. McFarland shared with ITF members that the number of people registered for these events determines what resources will be given to those particular locations. Walk-in ability will be limited this year. Resources will be set up according to the number of employees that signed up.

Incentive amounts were reviewed. There is a total of \$150 in incentives possible.

The financial wellness class was discussed. Ms. Pam LaRiviere noted that even when our staff is financially healthy they need to take the class to stay financially healthy. There are also staff members who are in great need of assistance, then there those who need to file bankruptcy. She has a vision and believes she has some things to put in place for the District in the future. Emotional, mental and physical wellness all go together. Ms. Parker noted that she has budgeted for the financial wellness class and expects to have two of them this year.

Ms. McFarland shared that the last Florida Blue report indicated that employees were noting that stress was one of the top risk factors. Wellness programs are designed to support physical, mental and emotional well-being.

Ms. Parker noted that when employees complete the financial wellness program within 90 days, they earn \$30 plus they have access to the program for an entire year, and can share it with a spouse or child. It is good to have this resource for this period of time of time for review purposes.

Ms. Parker showed a portion of the Dave Ramsey Financial Wellness video to ITF members. She also reviewed the wellness homepage where employees can sign up for health screenings, financial wellness, and food for life classes. Also available are 44 different exercise classes that employees can participate in. It was noted that employees can attend classes at any location – not only where they work.

Ms. Parker noted that diabetes is also one of the District's high risk areas – the diabetes classes will be helpful in lowering the number of employees with diabetes.

Ms. McFarland noted that there is a health screening at a high school every week from 1:00 p.m. – 5:00 p.m. so staff should be able to attend a screening at some point. The bus compound screenings are September 10<sup>th</sup>, 15<sup>th</sup> and 16<sup>th</sup>.

The stretch goal for health screening participation is 5,000, which is 50% of the population and would give us good statistical value to aid in planning the wellness program for the future.

Ms. Jamie Michael suggested sending out an email notifying staff that there won't be as many walk in spots this year so people will sign up in advance.

Ms. Parker reviewed Food for Life class locations. She informed ITF members that the CHIP program is also being held again this year. There is an application process for this class – those

with the highest health needs are chosen first. The possibility of having a summer CHIP class was discussed.

### **Florida KidCare**

Dr. Angela Pruitt noted that there were questions about Florida KidCare rates going up and whether information should be sent out to employees. The District does not have anything to do with this coverage; therefore cannot send out information. It was noted that a rate increase is not a qualifying event to add kids to the District's health plans.

Ms. McFarland noted that the information the State has sent out has been very confusing. She has learned that the rate for Healthy Kids coverage is going up; however some participants of the Stay Well program who are full pay participants are becoming ineligible for coverage. An increase to premium is not a qualifying event to add kids now. Employees can make changes during open enrollment. Stay Well is discontinuing service for full pay participants. Loss of eligibility is a qualifying event. The message the Insurance & Benefits Management Department is giving is that employees should call if they have questions, and we need to see the letter they received to determine if they have a qualifying event.

The District's 5773 plan for 2 or more kids costs less than the Healthy Kids plan. It is anticipated that we will see an increase in adding dependents to plans during open enrollment.

### **Disability RFP Update**

Ms. McFarland noted that the RFP subcommittee will convene next Wednesday, September 9th to review the five proposers for the disability RFP. There will be another update on this process during the October ITF meeting. The Board will be briefed on the Disability RFP on October 6<sup>th</sup> and it will be voted on at the October 20<sup>th</sup> action meeting.

The dental RFP goes to the Board briefing meeting on September 8<sup>th</sup> and for vote at the action meeting on September 22nd.

### **Good of the Order**

The next ITF meeting will be October 1, 2015. It is anticipated that renewals will be reviewed at that meeting.

### **Adjournment**

The meeting adjourned at 4:13 p.m.