

**THE SCHOOL DISTRICT OF LEE COUNTY
MINUTES**

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

Thursday, December 3, 2015

Members Present

Shandra Backens
Mark Castellano
Karen Cooley
Brian Curls
William Grand
Bonnie McFarland
Jamie Michael
Leanne Migliore
Heather Parker
Angela Pruitt
Jimmy Riley
Susan Rudd

Members Absent

Toni Abrams
Donna Mutzenard
Joe Pitura
Rita Zazzaro

Others Present

Tammy Martin, Aon Hewitt
Keith Coghlan,
Aon Hewitt
Kim Murphy, Aetna
Leo Burt
Joe Pescatrice, Retiree
Liaison
Terri Roney

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

Approval of Minutes – November 5, 2015

Ms. Bonnie McFarland reviewed the draft 11/5/15 ITF meeting minutes, noting one correction on page one, and asked if there were any other edits or corrections. There being no further changes to the minutes, Mr. Mark Castellano made the motion to approve the minutes of the meeting. Ms. Shandra Backens seconded the motion; motion passed unanimously.

Review of Health Plan Financials

Ms. Tammy Martin noted the financials include paid claims through October 2015. The 2015-16 updated projection is 5.8% below the 2015-16 budget. Paid claims for October total \$5.5 million. YTD average monthly paid claims for the 2015-16 plan year is \$5 million. Current enrollment is 10,058.

Budget Projection Total Cost for 2015-16 YTD is \$41.9 million. Recast projection incurred claims total \$34.5 million, fees total \$2.9 million. There is currently a \$4.5 million surplus. The 2015-16 budget projection was a \$5 million deficit; however claims are running very well. The 12 month rolling loss ratio for all plans is 86.7%.

Aon is continuing to have difficulty matching up large claims due to lack of claim information from Florida Blue. The large claim information was reviewed. Ms. Martin noted that claim #5 should come off, as it is an old claim. Claim #3 is new. These large claims are the same diagnosis that we normally see.

Health Care Reform Update

Mr. Keith Coghlan noted that the IRS announced that the PCORI fee will increase from \$2.08 to \$2.17 per covered life. The 4.3% increase in the PCORI fee applies to policy years and health plan years that end on or after October 1, 2015 and before October 1, 2016. This is a fee that claim sponsors pay for additional research on outcomes.

There will be no Social Security cost of living increase for 2016. Medicare Part B deductible will go to \$166 from \$147. Medicare Part A deductible will increase to \$1288 from \$1260.

Appendix Review

Ms. Martin noted the information in the appendix of their report shows that the 5773 plan has a loss ratio of 56.2%. The 3769 Plan has a loss ratio of 115.4%. The HDHP loss ratio is 14%.

Good of the Order

Ms. McFarland informed ITF members that the dental insurance went to the Board and passed. Metlife has been working with Insurance & Benefits and Aon to prepare for all that needs to be done to get that up and running. There is a lot to do to get the plan ready to roll out to the employees.

Ms. McFarland also informed ITF members that a retiree healthcare meeting was recently held at the District where Aon talked about what options are available to retirees at retirement. Invitations were sent out. The meeting was held on November 12th. 45 people attended the meeting, which was about an hour and a half long. The information was incredibly helpful. Based on that seminar, another one will be held in the spring a little while after the District's retiree meeting. It will be a late afternoon/early evening meeting geared towards employees who will be retiring in the near future.

Mr. Joe Pescatrice asked to be invited to the next meeting. Mr. Leo Burt noted that he attended the November 12th meeting and felt the presenter was very knowledgeable and answered every single question asked.

Ms. McFarland noted that there will be a video about healthcare options for retirees put up on the Insurance & Benefits website when we are able to get it finalized.

Ms. McFarland discussed how the change in the school calendar will impact the 20 pay folks. There will be 21 deductions in the plan year for 20 pay folks. Because this year is running later, and next year is starting earlier there will be 21 checks. Only the 20 pay folks with an FSA or HSA are impacted with this. The FSA deduction will be divided into these 21 checks. The good news is that the amount coming out of each check will be less.

Mr. Mark Castellano mentioned that he and Ms. Donna Mutzenard met with a group of District social workers who shared concerns about Aetna. He will get more information to Ms. Kim Murphy as soon as he can.

Mr. Castellano also noted he had an issue with getting his prescription filled at CVS. Ms. Kim Murphy stated she will look into this to see what the difficulty was.

Ms. McFarland informed ITF members that disability insurance is with MetLife as well as dental. The dental insurance will require enrollment during open enrollment. If employees don't enroll in dental during open enrollment they will have no coverage as of April 1st. If anyone asks if they need to do anything for open enrollment if they don't want to change anything – yes – they need to re-enroll in dental or they will have no coverage as of April 1st. This will be stressed at the January 8th benefit contact meeting.

Adjournment

Ms. Shandra Backens made a motion to adjourn the meeting; Ms. Leanne Migliore seconded; motion passed unanimously. Meeting adjourned at 3:50 p.m.