

**THE SCHOOL DISTRICT OF LEE COUNTY
MINUTES**

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

Thursday, January 7, 2016

Members Present

Toni Abrams
Shandra Backens
Mark Castellano
Karen Cooley
William Grand
Bonnie McFarland
Jamie Michael
Leanne Migliore
Heather Parker
Joe Pitura
Angela Pruitt
Jimmy Riley
Suzan Rudd
Rita Zazzaro

Members Absent

Brian Curls
Donna Mutzenard

Others Present

Debbie Poole, Aon Hewitt
Nadia Elmunaier,
Aon Hewitt
Kim Murphy, Aetna
Kim Howe, Aetna
Kathy Stiles, MetLife
Jeanne Beatson
Joe Pescatrice, Retiree
Liaison
Terri Roney

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

Ms. Bonnie McFarland introduced Ms. Kim Howe and Ms. Kim Murphy, Aetna on site rep, along with Ms. Kathy Stiles, on site MetLife rep. Ms. Stiles informed those present that she has been working with Insurance & Benefits on the MetLife implementation, she has been with MetLife for 15 years, and has 25 years in the insurance business. She is in the process of moving to Fort Myers from Atlanta, and will be here to assist wherever needed. Ms. McFarland noted that Kathy will be on site two days a week to assist with dental and disability, and more often during open enrollment. ITF members and other attendees introduced themselves to Ms. Stiles.

Approval of Minutes – December 3, 2015

Ms. Bonnie McFarland reviewed the draft 12/3/15 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, Ms. Jamie Michael 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. Debbie Poole informed ITF members that the financials include claims through November 2015. The plan is still running very well. Average 2014/15 monthly paid claims were \$5.4 million, year to date average 2014/15 paid claims is \$5 million. Enrollment is currently 10,301. The average 2015/16 expected medical plan enrollment is 10,166 – an increase of 250 from last month. Average enrollment for 2014/15 was 9,971.

Updated projection is still running at a \$4.2 million surplus - very positive going into next month. Numbers are consistent with last month.

Claims were reviewed. October and November line up with last year. May was the lowest in claims. Loss ratio overall is at 87%. November's loss ratio was 79%

Ms. Poole noted that new information on RX spend is being provided this month. Changes are going on in the industry and are affecting trend. Pharmacy spend is 27% of total claims. Last year it was 26%. These small changes make a large difference. It will be important to keep an eye on this. Wellness programs can make a positive impact on this. Going forward we will watch this carefully, as prescriptions are being written by physicians at a high rate and this is increasing monthly. There are also pharmaceutical changes that are making RX claims more expensive. Lifetime biologic drugs are very expensive and are being prescribed more often for many different reasons. Ms. Poole noted that Aon can provide more detailed information if the ITF would like to see it. Ms. McFarland requested that this information be provided for the June 2016 meeting.

Large claims were reviewed. The top claim is over \$500,000 mostly billed in December 2014. This claim will fall off next month as it is from the previous plan year.

Health Care Reform Update

Ms. Poole noted that the excise tax has been delayed from 2018 to 2020. This tax is now tax deductible. This projection will be recast and adjusted to reflect that it is a tax deductible tax.

Effective 1/1/16, the medical supply tax has been suspended for all sales between January 1, 2016 and December 31, 2017. We expect the result to be minimal. Aon will continue to work with Aetna to ensure payments processed in 2016 adjust for the suspension of the tax as appropriate and in a timely manner.

The health insurer tax (HIT) fee is passed on by vendors to employers in the rates. For example, MetLife's fee is 3.3% It will be determined in the near future how this will be reflected in current rates.

The IRS has extended the due dates to file 1094 and 1095 forms. This will not impact the District or its employees. Employees will receive their W2 forms electronically if they have chosen this option.

Mileage rates went down from 57.5 cents per mile to 54 cents for 2016.

Ms. Poole noted that the 3769 plan is running at a 115.9% loss ratio. 75% of claims are from the 3769 plan. Ms. McFarland noted we expect a lot of movement within the plans this upcoming open enrollment. Employees may be adding dependent children due to changes within Healthy Kids.

Aon will continue to work closely with our insurance carriers to monitor all changes.

Open Enrollment Update

Ms. Karen Cooley informed ITF members that tomorrow is the benefit contact meeting to kick off open enrollment. A slide presentation has been prepared to highlight all changes to be sure employees are aware of these changes, such as positive enrollment for dental.

The open enrollment information is now open on the I & B website. MetLife has created some slides and videos for our website. Ms. Cooley encouraged everyone to take a look at the website.

Open enrollment begins on January 28th at 12:01 a.m. and ends February 12th at 11:59 p.m. Evidence of Insurability forms are due Wednesday, February 17th at 4:30 p.m. If employees are not making a change to life insurance, no Evidence of Insurability form (EOI) is necessary. If making a change, an EOI is necessary. It was stressed that dental insurance must be enrolled in if employees wish to keep dental insurance. If they do not enroll, they will not have dental insurance. I & B stresses to everyone that they should go online and review their insurance elections to make sure they have what they want.

There is no need to reenroll in disability insurance if employees already have it. If they are enrolling in it for the first time, or making changes to their coverage, an EOI is necessary.

Mr. Joe Pescatrice stated that all information mailed out to retirees was very clear and easy to understand.

Ms. Cooley noted that if an employee currently has the 5773 plan or the 3769 plan and has an FSA, and wishes to change to the HDHP with the HSA, they must use all their FSA funds to a \$0 balance by March 31st. If they don't spend down to a \$0 balance, their HSA will not go into effect until July 1st when the grace period for the FSA is over. This is an IRS rule, not a District rule.

Wellness Update

Ms. McFarland noted that all 94 health screenings have been completed. 4,160 people completed a health screening. Those employees whose coverage became effective December 1st still have an opportunity to have a health screening at Quest, so this number could be higher. These employees will get an email from Ms. Heather Parker, Wellness Coordinator.

Ms. Parker shared that the CHIP program started this week. Thirty five people from the District office participated, and 34 participated at Caloosa. The people taking the program will improve their health issues, and this will create a savings for the health plan. Ms. Aly Hall, Aetna Health Coach, is going to the transportation locations for health coaching sessions with staff. The schedule for these sessions will be emailed to ITF members.

Ms. McFarland noted that with the support of the Superintendent and the ITF, the additional staff and funding for the wellness program has enabled Wellness to reach a much larger number of employees. We now have three staff members (two District employees and one

Aetna employee) who are able to help reach the folks who were unable to participate in Wellness for one reason or another. We are also looking at doing a summer CHIP program here at the District Offices. This will allow for folks who are unable to attend during the school year to attend when they aren't working.

Ms. Parker informed ITF members that Food for Life classes will start at Canal St. and Transportation West next week. Healthy Wage weigh-ins start tomorrow. There are 35 District Teams so far. Ms. Parker is hoping to have 50 teams. The City of Fort Myers, Lee Memorial, Naples Government and Collier County Schools are partnering with us in Healthy Wage. This keeps the prize \$ in our area.

Smart Dollar is going to the Board next week. Ms. Parker shared that she was able to negotiate for 375 participants at the cost of \$300.

Ms. McFarland noted that the \$350,000 gym buildout is also going to the Board next week. This is "phase 2" of improving/better utilizing the available space. The gym buildout includes a secondary entrance door at the end of the hallway. This entrance will be open during designated hours for employees to use the gym. This request does not include the buildout for the clinic. Any future clinic buildout would be a separate phase. It is anticipated that a clinic buildout would cost between \$112,000 to \$140,000.

Good of the Order

Ms. McFarland noted that the staffing department does a retiree seminar in February and Ms. Cooley will be in attendance. In addition to this, on a separate day, Insurance & Benefits will be hosting a retiree seminar like the one that was held in November. Aon's Cathy Furr will again be here for that. This meeting will be on March 10th in the afternoon so employees who are considering retirement in the near future are able to attend.

Mr. Mark Castellano informed ITF members that TALC has set up a 501C3 foundation – any donations received will be going through this foundation for scholarships. TALC's 5k is on February 27th at Rotary Park in Cape Coral. The race starts at 6:00 p.m.

Ms. Angela Pruitt informed ITF members that the HR Division will have a team participating in the 5th Annual Strides for Education 5K this year. Ms. Backens added that this is a kid friendly event and all funds raised go to Take Stock In Children Lee County, which identifies students who are not college bound and gives them scholarship funds to attend college.

Adjournment

The meeting adjourned at 4:13 p.m.