

**THE SCHOOL DISTRICT OF LEE COUNTY
MINUTES**

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

Thursday, February 4, 2016

<u>Members Present</u>	<u>Members Absent</u>	<u>Others Present</u>
Toni Abrams	Shandra Backens	Debbie Poole, Aon Hewitt
Mark Castellano	Leanne Migliore	Keith Coghlan, Aon Hewitt
Karen Cooley	Joe Pescatrice, Retiree	Kim Murphy, Aetna
Brian Curls	Liaison	Kim Howe, Aetna
William Grand	Jimmy Riley	Cathleen O'Daniel Morgan
Bonnie McFarland		Leo Burt
Jamie Michael		Terri Roney
Donna Mutzenard		
Heather Parker		
Joe Pitura		
Angela Pruitt		
Suzan Rudd		
Rita Zazzaro		

The meeting was called to order at 3:02 PM.

Approval of Minutes – January 7, 2016

Ms. Bonnie McFarland reviewed the draft 1/7/16 ITF meeting minutes and asked if there were any edits or corrections. There being no changes to the minutes, Ms. Heather Parker made the motion to approve the minutes of the meeting. Mr. Bill Grand seconded the motion; motion passed unanimously.

Review of Health Plan Financials

Ms. Debbie Poole reviewed financials. Today's report reflects claims through December. Updated projected costs are 6.8% below the projected 15/16 revenues. Paid claims for December 2015 total \$6.2 million. Year to date 2015/16 average paid claims is \$5.1 million. Enrollment for December was up to 10,354. The average 2015/16 expected medical enrollment is 10,175 – not much change there.

Projection update was reviewed and is currently at a surplus of \$4.9 million.

December claims are up - this is in line with the nature of our claims and employees having procedures during the holiday break. We will see an increase in claims in January also as the balance of these claims is paid out.

Ms. Poole reminded ITF members that a breakdown of prescription drug info was asked for at the last ITF meeting.

In 2014-15, 26% of claims were Rx. Of this 26%, 27% was Tier 1 – generics, 43% was tier 2 – formulary and 30% was Tier 3 – non-formulary drugs.

Discussion was held regarding the ability of employees to look up whether a drug is generic, formulary or non-formulary and talking with their doctor about different options if a drug is too expensive. Ms. Poole also noted that if a new drug is being administered, employees should talk with our Aetna on site rep about options.

Prescription drug utilization and the amount the plan is spending on these drugs were reviewed. The top ten drugs utilized by total spend was reviewed and top ten drug utilization by count was reviewed.

Ms. McFarland requested two breakouts for the next meeting – one per cost and one per quantity. She noted that 5 years ago prescription spend was 22% and is now 26%. This is due to the expensive drugs that employees are taking.

Large claims over \$250,000 were reviewed. There are currently seven large claims. These are all under Aetna. Aon will take a look at diagnostic codes to see if these large claims are due to a disease or something else that could be addressed through the Wellness Program.

Mr. Keith Coghlan reviewed health care reform, noting that the president vetoed a bill that would have repealed fundamental components of the Affordable Care Act.

The definition of “hours of service” to determine a full-time employee includes payments due to short term disability or long term disability – this does not apply to the District as District employees pay for their disability insurance with after-tax contributions.

The IRS announced that when determining affordability, opt out credits paid to employees who waive employer-provided coverage will increase an employee’s required contribution by the amount of the opt-out payment.

The employer mandate penalty has been adjusted upwards.

EAP Information

Ms. McFarland noted that Insurance & Benefits is producing a video that will be put on the website and can be used at different meetings. We are also working with communications on some information that can be handed out to employees regarding the EAP.

Wellness Center Build Out

Ms. McFarland showed ITF members a graph showing from 2012 to current what national healthcare trend is, and what Lee County School District’s healthcare trend is. The District is more that 15% below national trend. District costs are going down. Almost 2,000 more people had a health screening this year than last. Ms. Poole will add this graph to next month’s financial packet.

Ms. Heather Parker informed ITF members that maintenance has moved all of the equipment in the gym. The floor is dug up and ready for plumbing and the build out should be completed April 1st. All equipment except for two pieces is still able to be used. Everything is going well. Key fobs will be used by employees to access the gym from the back parking lot (north). Wellness will pay for the key fobs. All employees will be required to fill out a consent form again. When they do this they will be given a key fob. The key fob allows people to have access to the building. People who currently have access to this building with their badge will continue to have access to the gym with their badge. Employees with badges can go to the gym whenever their badge allows them to enter the building. The fobs can be turned off when employees leave the District. Retirees will also follow this procedure. Utilization can also be tracked with the key fobs. Hours will be 7 am to 7 pm. An open house is being planned.

A total of 4,232 people attended health screenings this year, which is 42% of employees. This is an amazing outcome and makes the data that we are getting out of these screenings very statistically valid. This data will be coming in April.

Ms. Parker noted there is high participation in wellness classes. There was a Food for Life class held at Transportation West. There were 18, 32 and 35 people in these classes respectively. Healthy eating was reviewed. The instructor served a full healthy meal with items all purchased at Walmart. Employees loved the food and learned a lot. They were given lunch boxes and prizes.

Ms. McFarland noted that Aly has completed her first round of meetings with the employees at the bus barns. Employees are asking a lot of questions and getting a lot of information regarding wellness. Yesterday was her first repeat visit. Employees are getting used to seeing her and know who she is. Nutrition will be addressed a great deal next year. There is also a Food for Life class at support services going on now.

Ms. Jamie Michael stated that on 9/4/14 the ITF held discussion about the gym build out and it was agreed that in house labor would be used as much as possible. On 12/31/15 the build out was also discussed and again it was agreed that in house labor would be used as much as possible. Ms. Michael noted that an outside company has been contracted to do some of the work in the gym and stated she is concerned that this has happened.

Ms. Angela Pruitt noted that she was told that work with an amount over \$200,000 had to be bonded and because of this we have to use an outside company. However; she is not sure how accurate this is, and has a meeting with Dr. Adkins to discuss this tomorrow. She will follow up with SPALC after this meeting.

It was noted that how the money is being spent is not a decision made by HR or Wellness. Those decisions were made by finance and maintenance after the Board approved the build out. Ms. Pruitt, Ms. McFarland and Ms. Parker were not included in these meetings.

Ms. Suzan Rudd noted that they feel a sense of betrayal as the money was supposed to be used in house and that has not happened.

Ms. McFarland stated that she shares their concerns greatly. She works hard to communicate honestly with the ITF, and the fact that this has happened without her knowledge is very concerning. The trust of the ITF is very important and she asks that they give her an opportunity to address this issue. She works very hard to be transparent and open.

Ms. Rudd thanked Ms. Pruitt and Ms. McFarland for their comments and appreciates that they have cleared up how this has happened.

Ms. Pruitt will follow up with SPALC tomorrow and there will be follow up information regarding this issue at the next ITF meeting.

Open Enrollment Update

Ms. Karen Cooley informed ITF members Open Enrollment has been open for one week. A total of 2,760 employees have gone in and made selections so far. An additional 200 people have completed their enrollment but not submitted their evidence of insurability forms, so are not included in this total. We are getting a lot of nice feedback about the increase in the Board contribution and are seeing an increase in cancer insurance enrollment.

A lot of people are coming into the office to get help with the enrollment, and the Insurance & Benefits office is receiving a lot of phone calls.

Ms. Rudd noted that the 20 pay employees are very pleased that their calculations are easy to understand in PeopleSoft.

Ms. Cooley noted that Open Enrollment ends next Friday, Feb. 12th. All evidence of insurability forms are due Feb. 17th.

Good of the Order

Ms. Cooley informed ITF members that back in November Cathy Furr met with retirees about their options. Another meeting like that one will be held on March 10th. This meeting is an evening meeting and will include changes in the Market Place and Medicare changes. Fliers will go out to employees who are potential retirees so they are aware of this meeting. An RSVP is being requested to make sure we have enough space. If necessary, another meeting will be scheduled.

Ms. McFarland noted that this retiree benefit meeting will be recorded and put on the website so employees can refer to it. These meetings are for information only.

Ms. Kim Howe from Aetna shared that Lehigh Regional was recently purchased by Prime Healthcare. Aetna is having conversations with them to continue them in the network. They are working to do what needs to be done to maintain them in the network. Discussions are very active and at this time they are still in network. If any employee has any issues with this change, they should contact Ms. Kim Murphy.

Mr. Mark Castellano reminded ITF members about the TALC 5k event on February 27th – It is starting at 6:30 rather than 6:00. Registration is on Active.com. Volunteers are needed.

Ms. Parker noted that renowned speaker Dr. Greger will be here at LCPEC on February 25th. 371 employees are signed up to attend. There is space for 30 more.

Ms. Michael stated the Food for Life and CHIP classes do not work for employees with severe allergies.

Adjournment

The meeting adjourned at 4:10 p.m.