

**THE SCHOOL DISTRICT OF LEE COUNTY
MINUTES**

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

Thursday, June 2, 2016

<u>Members Present</u>	<u>Members Absent</u>	<u>Others Present</u>
Toni Abrams	William Grand	Tammy Martin, Aon Hewitt
Mark Castellano	Jamie Michael	Keith Coghlan, Aon Hewitt
Karen Cooley	Donna Mutzenard	Kim Murphy, Aetna
Brian Curls	Joe Pitura	Joe Pescatrice, Retiree Liaison
William Grand	Angela Pruitt	Leo Burt, Retiree Liaison
Bonnie McFarland	Suzan Rudd	Jeanne Beatson, Benefits Specialist
Leanne Migliore		Ms. Mary Fischer, Board Liaison
Heather Parker		
Jimmy Riley		
Rita Zazzaro		

The meeting was called to order at 3:03 p.m. by Ms. Bonnie McFarland.

Approval of Minutes – May 5, 2016

Ms. McFarland reviewed the draft 5/5/16 ITF meeting minutes, 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. Leanne Migliore seconded the motion; motion passed unanimously.

Review of Health Plan Financials

Ms. Tammy Martin reviewed the executive summary noting that this information includes April 2016 claims only, along with Rx rebates, medical trend and expenses. The 2016/17 updated projection is 4.6% below the projected 2016/17 revenues. The 3769 plan has 68% of enrollees, the 5773 plan has 30% of enrollees and the HDHP has 2% of employees. Paid claims for April was \$5.3 million. Average 2015/16 monthly paid claims was \$5.3 million. We are right on the mark. Current medical plan enrollment is 10,465. Trend is 6.5% for 2016/17. This is from the Aon trend survey that their chief actuary does. Total premium is \$6.5 million, claims \$5.3 million, fees are \$406,000, for a total cost of \$5,790,000. Employee contributions were \$810,000. Net employer cost is \$5 million. Projection is a \$3.6 million surplus at this point.

Mr. Keith Coghlan reviewed loss ratio. Last month's loss ratio was 86%. The general projection is very similar to last year's, with spikes and dips happening in the same months. Overall the last 12 months loss ratio was 90.7%. Rx spend was 31% of total spend. Medical spend is 69% for April.

Large claims were reviewed, showing no changes from last month. No claims fell off, and there are no new large claims. Total for large claims is \$4.2 million. It was noted that Wellness will be looking at ways to address the causes for the diseases that are creating these large claims and

will be targeting ways to reduce these claims. Ms. Kim Howe from Aetna noted that Wellness is seeing good results by doing this.

PPACA Update

Mr. Coghlan noted that the Dept. of Labor announced a final overtime rule. The salary threshold was raised from \$23,660 to \$47,476 a year. The salary threshold will be updated every three years. The EEOC – Equal Employment Opportunity Commission provided guidance on the extent to which employers may use financial incentives. This will go into effect December 2016. Ms. McFarland noted that we work closely with Aon and Aetna to be sure we are following these regulations. HHS - Department of Health and Human Services - released a final anti-discrimination health care rule which prohibits discrimination on the basis of race, color, national origin, sex, age or disability in certain health programs and activities.

Critical Illness/Accident Insurance RFP Update

Ms. McFarland noted that the RFP for Critical Illness Insurance and Accident Insurance was due a couple of weeks ago. They received a total of 12 responders to the RFP. The first RFP meeting is scheduled for the middle of June. They will begin review of the responses then. Effective date for this coverage will be April 2017. Ms. Bonnie McFarland, Ms. Karen Cooley, Ms. Donna Mutzenard and Ms. Jamie Michael are on the committee. Ms. Jeanne Beatson is attending as an observer.

Dental Insurance Update

Ms. McFarland informed ITF members that Insurance & Benefits has been working with MetLife regarding reimbursements to out of network vendors. MetLife has updated their out of network reimbursement schedule to match the previous plan the District had. Any claims processed after 5/13 were processed with the new rate. All claims between 4/1 and 5/13 are being reprocessed. Letters began going out last week to employees who had out of network claims between 4/1 and 5/13. All claims should be reprocessed by the end of next week. Ms. McFarland asked that any issues or questions be directed to I & B and we will pass them on to MetLife. In most cases, the new reimbursement rate will be higher.

Ms. Mary Fischer asked how many employees have a dentist who is not in network. Ms. McFarland noted that when the dental RFP was done, this was looked at. How many employee's dentists would move from being in network to out, and out to in network. Ms. McFarland stated there were only 530 or so employees who are currently having claims reprocessed. Ms. McFarland noted we need at least 8-10 months of data from MetLife or a year's worth to take a look at how many claims were in network and how many were out of network. One meeting attendee noted his dentist is out of network. His bill was \$385, MetLife paid \$102, and after reprocessing, the allowed amount is now \$300. He got the letter from MetLife explaining this. Ms. McFarland noted she appreciates everybody's patience in letting us work through this fix. If anything else comes up, she knows MetLife will be very cooperative in working with us. We do have an onsite rep – Kathy Stiles, who is a great resource if employees have any questions.

Wellness Update

Ms. McFarland shared that Ms. Ally Hall is our onsite Health & Wellness Coach. She is an Aetna employee. She has been going to transportation compounds on a weekly basis. She has made some great headway in assisting employees with any health issues/questions they may have. Employees are very open to speaking with her. Ms. Hall has handed out more than 25 key fobs for the wellness center. It has been a great inroad for connecting transportation folks to our wellness program. Ms. Hall is also contacting employees who did not get any incentive money after their health screening. This means they did not meet any of the biometric targets, and are at risk medically. The outreach is to make them aware of the resources Aetna and the District have available to them. 130 out of 4,037 employees did not get any health incentive \$. Overall she has received a very positive response to this outreach. Most employees are very grateful for the information she shares with them. It is a small percentage of our employees, but the result is very good. These employees will have a better quality of life, have better attendance, have more energy and be better employees. Ultimately, this impacts student achievement.

Wellness has handed out a total of 325 key fobs. This is in addition to employees at LCPEC who can get into the wellness center with their badges. In the future, Wellness will pull some data on usage numbers for the wellness center.

Ms. Heather Parker informed ITF members that she attended the first Club CHIP meeting. It was held in the Wellness Center, where attendees were able to learn how to use the equipment.

Ms. McFarland noted that the health screening schedule has been finalized. Copies were passed out to ITF members. Screenings will be held August through December at all locations. Ms. McFarland and Ms. Parker are hoping to introduce some exciting things next year with screenings and wellness programming.

Ms. Parker noted they are set up to go to bid week for Transportation. They have special water bottles for the employees. Heavy duty ice/water machines for the bus barns have been ordered and will be installed at the compounds over the summer. Ms. McFarland noted that moderate dehydration can affect your health, mind and kidneys. The hope is that employees will use their water bottles and the ice/water machines and drink a lot more water. This will translate into healthier employees.

Ms. McFarland noted that trend data shows less spend for medical claims two years in a row. The wellness program is working. The ITF and Board approved incentive money for next year and she and Ms. Parker are looking forward to improving and expanding the Wellness Program. They are looking at creating a District Team to participate in local Run/Walk events. That way employees who want to participate but don't have a team will have an opportunity to join a team. Once started, it is felt that it will be quite popular. Employees may want to participate in the TALC and SPALC events. It was also noted that Patriot does the Run for Kayla. There is also a Literacy Run. Ms. Mary Fischer noted the Drug Free Coalition is preparing for their annual run.

Ms. McFarland stated that the concept is still forming. The idea is to expand the wellness programming with new things. Possibly a basketball league or a volleyball league - other ways to

get people active and moving. One more avenue to get people together for community and to provide people another opportunity to get wellness through the District Wellness Program. The goal is to broaden what is offered to appeal to more employees. Wellness needs to be year round, not school year based.

Ms. Fischer noted that the male employees like to play basketball, or run on the track, but don't have access to the schools as the fences are locked. Ms. Parker stated that ALC - the new Success Academy - is a good location for this purpose because they don't have afterschool sports. Details are still being ironed out on having leagues at the schools. Some schools are better designed for this. Some have outdoor courts. Ms. Rita Zazzaro noted it might be a good idea to do some conditioning for participants before events to bring the teams together and help them prepare for these events.

Mr. Mark Castellano asked if a committee was going to be formed to discuss ideas for this, and stated he would be interested in being a member and he knows of a few others who would be interested in being on this committee.

Ms. Fischer asked if we are talking about expanding this to our students. Ms. McFarland noted that the Wellness Program funding comes from the health fund – and the focus of the Wellness Program in I&B is employee wellness. This does not include student wellness, but she would be happy to share information and work collaboratively with the people who are involved with student wellness. Ms. Fischer noted that she has spoken with students about their wellness and they told her they are not allowed to have a water bottle in school. Ms. McFarland noted this would be a curriculum issue or a student health matter. It was discussed that most students are allowed to have water bottles in school and this may be an issue at one school only. Ms. Parker noted that she had a hydration challenge and she shared the information with schools. 108 employees participated. This is something that she will continue.

Good of the Order

Ms. McFarland noted that Ms. Leanne Migliore is officially retiring from the school District. This is her last ITF meeting. Ms. McFarland thanked her for her service and wished her a happy retirement.

Ms. McFarland reminded ITF members that there is no July ITF meeting. The next official meeting is August 4th.

The meeting adjourned at 4:07 p.m.