

**THE SCHOOL DISTRICT OF LEE COUNTY  
MINUTES**

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

**Thursday, November 2, 2017**

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**Members Present**

Shandra Backens  
Jill Castellano  
Mark Castellano  
Karen Cooley  
Brian Curls  
Kerr Fazzino  
William Grand  
Bonnie McFarland  
Jamie Michael  
Heather Parker  
Joseph Pitura  
Angela Pruitt

**Members Absent**

Toni Abrams  
Jimmy Riley

**Others Present**

Jeanne Beatson, Ben. Specialist  
Jane Kuckel, Board Liaison  
Jonathan Anderson, Aon  
Janice Belmonte, Aon  
Nadia Elmunaier, Aon  
Gabrielle Dimitrakis, Aetna  
Kim Howe, Aetna  
Ila Jones, Aetna  
Rachel Rhodes, Aetna  
Joe Pescatrice, Retiree Liaison  
Leo Burt, Retiree Liaison  
Linda Masie School Psychologist  
Terri Roney

The meeting was called to order at 3:01 p.m. by Ms. Bonnie McFarland.

**Approval of Minutes – October 5, 2017 & October 19, 2017**

The draft 10/05/17 and 10/19/17 ITF meeting minutes were reviewed. Ms. McFarland 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 meetings. Ms. Jamie Michael seconded the motion; the motion passed unanimously.

**Review of Health Plan Financials**

Mr. Jonathan Anderson reviewed the executive summary noting the report includes paid claims through September 2017. The 2017-18 projection is now 12.7% above 2017-18 revenues – this is an improvement of 1.8%. Paid claims were \$5.6 Million. August 2017 paid claims were \$7.7 million. Utilization decreased while the hurricane was going through Florida. Utilization will increase again next month. Updated projection figures were reviewed. The projected deficit for 2017-18 is now \$9.8 million.

Loss ratio was reviewed. September loss ratio was at 91%. In the current rolling 12-month period (October 2016 through September 2017) the average loss ratio for all plans is 102.6%. For the prior period (October 2015 through September 2016) the average loss ratio for all plans was 97.6%. Large claims were reviewed. There are currently ten claims over \$250,000. Rx claims are 24% of total claims, medical claims are 76% of total claims.

Mr. Anderson reviewed the Renewal Summary with ITF members, noting that there will be a change to the dental rates this year. Minnesota Life rates were recently discussed. There are no other changes to any other rates at this time.

### **PPACA Update**

Mr. Anderson noted that the Health FSA (Flexible Spending Account) dollar limit will increase by \$50 to \$2650.00. It was \$2,600.00. Ms. McFarland reminded ITF members that they previously voted to match the District's limits to the Federal limits for FSAs.

### **Medical Plan Rate Adjustments**

Ms. McFarland noted that the medical rates discussed at the previous meeting on October 19th were not divisible by 24 and 20, the number of District employee annual paychecks, so small adjustments have been made to the rates so they are divisible by 24 and 20. Discussion was held about the small impact these changes make to the rates, just a difference of pennies. Ms. McFarland noted that she wanted to be clear on all the rates, as well as be sure the rates voted on are the rates that go to the Board. Ms. McFarland asked the ITF to approve the new rates as presented. A motion was made by Ms. Shandra Backens to accept and recommend the rates for the medical plans as presented at today's meeting. Dr. Kerr Fazzone seconded the motion. The motion passed with a vote of 12-0.

### **2018-19 Dental Plan Rates**

Ms. McFarland noted we have a three-year MetLife Dental contract with a 2 year rate guarantee and we need to discuss the dental rates for the 2018-19 plan year. The current dental plan is running at a 100% loss ratio, which is unsustainable. We have two options - reduce coverage, or increase rates. Ms. McFarland reviewed options – showing the rate increases of option 1 with no plan design changes, and options 2 & 3 with plan design changes. Discussion was held about option 1, the new rates with no changes to plans, option 2 - a 5% rate increase with plan modifications noted, and option 3 - a 0% rate increase with additional plan modifications over option 2. Ms. McFarland commented that an incredible amount of work has been done over the last 6 1/2 years regarding dental coverage: three RFPs and in almost all cases the dislike by employees revolved around coverage. She opened the options up to the floor for discussion, and recommended the ITF consider the rate increase without plan modifications because employees appreciate the current plan designs.

Dr. Fazzone asked if the network of providers would be effected. Ms. McFarland noted that page 12 shows how many employees would be effected and also noted that a large percentage of employees do not use an in network dentist.

Dr. Pruitt clarified that this will not have an effect on how much dentists are getting paid – the contracts between the dentists and MetLife will not be effected.

Ms. Backens reviewed that plan modifications will effect employees, not the dentists. Ms. McFarland added that the few dollars of increase in rates will probably be less than the increase in what they would have to pay their dentist with plan modifications.

Ms. McFarland also informed ITF members that the annual rate is the same for employees whether they are 20 pay or 24 pay, it is just distributed over a different number of pay periods.

Mr. Mark Castellano made a motion to recommend Option 1 which is dental plan rate increases with no plan changes. Ms. Jamie Michael seconded the motion. The motion passed with a vote of 12 to 0.

### **EAP ITN Status Update**

Ms. McFarland reminded ITF members that the District is now doing ITNs (Invitations to Negotiate), not RFPs (Requests for Proposals). They are similar, but have different legal constraints. RFPs cannot be negotiated, and since we want to be able to negotiate, we must do ITNs. The EAP subcommittee group met and the ITN went out to vendors on Friday, October 28<sup>th</sup>. EAP is not part of open enrollment, so there is less urgency to get the ITN done - there is no enrollment process. The solicitation went out to ten or twelve vendors and responses will be due back by the end of November or early December.

### **Good of the Order**

Ms. Backens noted that everyone is loving the Zombie Challenge.

Mr. Castellano reminded ITF members that the TALC Scholarship Fund Run is February 24<sup>th</sup>.

Ms. McFarland informed ITF members that we are halfway through the District health screenings. Ms. Parker added that there is still about 6 weeks of screenings left to do. Ms. McFarland stressed that employees do not have to attend the screening at their own school. They can go to a screening at another school.

### **Adjournment**

The meeting adjourned at 3:42 p.m. with motion by Mr. Mark Castellano and second by Ms. Jamie Michael.