

**THE SCHOOL DISTRICT OF LEE COUNTY
MINUTES**

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

Thursday, December 6, 2018

Members Present

Shandra Backens
Gregory Blurton
Karen Cooley
Kevin Daly
William Grand
Bonnie McFarland
Jamie Michael
Heather Parker
Elizabeth Peterson
Joseph Pitura

Members Absent

Toni Abrams
Jill Castellano
Kerr Fazzino
Kimberly Hutchins
Angela Pruitt
Jimmy Riley

Others Present

Jonathan Anderson, Aon
Janice Belmonte, Aon
Susan Grimm, Aon
Kim Howe, Aetna
Rachel Rhodes, Aetna
Will Rothenberg, Director,
Compensation & Labor Director
Joe Pescatrice, Retiree Liaison
Mary Fischer, Board Liaison
Jeanne Beatson, Benefits
Specialist
Terri Roney

The meeting was called to order at 3:00 p.m. by Ms. Bonnie McFarland.

Approval of Minutes

The draft 11/01/18 ITF meeting minutes were reviewed. Ms. McFarland asked if there were any corrections. There being no changes to the minutes, Ms. Jamie Michael made the motion to approve the minutes of the meeting. Mr. Kevin Daly seconded the motion; the motion passed unanimously.

Review of Health Plan Financials

Mr. Jonathan Anderson wished everyone a happy holiday season. He then announced the retirement of Ms. Janice Belmonte, thanking her for all of her hard work on the Lee County School District account. Mr. Anderson introduced Ms. Susan Grimm, who will be replacing Ms. Belmonte. Ms. Grimm has been with Aon for 20 years.

Mr. Anderson reviewed the executive summary which includes claims through October 2018. The 2018-19 plan projection is updated to 1.3% above the net 2018-19 revenue. Paid claims for October 2018 were \$7.9 million. Average 2018-19 monthly paid claims is \$7.3 million. Average 2017-18 monthly paid claims was \$7.0 million.

Cost per employee per month (PEPM) budgeted amount was \$695.27 per month. Updated projection for cost per employee per month (PEPM) is \$710.28. This is 2.6% higher than what was budgeted. Total plan cost was budgeted at \$90 million. Updated projection is \$93.5 million.

Loss ratio was reviewed. October loss ratio was 107%. October 2017 claims loss ratio was 90%. Average 2017-18 monthly loss ratio was 104.1%. Large claims (over \$250,000) were reviewed. There are three new large claims this month, and twenty large claims in all, totaling \$8.4 million, which is \$1.3 million higher than last month.

Mr. Anderson noted that a lot of large school districts across Florida are seeing an increase in large claims. Lee Schools' wellness preventive measures are above the benchmark of other districts. This should help control the number of large claims. Aon and Aetna are following these large claims closely to be sure they are being managed effectively. They talk with Ms. Kim Howe with Aetna every week to be sure everything that can be done is being done to monitor care and minimize costs.

Ms. Mary Fischer, Board Liaison, asked if new employees are the cause of the increase in large claims. It was noted that there are three employees who were hired within the last two years that have large claims. The rest of the employees with large claims have been with the District for much longer. Ms. McFarland added that Aon and Aetna prepare a very detailed report on claims at the end of the plan year. This report is utilized to plan our Wellness Program for the upcoming year. One new program this year is a Nutrition for Pain class, which will help to reduce the amount of pain medications employees are taking. Diabetes is one disease that is seen in a lot of our large claims.

Ms. Howe shared that when an employee has large claims, they have a case manager to make sure all that can be done is being done. Case managers look at lab data, physicians' notes and much more to take care of the employee to be sure they are getting the appropriate care. Aetna also does outreach to individuals who appear they could be a future large claimant. Aetna looks for gaps in care – such as medications not getting refilled, or tests not being completed. Notification goes to the physician so these can be checked out.

Ms. McFarland noted that the number of employees receiving preventive care has increased 4% or 5% due to the incentives being offered. We are always looking for new programs to offer to help reduce claims, as well as plan changes to help lower claims. The copay for physical therapy was recently reduced to encourage employees to utilize their physical therapy, which results in lower claims. Discussion was held that a family physician is helpful in coordinating lab work and tests to avoid duplication. The advantage to staying with one physician's group is that they share the same computer system, which can help avoid duplication of tests.

Rx is 25% of total claims. Medical is 75% of total claims. Total claims spend is going up: April 2017 to October 2017 was \$43 million and April 2018 – October 2018 was \$51 million.

PPACA Updates:

Healthcare Reform: The IRS published guidance of treatment of leave-based donation programs to aid victims of hurricane Michael. The IRS also provided tax inflation adjustment for 2019. The Department of Health and Human Services and the Centers for Medicare and Medicaid Services released a proposed rule on ACA exchange program integrity. Departments of Health and Human Services, Treasury and Labor released two final rules protecting conscience rights in health insurance regarding religious beliefs.

Teladoc utilization is at 13.8%. This is great and will eventually have a considerable impact on claims, as the cost to have these services at a local care facility would cost the plan an additional \$200,000. This number could be even higher, as employees are getting immediate care, and not waiting until Monday to see a physician, so care begins sooner.

Ms. McFarland noted that employees like using Teladoc – they find it easy to use.

Mr. Anderson reviewed the Aetna Navigator Transparency Tools, noting there are several online tools that employees can use. We are working to communicate to employees that these tools are available to them. Ms. McFarland added that instead of spending several million dollars buying these tools from an outside company, we started communicating information to employees about the tools that Aetna currently has that they can use.

Medicare Seminar Report Out

Ms. Karen Cooley stated there were approximately thirty people who attended the Medicare seminar that was held on November 16th. Ms. Cathy Furr did a very good job with the presentation. There was some very positive feedback about this seminar. There will be another Medicare seminar around the middle of March, in the evening.

Benefit Open Enrollment

Ms. Cooley stated that Benefits Open Enrollment is right around the corner. Insurance & Benefits is getting geared up to send out letters to retirees. The benefit contact meeting is scheduled for January 11th. The new plan year details will be discussed with them, including the new vendor for FSA/HSA – ConnectYourCare. Everything will roll over from WageWorks to ConnectYourCare. Testing is being done in PeopleSoft for this change. Benefits Open Enrollment runs from January 31st through February 15th. Evidence of Insurability forms (EOIs) are due Friday, February 22nd. Ms. McFarland added that the open enrollment website is ready to roll out. Ms. Jeanne Beatson will be onsite at the transportation sites to support bus drivers with open enrollment.

Ms. McFarland thanked Mr. Bill Grand for his help with our files for vendors.

FY19 Wellness

Ms. Heather Parker stated that Health screenings at the schools are over. A total of 5,313 people were seen at screenings – which is 89% of the goal. One more large screening is scheduled for January 8th at the gym at LCPEC. Ms. Parker stated that she will be happy to schedule appointments for employees. 2,125 flu shots were given. This results in approximately \$100,000 savings in costs of treating the flu. This is a low estimate. Extended vaccines were also given - such as shingles, TDap and others.

Ms. Parker also shared that our maintenance department has completed the build-out of the classroom in the gym. This is very exciting as it will be used to host wellness classes, and finding a room for these classes has been difficult in the past.

Ms. Parker noted that there are some great new wellness programs are coming up. 32.5% of employees are on some type of pain medication. We are working to reduce this number. The nutrition for pain class is here at LCPEC and at 13 other district locations. There is also a new LIFT program – an on-line video program with an onsite facilitator, which will help lift people’s mood using tools such as spending time outside, which is important to change brain chemistry. Ms. McFarland noted that these are simple choices you can make in everyday life which can make a huge difference in your mental state. This translates into a lot of positive ripple effects in relationships as well as managing stress. The tag line of the LIFT program is “If it doesn’t challenge you, it doesn’t change you.”

The other new program which will be implemented next April is the Full Plate – a weight loss program. This is the first time Wellness is offering a weight loss program. It is a healthy weight loss program and is not a plant based program.

Mr. Joe Pitura thanked Heather for the Outbreak walking program. Heather noted that we went to the higher level – with more steps, more obstacles, and more zombies. Joe noted that a lot of people on his team are unable to get in enough steps. Heather noted that the feedback from last year was that it was too easy. Heather noted there are some PE teachers who are doing 30,000 or more steps. There is one more week to the challenge.

Ms. Mary Fischer also thanked Heather for the walking challenge, noting that a lot of people have been motivated. Ms. McFarland shared with ITF members that Ms. Fischer is now our Board Liaison for the Insurance Task Force meetings.

Good of the Order:

Ms. McFarland thanked SPALC and TALC for the supplies from their school supply drive, and also Skyline Elementary and Gulf Middle Schools – supplies that filled a U-Haul trailer $\frac{3}{4}$ full, which she took to Calhoun County in north Florida for victims of hurricane Michael. They were so very grateful for the supplies. They are trying to get life back to normal, but it is not. One school is still being used as a shelter. People are living in tents, and it is cold. Ms. Jamie Michael noted that FEA is doing an online fund raiser called First Book Market Place for these teachers to go online and buy the supplies they need.

Adjournment

The meeting adjourned at 4:17 p.m. with motion by Ms. Jamie Michael and second by Mr. William Grand.