

INSURANCE TASK FORCE MEETING
August 14, 2008

Facilitators: Georgianna McDaniel, Pat Lochner

Check In
Name

How are you?

Who's Missing? Dr. Ruthie Lohmeyer, Shayne Murphy

Time Constraints: 12:00 (Noon) at latest

Elephants

Expectations: **Assist process, Research, **** Move to make recommendation to Bargaining Teams, **Get it done today, Get good information today, Contribute, **Learn more about process, Let the process work, Be aware of programming needs

Work Schedule

9:00 a.m. – 12:00 p.m.

Norms

Cell phones – vibrate, silent

Respect process

No sidebars

Story

- HMO – cost of insurance sky-rocketing
- Dire budget situation
- Thus look to see what can do in benefit arena
- Need to give another option – employees have varying needs
- Current defined benefit bank is \$6,372. 927 > \$7,300
- Current benefit bank = 903 employee only premium
- Actuary (GBS) projected 903 employee only premium not covered at current benefit bank for 09-10
- In order for benefit bank to cover 903 employee only premium for 09-10, will be \$8 million approximately
- 927, 903, 118, 706 numbers assigned by BCBS
- Current premiums attached (per pay period rates)
- Number of people (employees) can't afford out-of-pocket expense in current 4 plans, eg., hospital
- Proposed HMO just has co-pays which is \$250 for hospital
- More difficult to hit max out-of-pocket with HMO
- Any projected premium related to new HMO Plan
- Want something covered by School Board, no additional cost to employee
- Concern with possible loss of mental health benefit
- Mental health benefit in 927 is richer – some mental health benefit in 903
- Projected cost of HMO
- Data request: when do patients get itemized bill?
- BCBS Rep is available to help get this info
- How are diabetic supplies covered? See BCBS HMO Q&A's.
- EAP – does ours have any experience working with HMO's? Yes
- Understanding that by tweaking 903 would change it radically & that employees wouldn't be familiar with

Story (Continued)

- HMO concern with out-of-state emergencies
- Projections of all plan premiums

Interests

- Maintain benefit bank at least current level - \$6,372
- Ratifiability – both parties
- Clarity (user friendly)
- Affordability
- Compliance
- Employee morale (high)
- Education of employees
- Manageability
- Quality – best plan for amount of dollars available
- Flexibility

Options

1. Discontinue 927 Plan for 09-10
2. Offer 706 as basic plan (Base benefit bank dollars on 706 Plan)
3. Offer BCBS HMO 10
4. District continue to cover cost of 903 Plan
5. Keep 927 Plan
6. Status Quo for 903 Plan
7. New plan between 903 and 706
8. Outside grants

Evaluate Options

Option 4 – District continue to cover cost of 903 Plan

- Would address employee morale
- Meets clarity interest (user friendly)
- Cost of maintaining 903 is > \$8 million approximately
- Cost of 903 is more than total allocated for all compensation (including salary/benefits)
- Does not meet affordability
- Not ratifiable (benefits vs. salary)
- If total allocated resources goes to salary, employee could choose between salary or purchase of benefits
- If all allocated dollars went to benefits – employee loses flexibility

Data Requested

- Projected annual premiums will be updated
- Usage of 927 by employees

Minutes

Mr. Leo Burt indicated his name was left off as an attendee at the ITF Meeting on 7/17/08. With that change noted, Ms. Jamie Michael made a motion to accept the Minutes, Mr. Mark Castellano seconded the motion; and motion carried unanimously.

Check Out – 12:00 PM