

January 28, 2008

INSURANCE TASK FORCE COMMITTEE MEETING

Members Present

Dr. Greg Adkins
Steve Bowman
Leo Burt
Mark Castellano
Macia Fain
Ron Frazer
Dr. Ruthie Lohmeyer
Jamie Michael
Shayne Murphy
Donna Mutzenard
Tommy O'Connell
Suzan Rudd
Bob Rushlow
Susan Strong

Members Absent

Shandra Backens
Ami Desamours
Dr. Jane Kuckel
Liason, Board Member

Others

Janice Bass
Karen Cooley
Robin MacDonald
Joe Pescatrice, Retiree
Karen Toro
Debbie Strong
Glen Volk

The meeting was called to order at 3:30 PM.

Approve Minutes

Ms. Susan Strong asked if there were any additions, deletions, or corrections to the Minutes from the November 8, 2007, meeting. There being no changes, Mr. Mark Castellano made a motion to approve the minutes; Mr. Leo Burt seconded the motion; and the motion passed unanimously.

Johns Eastern Contract Renewal

Ms. Susan Strong opened the discussion noting that the current agreement with Johns Eastern was set to expire June 30, 2008. Johns Eastern has had no rate increase in the four years they have provided claim adjusting services for the District. Their three-year renewal proposal includes no increase for the first two years, then a five percent increase for the third. Ms. Strong added that Johns Eastern has been doing an excellent job and has been very receptive to the needs of the District.

Ms. Strong asked for a motion to recommend the Johns Eastern renewal proposal. Dr. Greg Adkins made a motion to recommend the renewal agreement; Ms. Ruthie Lohmeyer seconded the motion.

Mr. Bob Rushlow expressed his concerns about service and competitive pricing, and wanted to know if the District had looked into other companies for price comparisons and service comparability. Ms. Suzan Rudd asked if Johns Eastern's rates were competitive.

Ms. Strong said she felt Johns Eastern's fees were comparable with other companies and they had not receive an increase in fees for four years and would not for another two years. She also felt their services had improved considerably and they had developed a very good working relationship with the District and its employees. She emphasized this is particularly important with long term files, since each time you change companies and adjusters, you lose the history and knowledge of the prior adjusters.

Mr. Ron Frazer confirmed that Johns Eastern had come a long way, and had gone over many hurdles to build a solid relationship.

Dr. Greg Adkins stated that they have proven themselves over the last four years and thought that six years with no increase in fees was very positive.

Ms. Strong called the question, and with no further discussion needed, the motion passed unanimously.

Health Insurance Financials

Mr. Glen Volk presented and reviewed the self-funded health plan's claim experience through 12/31/2007. Mr. Volk discussed the loss ratios, bringing attention to the million dollar spike in December claims and noted that this was predominantly in the 903 health plan claims.

Dr. Greg Adkins asked for clarification as to what may have caused the spike.

Mr. Robin MacDonald speculated that the spike could have come from catastrophic claims.

Ms. Strong noted that all the plans had increased.

Mr. Volk said he would ask BCBS for assistance in trying to determine the reason for the spike and report back at the next meeting.

Ms. Strong pointed out that the Task Force will have to address stop loss insurance for the April 1, 2008 plan year at the next ITF meeting.

Open Enrollment Update

Ms. Strong said she felt her department's educational communications were working. To date, 325 employees have completed Open Enrollment paperwork to move from the 927 plan to the 903 plan; 182 have moved to the 706 plan; and 23 have moved to the 118 plan.

Ms. Suzan Rudd asked if there were any problems with employees getting their open enrollment packets on time.

Ms. Strong indicated she was not aware of any problems. Packets were distributed the first week of January following the Benefit Contact meeting. She also stated that Insurance & Benefits has received very positive feedback on the Open Enrollment video and the informative daily Open Enrollment emails to all the employees.

Ms. Jamie Michael asked how employees enrolled in the 927 plan had been informed that they would have to begin paying a portion of their health insurance starting in March.

Ms. Strong replied that each employee enrolled in the 927 plan had been sent a letter specifically explaining the changes.

Ms. Jamie Michael asked Ms. Strong if she would write an Open Enrollment email explaining when it might be advantageous for an employee to opt out of the Flex Plan (example - financial hardship caused by a spouse's job loss). Ms. Strong said she would be glad to.

Quest/DSI

Ms. Strong stated that BCBS will lose six draw facilities in Lee County effective February 1, 2008, when DSI is no longer in the BCBS network.

She had met with Quest and BCBS to ask Quest to add earlier office hours to accommodate people who are required to fast prior to lab work or whose work day begins early. Quest was receptive to the request, but indicated it might take a month or longer to make the changes.

Mr. Robin MacDonald stated that he had spoken with Quest about increasing the number of locations. He indicated only 160 District employees had used a DSI lab in the last six months, however, BCBS has many other clients in Lee County. He said if Quest did agree to set up more draw stations, it could take up to three months for a market analysis and then another six-nine months until they could open.

Ms. Strong offered to write a letter to BCBS identifying the two general areas/locations she and Debbie Strong had identified as under-served. She would also write a second letter for the full ITF to sign and have it ready for signature at the next Task Force Meeting.

Mr. MacDonald confirmed that would be beneficial.

Mr. Tom O'Connell indicated that a draw station is needed in the South Fort Myers area.

Ms. Jamie Michael inquired about the possibility of having a mobile unit come to District work sites.

Good of the Order

Mr. Bob Rushlow brought up the importance of people needing to be educated about living wills. Mr. Rushlow distributed a newspaper article to everyone explaining living wills, living trusts, and the importance of having legal documents drawn up correctly.

Ms. Strong thanked him and replied that she has been extremely busy with Open Enrollment and had not had an opportunity to give attention to Minnesota Life's on-line will preparation offer. She is planning to place it on the agenda for the next meeting.

The next meeting was scheduled for Monday, March 3, 2008, at 3:30 PM.

There being no further business, the meeting was adjourned at 4:30 PM.