

March 12, 2009

INSURANCE TASK FORCE COMMITTEE MEETING

Members Present

Dr. Greg Adkins
Shandra Backens
Steve Bowman
Leo Burt
Mark Castellano
Karen Cooley
Ami Desamours
Marcia Fain
Ron Frazer
Jamie Michael
Donna Mutzenard
Tommy O'Connell
Bob Rushlow
Susan Strong

Members Absent

Marty Mesch
Suzan Rudd

Others

Robert Chilmonik, Liaison
Board Member
Joe Pescatrice, Retiree
Liaison
Lisa Brown
Debbie Durieux
Jeff Reagan
Debbie Strong
Karen Toro

The meeting was called to order at 3:37 PM.

Approve Minutes

Ms. Susan Strong asked if there were any additions, deletions, or corrections to the Minutes of the February 12, 2009, meeting. There being no changes, Mr. Mark Castellano made a motion to approve the Minutes; Ms. Karen Cooley seconded the motion; and the motion passed unanimously.

Health Plan Financials

Mr. Jeff Reagan reviewed health plan claims experience with the group. He noted that there was greater migration from the 903 Plan than originally projected which would negatively impact plan revenues. He explained, however, that Mr. Volk had factored in margin to cover situations like this.

Mandatory Generic Drug Substitution

Ms. Susan Strong told the group that Blue Cross Blue Shield offers a mandatory generic drug substitution program and the District needs to decide whether or not to participate in it. Currently, our program (automatic generic drug substitution) requires that a drug be filled as a generic unless the doctor or the member requests the brand drug. Under our current program, a member is only required to pay the appropriate co-pay (\$20 or \$40, depending on the plan and tier). Under the mandatory generic drug substitution program, if a member or physician requests a brand drug when a generic is available, the member must pay the higher co-pay, plus the difference in the cost between the generic and the brand.

Mr. Bob Rushlow made a motion to maintain our existing generic drug program; Mr. Mark Castellano seconded; motion passed unanimously.

Open Enrollment Statistics

Ms. Susan Strong shared Open Enrollment statistics with the group. A total of 5,300 employees left the 903 Plan, with the majority of those moving to the 706 Plan. The 706 Plan is now then District's most popular plan. There was an increase of over 700 employees in the 118 Plan and 665 employees enrolled in the new HMO Plan.

There was a discrepancy in the "Before" numbers in the open enrollment data and Ms. Strong said she would investigate, get it resolved, and send corrected information to ITF members.

Ms. Strong indicated that Insurance & Benefits had received a lot of questions about accessing services under the new vision plan. Members who got glasses under the existing plan wanted to know if they had to wait a year before they could get glasses under the new Avesis plan. Ms. Strong told them they do not have to wait a year. They can get glasses anytime beginning April 1, 2009. She plans to do a Question & Answer article in the Benefit Revue about the new vision insurance plan.

Disability insurance experienced a slight decrease in enrollment, but that figure will increase once underwriting is completed.

Good of the Order

Ms. Strong informed the group that she had a conference call with TASC (company that provides FSA administration). According to the District's contract with Cornerstone/TASC, members have to pay \$12 for a debit card each year. Cornerstone had made the offer to waive the \$12 fee for the April 1, 2009 – March 31, 2010 plan year. They will charge for the debit card the following plan year.

During open enrollment, members elected whether or not they wanted to receive a debit card; however, TASC would like to send everyone with a flexible spending account a debit card for the April 1, 2009 – March 31, 2010 plan year. Members could then choose to use it or not.

Ms. Shandra Backens made a motion to send debit cards to everyone; Ms. Ami Desamours seconded the motion; motion failed with only two members voting in favor, the rest voting against.

After discussion, it was decided that debit cards should only be sent to those employees who had requested them.

The next meeting was scheduled for Thursday, April 9, 2009, from 8:30 AM to 12:30 PM. It will be an interest-based meeting with the ITF acting as a collective bargaining sub-committee.

The remainder of the meeting was conducted under the interest-based process with separate Minutes.

The meeting was adjourned at 5:40 PM.