

July 17, 2008

## **INSURANCE TASK FORCE COMMITTEE MEETING**

### **Members Present**

Dr. Greg Adkins  
Shandra Backens  
Steve Bowman  
Leo Burt  
Marcia Fain  
Jamie Michael  
Donna Mutzenard  
Tommy O'Connell  
Suzan Rudd  
Bob Rushlow  
Susan Strong

### **Members Absent**

Mark Castellano  
Ami Desamours  
Ron Frazer  
Dr. Ruthie Lohmeyer  
Shayne Murphy

### **Others**

Karen Cooley  
Debbie Durieux  
Robin MacDonald  
Janie Rushing  
Glen Volk

The meeting was called to order at 1:40 PM

### **Approve Minutes**

Ms. Susan Strong asked if there were any additions, deletions, or corrections to the Minutes of the June 18, 2008, meeting. There being no changes, Ms. Donna Mutzenard made a motion to approve the Minutes; Mr. Bob Rushlow seconded the motion; and the motion passed unanimously.

### **HMO/PPO Plan Comparison**

Members reviewed a spreadsheet, which they had requested at the last meeting, comparing the proposed HMO plan to the 903, 706 and 118 plans. Mr. Rushlow said the new plan comparison was helpful.

Ms. Suzan Rudd, speaking for both SPALC and TALC, requested the Task Force use the interest-based process for future meetings involving discussions of new plan options and funding. She said the bargaining units felt the interest-based process would demonstrate and provide evidence to their members that the Task Force had explored all available options before reaching a recommendation. She suggested several facilitators including: Dr. Judy Hughes, Georgianna McDaniel, and Pat Lochner.

Members agreed to use the interest-based process beginning with the next meeting. Ms. Strong suggested everyone review the plan comparison to make sure it contained the information they had requested and to come up with any questions they might have or want to discuss at the next meeting. Ms. Rudd requested that the comparison be included as part of the "story" for the next meeting.

Ms. Rudd requested that Mr. Robin MacDonald provide the group with a list of other Florida school districts that currently offer a BCBS HMO Plan. Mr. MacDonald will provide that at the next meeting.

Other HMO topics discussed included the following:

- Appeals Process – how does it work? Mr. MacDonald indicated that the appeals process is conducted by an independent panel comprised of doctors, nurses, case managers, etc. just as it is for the PPO plans.
- Mr. Glen Volk asked how the HMO ASO fees would compare to the PPO ASO fees. Mr. MacDonald will check on this and report back to the group.
- Diabetic Supplies: how are they covered? Mr. MacDonald will bring this information back to the next meeting.
- Ms. Rudd asked if the EAP would coordinate with the HMO plan. Ms. Strong indicated that she would speak with Judy Anderson at EAP Consultants to find out if she has experience coordinating benefits for BCBS HMO plans.
- Lawsuits against HMO Plans: are they an issue? Mr. MacDonald indicated that he felt lawsuits were no longer a bigger issue for HMO plans than PPO plans because health insurance companies have changed HMO plans over the years to remove controversial practices.

### **Health Plan Recommendations**

Ms. Strong indicated that the Task Force would need to make recommendations soon in the following areas:

- HMO plan option for employees – should we recommend offering an HMO option for the 2009-10 plan year?
- Continue or discontinue the 927 Plan – does it make sense to offer this plan due to the very high projected premiums for the 2009-2010 plan year?
- 903 plan benefits – should we reduce the benefits to equal the Benefit Bank contribution or continue with the same benefit structure? At the last meeting, the Task Force looked at reduced benefits that lowered the cost to equal the Benefit Bank contribution for the 2009-10 plan year and the result was a plan with benefits very similar to the 706 plan.

### **Health Insurance Financials**

Mr. Glen Volk reviewed health plan financials with the Task Force. He pointed out that June claims data was not available yet. He was surprised by May's claim data, which was unusually high. The ratio for all plans was 108.5%. May is typically not a high claims month.

He indicated that while May was not a good month, there was no reason to become too concerned at this point. He will continue to monitor future months carefully.

Mr. Volk reviewed the required annual State filing for the self-insured health plan with the group.

Ms. Rudd asked if it made more sense to align the health plan year with the District's fiscal year: July 1 - June 30. Ms. Strong indicated that she would bring a list of the pros and cons of changing the health plan year to align with the fiscal year to the next meeting.

Mr. Tommy O'Connell indicated that changing the plan year to align with the fiscal year would not be good for schools because an April-May Open Enrollment would come at a very busy time of the year for them when they don't have time to deal with any added responsibilities.

### **Disability Insurance**

At the last meeting, Mr. Mark Castellano brought a letter he received from an employee who was upset about her disability insurance coverage.

Ms. Strong had information to address the employee's letter, but asked if the group wanted to address the subject now or table it until Mr. Castellano was present. Ms. Shandra Backens asked that the subject be tabled until the next meeting.

### **Vision Insurance RFP Update**

Ms. Janie Rushing updated the group on the progress of the Vision RFP:

- 6/23/08: RFP was released
- 7/8/08: Bidders Conference held – six (6) vendors were present
- 7/15/08: Addendums released
- 8/6/08: Bids are due
- 8/11 to 8/15/08: Evaluation Committee will review and develop a “short-list”
- 8/25 to 8/29/08: Interviews of the short-listed companies
- September: Sub-Committee will make its recommendation to the ITF
- October: ITF's recommendation will go to the Board for approval

### **Good of the Order**

Ms. Jamie Michael indicated that an employee had received a check from BCBS for services provided by an in-network doctor. Ms. Strong asked that she please provide the name of the employee, doctor, etc. so that BCBS could research it.

The Task Force set the following dates for interest-based meetings:

- Thursday, August 14, 2008, 9:00 AM to Noon
- Thursday, August 21, 2008, 3:30 PM to 5:30 PM

The meeting was adjourned at 3:00 PM.