

KPBSD Health Committee HCPC  
May 19 and 23, 2011 meeting minutes

The HCPC met on both Thursday, May 19 and Monday, May 23, 2011 but were unable to vote on any actions due to the lack of a quorum. Members were also reluctant to vote without representation from all three unions.

Meetings were called to order at 2:47 PM by Mike Druce.

**ARTICLE VIII: VOTING**

Section I – All decisions of the HCPC must be made by a quorum of members.

- A. A quorum consists of at least 6 voting members being physically or electronically present at the meeting.

*Voting members present*

Nancy Courtright, KPEA

Mike Druce, HCPC chair, KPEA

Carl Locke, KPESA

Bruce Rife, KPEA

Patty Sirois, KPESA

Paul Sorenson, KPAA

Betty Miller, KPESA (Betty was available briefly by phone for the May 23 meeting but declined to vote since she was still out-of-state and unable to participate in the discussions.)

Terri Zopf-Schoessler, HCPC secretary, KPEA

NOTE: Vaughn Dosko will be the the KPAA replacement for Paul Sorenson, who is retiring.

Quorum present \_\_\_\_\_ Quorum not present

*Administration and consultation*

Tim Peterson—Plan Administrator

Stacey Gorder—Employee Benefits Manager

Colleen Savoie—Benefits Account Executive, Parker-Smith-Feek (Available by phone for May 23.)

Laurie Olson—KPBSD Finance Director

David Jones—Assistant Superintendent (Unavailable for May 23.)

*Guests*

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However, discussion did occur on several items; this is a synopsis of that discussion.

➤ Member appeal

A lengthy discussion of a member appeal resulted was tabled due to a lack of quorum, but two things emerged:

1. The need for timely appeals.
2. The current appeal process (in brief):
  - a. First level: Re-submit claims to TPA (Meritain/Rehn) for review.
  - b. Second level: Appeal to the Plan Administrator (Tim Peterson) who will contact TPA, Plan Benefit Administrator (Colleen Savoie) and/or any needed medical personnel. The appeals process is only brought before the HCPC if granting the appeal would result in a

change in the health plan. *NOTE: The extended version of the appeal process is contained on pp. 49-55 of the plan document.*

- c. Third level: Currently, there is not a Third Level Appeal process, but this will become mandatory when we lose our Health Reform grandfathered status. Submit claim and all pertinent documents to an accredited independent review organization. *NOTE: Only \$25 of the charge for this review may be charged to an employee.*

➤ Clarification of TPA (Rehn) expenditures

	Per employee per month
Administration costs (Rehn)	\$13.80
MRC (precertification/follow up care)	2.20
Aggregate stop-loss (if the plan runs 20% over monthly projected expenditures)	1.80
Specific stop-loss (for individual claims over \$200,000)	69.23
<b>TOTAL</b>	<b>\$87.03</b>

NOTE: For April, 2011, multiplying the per employee per month cost of \$87.03 X 1244 (number of employees) = \$109,235, which is \$9.21 from the Rehn costs listed on the April spreadsheet.

➤ Review and consideration of Caremark recommendations

Caremark recommendations were submitted at the April 21, 2011 meeting; Colleen provided additional information/bulleted considerations via e-mail prior to the May meetings. While many of the suggestions offer potential cost-saving/cost-shifting to the plan, careful consideration must be made as to the time-line for the implementation of any changes, proper employee notification, changes to the “grandfather status” of our current plan, and potential vs. actual plan savings. In the end, members agreed to review Colleen’s materials and submit questions to her prior to our next meeting in order to generate the best possible data on which to base decisions.

➤ Employee/district health plan contributions

	2010-2011		Contracted 2011-2012		Possible 2011-2012	
	Per employee per 12-month	Per employee per year	Per employee per 12-month	Per employee per year	Per employee per 12-month	Per employee per year
Employee	\$270 After 2/11: \$311.67	\$3240 \$3740.04	\$200 Plus tiered spouse/child contributions	\$2400 Plus tiered spouse/child contributions	\$300 Plus tiered spouse/child contributions	\$3600 Plus tiered spouse/child contributions
District	\$1045 After 2/11: \$1086.67	\$12540 \$13040.04	\$975	\$11700	\$1075	\$12900
Monthly paycheck deduction (9 months)	\$360 After 2/11: \$485		\$266.67		\$400	
<b>Combined TOTAL</b>	<b>\$1315 After 2/11: \$1398.34</b>	<b>\$15780 \$16780.08</b>	<b>\$1175</b>	<b>\$14100</b>	<b>\$1375</b>	<b>\$16500</b>

Next meetings:

- June 15, 2011 @ 1:00PM a--Risk Management portable
- August 17, 2011 @ 4:00PM--Kenai Middle School library
- September 21, 2011 @ 2:45 PM
- October 19, 2011 @ 2:45 PM
- December 7, 2011 @ 2:45 PM
- January 11, 2012 @ 2:45 PM
- February 15, 2012 @ 2:45 PM
- March 7, 2012 @ 2:45 PM
- April 18, 2012 @ 2:45 PM
- May 16, 2012 @ 2:45 PM

They are all scheduled in the Risk Management portable except for the August 17 meeting at KMS.

Meetings adjourned without voting.

Respectfully submitted,  
Terri Zopf-Schoessler