

KPBSD HEALTHCARE COMMITTEE
Meeting Minutes
October 19, 2011

Call to Order: Time 2:45 pm
Location: KPEA Office, Soldotna

Voting Members Present

- Nancy Courtright (HCPC secretary, KPEA)
- Mike Druce (outgoing HCPC chair, KPEA)
- Carl Locke (KPESA)
- Betty Miller (KPESA)
- Bruce Rife (HCPC chair, KPEA)
- Patty Sirois (KPESA)
- Terri Zopf-Schoessler (outgoing HCPC secretary, KPEA)
- Vaugh Dosko (KPAA) Arrived at 3:10pm

Quorum present x **Quorum not present** _____

Administration and consultants

- Tim Peterson, Plan Administrator
- Stacey Gorder, Employee Benefits Manager
- Laurie Olson, KPBSD Finance Director
- David Jones, Assistant Superintendent
- Colleen Savoie, Parker-Smith-Feek consultant

Guests

I. Agenda

- Agenda approved
- Patty moved, seconded by Bruce; passed unanimously
- Approved with additions
- Not approved

II. Minutes (September 21, 2011)

- Approved
- Carl moved, seconded by Patty; passed unanimously
- Approved with corrections
- Not approved

III. Unfinished Business

1. Physical reimbursements
The assumption is that one third of the employees need to have a work physical each year. There are approximately 80 new employees each year. The district's amount of \$21,309 equates to 170 employees at \$125.00 each. (The number of employees covered by the health plan on Sept 30th is 670 certified, 459 classified, 24 exempt employees and 63 administrators.) The committee's position is that the negotiated agreement be followed and any monies due to the health care plan will be deposited in the health care plan account.
Tabled to the December 7th meeting.
2. Communication issues between district and employees
October 3 email from Mike Druce "notification of members"
The perception of employees is that they are not being informed. The committee discussed different avenues of informing the employees. No new communication strategies were implemented.
3. Reserve variance between August and July
July spreadsheet indicated reserve of \$2,902,057.46
August and September spreadsheets indicate \$2,921,297.66
Laurie explained that after the district's audit it was determined that \$19,240.20 was owed to the health care reserve account.
Patty asked about the number of employees listed on the spreadsheets for July and August. They were very different from the previous year. The district will get back to the committee on this.

Patty asked how many employees were paying the additional amount for spouses and/or dependent children. There are 890 spouses covered and 748 dependent children including those up to the age of 26. This equates to \$22,000 for 9 months. Laurie will include this amount as a separate column on the monthly spreadsheet.

IV. Reports

1. Tim Peterson
Tim reported that he meets regularly with representatives from Rehn. Rehn assured him that they would address employees' issues.
2. Stacey Gorder (appeals)
Stacey reported that Rehn is 6 days out on paying claims. The committee members again reported that is not what the employees are saying.
3. Laurie Olson
4. Colleen Savoie

Colleen provided committee members with a pie graph showing the percentage of claims paid per category. 54.5% of the claims are for employees, 26.1% are for claims from spouses and 19.4% are for claims of dependent children. (This info was from January 2011 to September 2011.)

The health fair was discussed. Colleen stated that 332 people attended the health fair and approximately 150 of those were school district employees. Many committee members reported that they have heard mostly positive comments. Colleen also reported on possible changes to the national health care mandates. Many issues are still being decided in the courts.

V. New Business

Discussion centered on the recommended auditing procedure changes. The health care plan audit will be handled in the general fund. (Health care claims are not a district liability.) This will be classified as a reserve in either an internal service fund or a trust.

There was discussion on the appeal process. Nothing was resolved regarding this issue.

VI. Next Meeting – December 7, 2011 @ 2:45 pm Risk Mgmt. portable

VII. Adjournment