

**KPBSD Heath Care Committee**

**9/4/13 Meeting Minutes-Approved**

Meeting Date:	9/4/2013	Time:	11:00 AM	Location:	Risk Management
Please Read:					
Please Bring:					

**Voting Members Present**

Present	Terri Tidwell (HCPC Chair, KPESA)	Present	Matt Fischer (HCPC Secretary, KPEA)
Present	Patty Sirois (KPESA)	Present	Bruce Rife (Outgoing HCPC Chair, KPEA)
Present	Emily Mechtenberg (KPESA)	Present	Terri Zopf-Schoessler (KPEA)
Present	Vaughn Dosko (KPAA)	Absent	Joel Burns (KPEA)
Present	Laurie Olson (Supt. Selection)	Present	David Jones (Supt. Selection)
Present	Clayton Holland (Supt. Selection)		
<b>Quorum Present:</b>			

**Administration and Consultants**

Present	Joann Reiner (Plan Administrator)	Present	Colleen Savoie (Parker-Smith-Feek Consultant)
Present	Stacy Gorder (Employee Benefits Manager)		

**Guests**

Neill Denny- KPEA		

**I Open Meeting**

Meeting Start Time:	9:30 AM
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**II Approval of Agenda**

Agenda Approved	
X Agenda approved with additions	Added sub-committee setting of rate notification.

**III Reading and Approval of Minutes**

x	4/17/13	Minutes approved	
	4/17/13	Minutes approved with corrections	
x	5/7/13	Minutes approved	
	5/7/13	Minutes approved with corrections	

**IV Administration and Consultant Reports**

<b>Joann Reiner Plan Administrator</b>	Presented districts calculations for 2013-2014 Health care projections developed by Colleen. Districts contribution at 83% is \$1,567.49 per month. Employee contribution would be 17% , 266.47
<b>Stacey Gorder KPBSD Health Benefits Manager</b>	Nothing to report.
<b>Laurie Olson</b>	Since we are still in the middle of the annual audit, the numbers for July 2013 are listed as draft

**KPBSD Finance Director**

numbers. No changes are anticipated. In addition, some additional information is provided regarding the status and use of the reserve fund.

Presented format for new spreadsheet.  
New charge as part of Affordable Care Act now shows.

Employer Health Care Reserve is \$2,197,414.26  
Employee Health Care Reserve Balance is \$1,120,892.58  
Previous Year Balance for both was \$1,801,596

**Colleen Savoie  
Parker-Smith-Feek Consultant**

The new Caremark contract is estimated to save approximately \$92,000 in 2014, \$97,000 in 2015 and \$117,000 in 2016, compared to current contractual rates.

Cancer center is not "part of" CPGH, and will research further the 25% discount that CPGH gives the plan.

Discussed the cost of kidney dialysis and the end-stage renal program offered by DCC, Inc.

Presented a comparison of KPBSD health coverage and costs compared to NEA, Kodiak, Fairbanks, and State of Alaska.

Presented Dual Coverage Survey results. Approximately 630 employees completed the survey. Discussed estimated impact of allowing employees to opt out of SD coverage under multiple scenarios. Opt-outs may reduce the overall cost of coverage in some cases up to \$1.2 million, but will increase the cost per covered employee.

Presented the necessary plan changes under ACA for 2014. Discussed ACA guidance issued since the last committee meeting.

<b>Action to be Taken</b>	<b>Responsible</b>	<b>Due Date</b>
1. Report on an estimate of savings due to CPGH discount (what would the effect have been if it was applied to last years numbers, to help us predict this years costs.	<b>Colleen</b>	<b>10/10/2013</b>
Provide information on the DCC and why we should adopt.		
Draft Amendment for ACA		

<b>V</b>	<b>Action Items from Previous Meeting</b>	<b>Responsible</b>	<b>Due Date</b>
1	Survey of double insured	Stacy G.	9/4/2013
2	New Spreadsheet format	Laurie O.	9/4/2013

<b>XI</b>	<b>Unfinished Business</b>		<b>Presenter</b>	<b>Duration</b>
1	NEA Trust			
	<b>Notes:</b>	Additional information was given during Colleens report with the cost comparisons. State is scheduled for Oct. 17 to present their plan.		

	<b>Motion:</b> Was Tabled until 10/17		
	Made by: Patty	Seconded by: Terri Z.	
	Vote: Unanimous	No	
2	<p>The new negotiated agreement changes coverage to include dependents. Matt F. stated that we need to have a process to allow employees an opportunity to enroll their family members immediately so that they can get the benefit that the negotiated agreement entitles them to.</p> <p>Dave J. expressed concern that the stop loss coverage may not cover these employees since this is a deviation from the plan summary.</p> <p>Stacey G. expressed that there is an open enrollment in July, and the family members would be eligible for benefits Sept. 1.</p>		
	<b>Notes:</b> Was not implemented.		

<b>XII</b>		<b>New Business</b>	<b>Presenter</b>	<b>Duration</b>
1	Election of Officers			
	<b>Notes:</b> Terri W. elected Chair, Unanimous Matt F. elected Secretary, Unanimous			
2	Dual Coverage Survey Dual Coverage Model		Colleen S. Matt F.	
	<b>Notes:</b> Covered in Colleens report.			
3	ACA -Upcoming effects to KPBSD Plan		Colleen S.	
	<b>Notes:</b> Covered in Colleens report.			
4	<b>Statewide Insurance Plan</b>			
	<b>Notes:</b> Commissioner will be coming Oct. 17th.			
	Motion: Tabled until Oct. 17			
5	<b>Setting Employee Rate</b>			

<b>Notes:</b>	<p>Terri W. informed the district that the rate has been set for employees at \$217.</p> <p>Dave Jones expressed his concern as per the CBA's, employees would need to pay an additional \$365,221.02 to replenish the employee health care reserve to the required \$750,000. This would mean an additional monthly amount of approximately \$24.54 in FY 2014-15 for each employee per month beyond their regular contribution. The concern stated was that the additional amount to employees would surprise employees with a bigger than expected increase and they should be made aware of this possibility.</p>		
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<b>XIII</b>	<b>Next Meeting</b>		
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Date:		Risk Management Office
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<b>IV</b>	<b>Adjournment</b>		
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	Motion:	To Adjourn															
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	Made by:							Seconded by:						
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	Vote:	Yes							No						
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