

## HCPC MEETING MINUTES

**DATE AND TIME:** 5/16/18 3:00 PM

**LOCATION:** Risk Management Building

**VOTING MEMBERS:**

x	Stephanie Bohrnson	KPESA
x	Joel Burns	KPEA
x	Vaughn Dosko	KPAA
x	Matt Fischer	KPEA
x	Liz Hayes	District
x	John O'Brien	District
x	Bruce Rife	KPEA
Absent	Tracy Silta	KPESA
x	John Sanborn	KPESA
x	Kristen Vix	District
x	David Brighton	KPEA
New X	Laura Wertanen	KPESA
New X	Robert Ernst	KPEA

**QUORUM PRESENT:** (NINE MEMBERS NEEDED)  X  YES   NO

**ADMINISTRATION/CONSULTANTS:**

x	Stacey Cockroft	Benefits Manager
x	Dave Jones	Plan Administrator
x	Colleen Savoie	Parker-Smith-Feek Consultant

**GUESTS PRESENT:**

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**A. CALL TO ORDER BY  Matt F  TIME  3:05pm .**

- 1. Approval of Agenda  x  as written, with flexibility  x  with additions**
  - a. MOTION:  John O  SECOND:  Liz H  VOTE:  Unanimous
- 2. Approval of Minutes March 22, 2018  x  as written.   with amendments**
  - a. MOTION:  John O  SECOND:  Liz H  VOTE:  Unanimous

**B. REPORTS**

- 1. Dave Jones, Plan Administrator.**  
 Colleen updated info to Dave Jones for projected rates.  
 Another big month for Claims, over 3 million. Stop Loss brought back down to 2.8 million  
 The employee contribution for HDHP exceeded the employee share of costs by approximately \$200,000 for the year to date.  
 Next year's employee contribution for the traditional plan is estimated at 733.52 per month for 9 month employees and \$550.14 per month for 12 month employees for the 18-19 year.
- 2. Stacey Cockroft, Benefits Manager.**  
 Stop Loss – thru April waiting on \$285,000.00+- for reimbursement.  
 Set Health Care Committee meetings for 18-19 year.
- 3. Liz Hayes, Director of Finance**

Liz provided report and clarified a few numbers, otherwise, no questions asked.

**4. Colleen Savoie, Parker-Smith-Feek Consultant**

Colleen provided handouts for non-PPO proposed changes with savings of we changed to 70% reimbursement or 60% reimbursement. 70% saves about \$394,000.00, 60% saves about \$580,000.00 just based on the reduced reimbursement rate. This assumes the non-PPO reimbursement does not accrue to the out-of-pocket maximum, which is consistent with the current language for non-PPO facilities in Anchorage. However, the goal is to encourage employees to use PPO providers and to encourage local providers to contract at reasonable rates. If these non-PPO providers joined Aetna and offered 20% discount the plan would save about \$340,000.

Durable medical equipment not an issue with us very little use.

Infertility testing use only cost \$24,000

Abortion use cost was \$21,000

Handout for Prescription drug change if went to 10% coinsurance for generic medications, 20% for preferred brands and 50% for non-preferred brands. Specialty medications would have a 10% coinsurance up to \$150 / script. Mixed feelings on this that it would fall on employees ONLY and some would be hurt and others would save. Future discussions needed. We need to provide incentives for our employees to take generics or cost effective brands. Estimated savings low of \$150,000 with no behavior change, high of \$530,000 with behavior change Employees NEED to change!

Surgery Center of Kenai handout showed the cost difference between CPH and the charges were so much higher that the committee voted to EXCLUDE coverage for the Surgery Center of Kenai starting September 1, 2018. John O motioned, Robert E seconded it, with a unanimous vote.

Tier Health plan illustration was brought but it is a negotiation item so no discussion was done.

**C. OLD BUSINESS**

Review of Current Health Plan language tabled until next Fall. John O motioned, John S seconded it, and vote was unanimous.

**D. NEW BUSINESS.**

1. Appeal process- David B. Discussed and there is a process in place already.
2. Special enrollment-Kristen V. Discussed another open enrollment so employees could decide if they want the Traditional or HDHP plan since the contribution next year will increase. Concern over too many open enrollments and figuring out AETNA. No decision made as John O stated that that is the Plan Administrator's call to make, not the committee.

Robert Ernts was introduced as Bruce Rife's replacement for next year's member.

The meeting ended and the agenda item mentioned for next Fall meeting is:

Review of Current Health Plan Language.

**E. ADJOURN TIME** 4:54pm

a. MOTION John O SECOND Liz H VOTE Unanimous

**F. NEXT MEETINGS** The calendar dates for HCPC meetings at the Risk Management building were set for the **2018-2019** school year:

- Wednesday, August 29, 2018, 3-5 PM
- Thursday, September 19, 2018, 3-5 PM

- Wednesday, October 10, 2018, 3-5 PM
- Wednesday, November 28, 2018, 3-5 PM
- Wednesday, January 15, 2019, 3-5 PM
- Wednesday, February 20, 2019, 3-5 PM (early release day)
- Thursday, March 20, 2019, 3-5 PM
- Wednesday, April 17, 2019, 3-5 PM
- Wednesday, May 15, 2019. 3-5 PM