

## Minutes for Insurance Meeting on January 21, 2013

Present: Treuden, Rosmiller, Mosher, Gard, Heissner, Hartje, Otto, Hanson, Hammond, Lecy-Luebke, Roth, Havlik, Hurley, Calley, Parsons

The meeting began at 5:00 in the District Board and Training Room

We began the meeting by going through the results of the survey that was sent to all employees in the district and the 8 retirees who currently take the insurance. There were 180 people that responded to the survey. This means that 71% of the district responded to the survey.

When people were asked what they were willing to change with their plan in order to achieve the greatest premium savings, the survey results showed that many people would be interested in looking into a wellness incentive program.

The last sheet of the results focused on what people want to keep with regards to insurance. Overall, many people want to keep DEAN coverage. It was also important to keep the plan affordable for all.

Mr. Jaeger asked if there was anything that seemed interesting about the survey results. Ms. Hanson stated that she was not surprised that the high deductible plan was the least attractive option for employees. Mr. Roth stated that he was shocked by this result. Ms. Hammond spoke on behalf of the EEA when she stated that many people are scared of the high deductible plan because there is no guarantee as to what employees would be reimbursed for the high deductible after year one. Mr. Jaeger stated that it would not be as easy to alter the amount put into the plan for reimbursement if an HRA was set up.

Mr. Jaeger stated that he estimates that our district could be responsible for as much as a \$231,000 Cadillac tax in 2018 if we make no changes to our current plan.

Mr. Jaeger wanted the group to agree that we should submit a request for bids from different providers using our current plan. The group seemed to agree with this. We will ask certain providers to provide decrements for things like varied deductibles, rx copays, visit co-pays, wellness incentives, 3 and 4 tier plans, and other options.

He suggested that we may want to look at employees who may benefit from participating in the Healthcare Exchange with some incentive from the district. This may include retirees.

He would like to get 95% participation with a health assessment. This may be one way to reduce our premiums and total cost. There could be a premium differential around 5% for employees who choose not to participate. Over 50% of districts are currently looking at a wellness incentives. Ms. Otto stated that some employees are afraid that a poor health assessment could result in that employee paying an inflated amount for

their own personal premiums. Mr. Jaeger stated that this is not how the plans are currently set up, but we would need to look at that when we set up our own plan. The district would get results about how many employees have high blood pressure, high cholesterol, smoke, among other things. This might allow the district to provide information and services for the medical issues that are needed most in our district.

Mr. Jaeger will launch the RFI on February 11 with a response date of March 11. The RFI will go to DEAN, Mercy, WEA, Physicians Plus, and Unity.

Looking ahead to 2014 and beyond, Mr. Jaeger suggests that we could look at things like changing our plan year to the calendar year rather than our current July through June plan. Ms. Treuden stated that this would really impact our budget process. She stated that she might be in favor of switching if a company would commit to 18 months for a plan. This change would match the National Healthcare Rates. Mr. Jaeger will request a 12-month plan and an 18-month plan quote.

He also suggested that we look at a spousal surcharge. We don't want to be a magnet for spouses who can get insurance elsewhere. We need to look at how much additional this is costing our district. We may also want to look at additional services like eyeglass coverage or an on-site health care clinic.

Mr. Jaeger would like to look at our dental coverage. We want to look at our current plan as is, or going to a self-funded plan.

Ms. Gard stated that she would like to look at our current life insurance coverage with Sun Life. She stated that the amount of administrative time that this plan currently takes is overwhelming.

The meeting was adjourned at 6:15. The next meeting is scheduled for March 18 at 5:00 p.m.

Minutes respectfully submitted by Jolene Hammond