

EVANSVILLE COMMUNITY SCHOOL DISTRICT

Insurance Committee Minutes

The Insurance Committee meeting was held on Monday, March 14, 2016, at 6:00 pm in the District Board and Training Center.

Appoint Note Taker

Ms. Fritz offered to take the minutes.

Attendance

Members in attendance: Doreen Treuden, Deb Arnold, Lisa Christensen, Mandi Firgens, Deb Fritz, Darlene Gallman, Greg Kuelz, Jolene Hammond, Rin Kundert, Kelly Mosher, and Jerry Roth. Absent: Mason Braunschweig, Sandi Spanton Nelson, and Melissa Whitmore.

Approve Minutes

Motion by Mr. Roth, seconded by Ms. Treuden, moved to approve the February 1, 2016, minutes as presented. Motion carried, voice vote.

Short Term/Long Term Disability Non-Renewal

Mr. Kuelz shared that WEA Trust will not be the short term/long term carrier, effective July 1, 2016. WEA Trust has decided to sell their LTD business to National Insurance Services (NIS). WEA Trust also did the same thing with the dental insurance, when last year they sold their dental book of business to Delta Dental. Mr. Kuelz made the recommendation that the ECSD switch to NIS which Ms. Christensen and Ms. Treuden found to be more streamlined than WEA Trust. Mr. Kuelz mentioned that it might be possible to have a presentation from NIS if the Committee found that necessary, but otherwise, the District will just make the switch to NIS.

Discuss Insurance Survey Results

Ms. Treuden shared the staff results of the survey. There were no big surprises. She also shared that it was a big nightmare this year, since this year's survey results got mixed up with the results of the survey from last year. An overwhelming 67% of employees who took the survey chose to have Dean as the only carrier while only 4% of the employees chose Mercy/Unity. 29% of the employees would like to have a choice between Dean or Mercy (would not include Unity).

Discuss Dean and Delta Dental Increases for 2016-2017

Mr. Kuelz shared a packet of information on the health insurance rates, effective July 1, 2016, showing a 3.5% increase. Ms. Treuden shared a worksheet on the effect of the 3.5% increase. (The original renewal rate from Dean was 4.5%, so 3.5% is good.) The 3.5% increase will incur an annual increase of \$81.36 for insured employees who have family coverage and an annual increase of \$34.63 for insured employees who have single coverage. Ms. Treuden shared that there will be no dental insurance premium increase for either the staff or District.

Determine Suggested Insurance Recommendations for 2016-2017

Ms. Treuden shared that Dean premium credits would apply if the District changed the plan to an HSA. Due to these credits, the overall cost to the Board would be the same, but there could potentially be some benefits to the insured employees. The Dean premium credit of 14.9% would be \$346,818.62. A \$3,000/\$6,000 deductible, however, would be a non-negotiable item, but once the \$3,000/\$6,000 deductible is met, there would be no employee copay. Preventive care would still be covered at 100%.

Ms. Treuden shared several different scenarios within her interactive spreadsheet. She told the Committee that if employees would like to switch to an HSA that she would like to change to a January 1 renewal, because she has a lot more money in January than is available in July (tax money starts coming into the District in January.) Unfortunately, if the District opts to make this change, the plan will start over 6 months earlier which will impact the employees' deductibles. Any unused money that would be put into an HSA account for the employees could be used to increase their retirement. Initially, the District would fund the employees' accounts with more money up front just to get everything started. One unknown right now with an HSA is the fee(s) connected with it. The HSA will not negatively impact the Cadillac Tax. It will not, however, resolve the Cadillac Tax concerns either.

Some implications of an HSA are the following:

- There would no longer be a drug card.
- Employees could not have another plan.
- Employees could no longer use a FSA for medical expenses.
- There is a maximum amount for what the employer contributes and for what the employee contributes.

***Mr. Kuelz will check whether or not there is a negative impact of an HSA on dual coverage with children, cash in lieu, Medicare, and Social Security benefits.**

Motion by Ms. Arnold, seconded by Ms. Christensen, moved to recommend to the Board the current health insurance plan *as is* with a 3.5% increase. Motion carried, voice vote.

Motion by Ms. Fritz, seconded by Ms. Firgens, moved to continue in this group setting to talk about an HSA before the end of the school year. Motion carried, voice vote.

Set Next Meeting Date

The next meeting will be on Monday, April 11, 2016, at 5:30 pm.

Set Next Meeting Agenda

Continue HSA discussion.

Adjourn

Motion by Ms. Treuden, seconded by Ms. Christensen, moved to adjourn the meeting. Motion carried, voice vote. Meeting adjourned at 7:28 pm.

Submitted by Deb Fritz, Member

Approved: 4/11/16