

EVANSVILLE COMMUNITY SCHOOL DISTRICT

Insurance Committee Minutes

The Insurance Committee meeting was held on Monday, November 23, 2015, at 5:30 pm in the District Board and Training Center.

Appoint Note Taker

Ms. Christensen volunteered to take the minutes.

Attendance

Members in attendance: Doreen Treuden, Deb Arnold, Mason Braunschweig, Lisa Christensen, Mandi Firgens, Deb Fritz, Greg Kuelz, Jolene Hammond, Rin Kundert, Kelly Mosher, Jerry Roth, and Melissa Whitmore arrived at 6:00 pm. Absent: Darlene Gallman and Sandi Spanton Nelson.

Approve Minutes

Motion by Mr. Braunschweig, seconded by Mr. Roth, moved to approve the October 22, 2015, minutes as amended. Motion carried, voice vote.

Review Dean Health Plan

Mr. Kuelz presented and discussed the current design, cost to the District including fees/employee, and usage reports. The District has not had many claims in the last year so our Medical Loss Ratio is good (71%), compared to a few years ago. Health coverage is the largest expense and we will see a “bigger bang for our buck” by reducing costs vs. other coverages (such as dental, life, etc.). Options for cost savings to consider:

1. Going to market and looking at other vendors - Last time we took bids we had two vendors that didn't even respond. Right now the biggest players are Dean, Unity, Physicians Plus and GHC. GHC doesn't have local doctors and people would need to go to Madison, so this would be a hardship. Right now 100% of insured employees use the Dean network, so if we made a change it would be very disruptive to employees, and everyone would need to change doctors.
2. Drug card changes – right now people seem to use generic when available, which is good. We could make changes to the \$10/\$30/\$50 scale. Not many people get to the tier 3 drug plan.
3. Emergency room – we could increase this charge, discouraging people from using the emergency room for doctor visits.
4. Change deductible – currently \$2,000/\$4,000.
5. Change employee percentage of premium (currently 14%).
6. Look into Health Savings Accounts (HSA).
7. Paying for office visits – this was an administrative problem for Dean because it would cause Dean to start paying a portion of the visit before the \$1,800/\$3,600 HRA was met.

Review EBC HRA Plan

Mr. Kuelz gave an overview along with a comparison to a Health Savings Plan (HSA).

Review Delta Dental Plan

Mr. Kuelz shared, right now Delta has 95% of the school market and they provide very effective coverage. We could look at other vendors but there doesn't seem to be a need to. We could increase the 14% premium contribution but wouldn't see a huge "bang for our buck".

Review Sun Life Plan

Mr. Kuelz shared, right now we offer 1x salary for full-time employees and we pay half. There isn't much to discuss unless we want to look at another vendor. The District's cost of \$34,000 is not huge but we could explore:

1. Offering a flat amount (\$10,000 for example) and not 1x salary.
2. Not offering employee paid life insurance.

Review WEA LTD Plan

Mr. Kuelz shared, 20% increase in premium this year, for a \$46,000 cost to the District. Our benefit amount is 90% which is very high compared to employers outside the school systems. Even though it is 90%, that doesn't mean that WEA actually pays 90% of the employee's salary. WEA pays last, after social security or WRS. They make sure the employee gets a total of 90% of their salary so they pay what's left AFTER social security and WRS. Some savings options would be:

1. Decrease 90% salary insurance to a smaller amount.
2. Increase the elimination period to a term of longer than 60 days. 90 days is more typical for other employers. This would avoid claims as most people are back to work by then.

Set Future Meeting Dates

The next meetings are January 18 and February 1st.

Next Meeting Agenda

Health Savings Account (HSA) and cash in lieu and how it affects the Affordable Care Act.

Adjourn

Motion by Mr. Roth, seconded by Mr. Braunschweig, moved to adjourn the meeting. Motion carried, voice vote. Meeting adjourned at 6:57 pm.

Submitted by Lisa Christensen, Member

Approved: 1/18/16