

**INSURANCE COMMITTEE MEETING MINUTES**  
**YULEE MIDDLE SCHOOL – 4:00PM**  
**THURSDAY, APRIL 18, 2013**

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Attendees: Susan Farmer – Executive Director of Business Services  
Suzanne Davis – Director of Personnel Services  
Beverly Kurak – Teacher, Yulee Middle School  
Marian O’Neal – Supervisor’s Secretary, Adult Education & Dropout Prevention  
Joshua Bozeman – Teacher Yulee Elementary School  
Jackie Tyson – Agent, Miller Health Group  
Luz Vasquez-Bieker - Paraprofessional, Hilliard Elementary School

Guests: Becky Cromwell – The Bailey Group

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**Meeting Called to Order**

The meeting was called to order by Suzanne Davis at 4:32 PM.

**Adoption of Agenda**

The agenda was reviewed. Marian O’Neal made a motion to accept the agenda and Beverly Kurak seconded the motion. The motion was carried unanimously.

**Review of the March 21, 2013 Minutes**

The minutes from the March 21, 2013 meeting were reviewed. Marian O’Neal made a motion to accept the minutes and Beverly Kurak seconded the motion. The motion was carried unanimously.

**Health Insurance Rate Proposal for 2013-2014**

Based upon prior discussion involving Health Care Reform, the Insurance Committee had been advised that our rate proposal for the 2013-2014 plan year could potentially reach as high as a 10% increase. This was based not only on claims but on the new fees such as Patient Centered Outcomes Research Institute Fees (PCORI) which were part of the Health Care Reform legislation and Reinsurance Fees intended to help stabilize premiums for coverage in the individual marketplace.

The first rate proposal from Florida Blue was 8%, which is less than the initial projection of 10%. The follow-up rate proposal from Florida Blue was 5.23% over the current year’s rates. This leaves all of our plans in as-is condition and does not take into account any material modifications to the plans. Following some discussion, Marian O’Neal made a motion to lock-in the 5.23% rate increase and Susan Farmer seconded the motion. The motion was carried unanimously.

**Existing Plans**

Subsequent discussion ensued regarding making tweaks to the plans that would potentially reduce the rate increase. Items such as increasing the Diagnostic MRI cost on the HMO plans, increasing emergency room co-pays and introducing a \$250 prescription deductible were mentioned. These changes could decrease the 5.23% increase by as much as 2-2½%.

Laurie Robert cautioned that a \$250 prescription deductible was rather high for the lower earning employees (e.g. food service workers, bus drivers and paraprofessionals). A suggestion was made to check to see how much of an impact a \$50 prescription deductible would have on the rates.

Insurance Committee members also browsed the 2012-2013 Insurance & Benefits Information Guide for specific line items that could be tweaked in order to reduce the increase. Discussion about deleting HMO Plan 112 which has the highest claims with 93 members transpired. Concern was raised that we cannot simply remove this plan from the equation without introducing another HMO plan to help off-set the claims. It was decided that Becky Cromwell would check into other districts to see what their HMO plans are, including any deductibles, out-of-pocket maximums and rates that are being charged to members.

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It was proposed that we could remove HMO Plan 112, regard HMO Plan 25 as the “rich” plan and introduce a lower cost HMO plan. Additionally, the same method could be applied on the BlueOptions platform, remove Plan 3766, regard Plan 3769 as the rich plan and introduce a lower cost BlueOptions plan.

Jackie Tyson was charged with sharing these proposed suggestions with Florida Blue and to bring back rate information for the next meeting. We will have a recap of the plan changes that we can make and the impact upon the renewal rate at the next meeting.

Susan Farmer opened the door to comments and suggestions to be emailed or called into herself, Suzanne Davis and/or Laurie Robert.

**Medical Loss Ratio Status**

Jackie Tyson advised that the current loss ratio was running around 76%.

**Dental & Vision Feedback**

Suzanne Davis asked the Insurance Committee for any feedback regarding the dental and vision plans. The only feedback was a request to seek to include Wal-Mart (Yulee, FL) and Sam’s Club (Busch Drive) into the network. Laurie Robert advised that she would reach out to Humana CompBenefits and ask the provider relations team to inquire about the possibility of bringing these retailers into the mix.

**Public Comments**

None

**General Question and Answer Session**

Marion O’Neal noted that there had been an issue raised with a Transportation employee (based out of the Yulee Bus Yard) in regard to the amount of time that was afforded during Open Enrollment. Furthermore, employees did not have access to the insurance representatives. Suzanne Davis advised that it boiled down to the fact that we cannot require employees to be present at meetings before the start of their contracts because at that point the district is responsible to pay the employees. Laurie Robert added that the Transportation Department’s Open Enrollment meeting has been held during their In-Service date, scheduled by Transportation. This past year was the first year that the Open Enrollment meeting was not mandatory and roughly 75% of the staff vacated the meeting room before the meeting began. All insurance reps were on-site and ready to meet with employees, however very few remained behind to participate.

**Next Meeting Date**

The next meeting is scheduled for Tuesday, May 21, 2013 at 4:30 pm at Yulee Middle School.

**Meeting Adjourned**

Marion O’Neal made a motion to adjourn the meeting and Beverly Kurak seconded the motion. The meeting adjourned at 5:31 pm.

*Minutes Prepared By: Laurie Robert  
Supervisor’s Secretary, Personnel Department*