

**INSURANCE COMMITTEE MEETING MINUTES
YULEE MIDDLE SCHOOL – 4:30PM
TUESDAY, MAY 21, 2013**

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
Melissa Stokes – Teacher, Yulee Elementary School
Jackie Tyson – Agent, Miller Health Group
Luz Vasquez-Bieker - Paraprofessional, Hilliard Elementary School

Absent Members: Richard Burton, Paraprofessional, Yulee Middle School

Guests: Becky Cromwell – The Bailey Group
Jimmy Kelly – Florida Blue
Joe Allen – Florida Blue

Meeting Called to Order

The meeting was called to order by Suzanne Davis at 4:33 PM.

Adoption of Agenda

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

Review of the March 21, 2013 Minutes

The minutes from the April 18, 2013 meeting were reviewed. Two corrections were noted: (1) the spelling of Marian O’Neal’s name and (2) the exclusion of Melissa Stokes from the list of attendees. Beverly Kurak made a motion to accept the minutes and Marian O’Neal seconded the motion. The motion was carried unanimously with the corrections noted.

Discussion of Plan Changes for 2013-2014

Jackie Tyson introduced the two Florida Blue representatives that were in attendance, Jimmy Kelly our Senior Strategic Account Representative and Joe Allen, the underwriter. Mr. Kelly confirmed that the Nassau County School District was locked into the rate increase of 5.23% for the 2013-2014 plan year. Alternate plan options were presented by Jackie Tyson that could bring us close to a flat increase, however we were cautioned that whatever trimming is done to the benefits to achieve the lower rate increase can have a significant impact upon our options for the 2014-2015 plan year. Jimmy Kelly advised that the renewal of 5.23% is a good, conservative rate considering all that is taking place in the health care industry. The rate increase includes the various fees tied to Health Care Reform (PICOR, Reinsurance Fees, etc.)

Jackie Tyson reviewed the options to remove and replace HMO Plan 112 and BlueOptions Plan 3766.

- HMO Plan 112’s proposed replacement is HMO Plan 60. Our current HMO plans do not include deductibles and co-insurance, only set co-pays for services. HMO Plan 60 introduces an in-network deductible of \$500 and 80/20 co-insurance. In a review of the summary of benefits for HMO Plan 60, it was noted that the deductible applied to very few services and members would not be subject to the deductible for most everyday services such as physician’s visits and specialist’s visits. On the summary of benefits for HMO Plan 60, the deductible appeared on services such as ambulance services, durable medical equipment, skilled nursing facilities, and Hospice care. It was discussed and assumed that if HMO Plan 60 was introduced and HMO Plan 112 was removed that most members on HMO Plan 112 would move to HMO Plan 25 and that some members on HMO Plan 25 would move to HMO Plan 60.

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- There were two plans proposed to replace BlueOptions Plan 3766: BlueOptions Plan 03359 and BlueOptions Plan 05770. Within each of these two proposed plans the physician co-pays for specialists could be addressed in two different fashions, each resulting in a different rate. BlueOptions Plan 03359 could have deductible & co-insurance or a flat \$60 co-pay for specialists and BlueOptions Plan 05770 could have a flat \$45 co-pay for specialists or a flat \$60 co-pay for specialists. The current BlueOptions Plan 3766 does not have an in-network deductible. Both proposed plans provide a \$1,000 in-network deductible.
- Among all the plans that were proposed to replace HMO Plan 112 and BlueOptions Plan 3766 none offered a locked-in rate for in-patient hospital stays. HMO Plan 112 outlines a flat \$450 co-pay for in-patient hospital stays per admission and BlueOptions Plan 3766 outlines a flat \$600 co-pay for in-patient hospital stays per admission. Laurie Robert gave an example of expectant mothers (who know that they will be hospitalized) to illustrate that employees will typically upgrade their plans during Open Enrollment to either of these plans to solidify their delivery fees. If we were to adopt any of the proposed plans we are removing these “go-to plans” for those that know an in-patient hospitalization is coming.

After lengthy discussion of the impact to employees versus the annual savings on the premiums, Marian O’Neal made a motion to keep all current plans for 2013-2014 accepting the 5.23% rate increase and Joshua Bozeman seconded the motion. The motion passed by unanimous vote.

The insurance committee members thanked Jackie Tyson for compiling the materials regarding the proposed plans and changes.

Dental & Vision Follow-Up

At the last meeting the question arose regarding the inclusion of Wal-Mart (Yulee, FL) and Sam’s Club (Busch Drive) into the vision network. Laurie Robert emailed our representative, Patty Aguiar and the response was that Humana is not be able to contract with Wal-Mart. Humana’s current contract with Luxottica (Sears, JC Penney, Target, Lens Crafters, Pearle Vision) does not allow Humana to contract with other retail stores at this time. Ms. Aguiar advised that if that changes to that restriction occurs she would update us.

Public Comments

None

General Question and Answer Session

Marian O’Neal had some follow-up questions and comments regarding the Health Care Reform presentation that Becky Cromwell made at the last meeting.

- PICORI Fee – was that going to be passed along to NCSB? Jimmy Kelly advised that this fee was already part of the renewal.
- DOL Model Notice regarding the Exchanges. Susan Farmer advised that the notice was just received and that employers have until October 1, 2013 to make that available to employees.
- Wellness requirements are discriminatory. Charging higher premiums for someone who has a high BMI isn’t fair. Mrs. Farmer and Jackie Tyson advised that the Insurance Committee and the Wellness Committee haven’t even begun to address how wellness could impact rates. Something along the lines of smoking cessation would be a route that would be explored, not something simply targeting BMI.
- Reinsurance Fee – was that going to be passed along to NCSB? Jimmy Kelly advised that this fee was already part of the renewal.
- Reporting Data to the government should not be permitted and nothing personal should be shared. Becky Cromwell advised that the data collected would be general data (e.g. number of members on plans, types of plans, is wellness offered, etc.) and that HIPPA rules would not be waived even if the request is coming from the government.

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- Minimum Essential Requirements for insurance plans. The NCSB is compliant with the plans that we are offering and we are not required to drop the high deductible plans (5168/5169) since we do offer BlueOptions 3769 which is our lowest costing plan which meets the minimum essential requirements.
- Substitutes and insurance. Mrs. Farmer advised that a period of measurement must be in place and analyzed before substitutes will be offered insurance coverage. The preliminary data collected needs to be reviewed and possibly re-examined before we can determine if any subs are eligible to participate in our plans.
- Is the Wellness Program legal? Yes it is.

Next Meeting Date

The next meeting is scheduled for September 19, 2013 at 4:30pm. Location is to be determined.

Meeting Adjourned

Marian O’Neal made a motion to adjourn the meeting and Beverly Kurak seconded the motion. The meeting adjourned at 5:30 pm.

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