

**INSURANCE COMMITTEE MEETING MINUTES
YULEE MIDDLE SCHOOL – 4:30PM
THURSDAY, OCTOBER 17, 2013**

Attendees: Susan Farmer – Executive Director of Business Services
Suzanne Davis – Director of Personnel Services
Marian O’Neal – Supervisor’s Secretary, Adult Education & Dropout Prevention
Richard Burton, Paraprofessional, Yulee Middle School
Jackie Tyson – Agent, Miller Health Group

Absent Members: Beverly Kurak – Teacher, Yulee Middle School
Joshua Bozeman – Teacher, Yulee Elementary School
Melissa Stokes – Teacher, Yulee Elementary School
Luz Vasquez-Bieker - Paraprofessional, Hilliard Elementary School

Guests: Becky Cromwell – The Bailey Group

Meeting Called to Order

The meeting was called to order by Susan Farmer at 4:41 PM.

Adoption of Agenda

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

Review of the May 21, 2013 Minutes

The minutes from the May 21, 2013 meeting were reviewed. No corrections were noted. Marian O’Neal made a motion to accept the minutes and Susan Farmer seconded the motion. The motion was carried unanimously.

Discussion of Claims Information from Florida Blue

Jackie Tyson provided a claims report dated September 18, 2013. The claims report detailed a 12-month look back, just shy of our plan year of October through September. September’s claim information will be available shortly and we will then have a complete picture of the plan year.

Loss ratio currently sits at 70.02% which is a healthy ratio. Capitation for Primary Care Physicians (PCP) has been removed from the plan structure and we will not see this information going forward. Based upon the 12-month loss ratio we are set to receive Pro-Share funds, however there are no estimates or ballparks on figures at this time. Florida Blue will allow three months at the end of the contract for claims during the 2012-2013 plan year to roll in before calculations are finalized. January is when calculations should be finalized.

Update of the Patient Protection & Affordable Care Act

The individual mandate is still in effect for January 1, 2014. Enrollment on the Exchange began October 1st with several issues. The application process itself is lengthy. Subsidies for insurance premiums are based on income. Eligible candidates need to meet several criteria. Nassau County School District employees are not going to be eligible for the subsidies since (1) our plans meet the minimum essential coverage per government guidelines and (2) our high-deductible plan Blue Options 5168 meets the affordable guidelines.

Our cafeteria plan (where employees may elect to have insurance deductions on a pre-tax basis) does not permit employees to cancel coverage in the event that they gain coverage on the Exchange. It is unlikely that our employees would leave our group coverage for plans on the Exchange since the subsidy is not going to factor into their rates.

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Since the eligibility for the subsidies has some weight on whether or not the employer offers coverage to spouses and dependents, some companies are opting to stop offering coverage to spouses and dependents, only covering their employees. If an employer offers coverage to spouses and dependents then it is the affordability of the employee's coverage that is factored into the eligibility for the subsidies.

The employer responsibility of tracking seasonal employees (subs/temps) with regard to their eligibility for insurance has been delayed to 2015. Seasonal employees would need to work an average of 30 hours per week for a defined period of time in order to be extended an offer of coverage. Based upon reports that have been run thus far, there are very few subs/temps for the Nassau County School District that would meet this eligibility. We would establish the time period to measure an employee's average hours and the same time period would need to be applied to their coverage period. Many employers have started to cap hours at less than 30 per week in order to be exempt from offering coverage. School boards are not adopting this measure since classroom instruction is in the equation.

Waiting periods cannot be more than 90 days. We have been compliant with this portion of PPACA already.

Becky Cromwell provided a hand-out entitled Health Care Reform Legislative Brief containing updates on where all the aspects of PPACA stand.

Prescription costs will need to count towards Out-of-Pocket Maximums (OOPM) at renewal in 2014 (October 2014). Our HMO plans and the High-Deductible plan already have this included. Blue Options 3766 and 3769 will need to be updated with Florida Blue to be compliant.

Summary of Benefits and Coverage (SBC) will need to state that the plans meet the minimum value starting January 2014. Laurie Robert will collaborate with Florida Blue to ensure that the proper language is provided and added to our SBC packets.

The Nassau County School Board's group health insurance plans permit members to cover their dependent children until age 30. Nothing has changed with PPACA that alters this.

Insurance plans on the Exchange contain deductibles, rates are not varied based upon age, gender and/or preexisting health conditions. As such, young healthy applicants will essentially pay more for coverage than they would have in the past to help buffer the claims for the older applicants who bring exposure to high medical claims to the pool.

New Vendor for Blue Rewards

Kim Clemons posted a letter on NCS News advising that there was a new vendor administering the gift card redemption feature for Blue Rewards. The gift cards are still regarded as income and as such, are payroll taxed.

Insurance Committee Responsibility in Relation to HIPAA

Becky Cromwell provided the following website for all Insurance Committee Members to visit in order to become HIPAA Compliant. The link directs users to a training site and Becky will receive a report showing that each user has completed the training. It was suggested that all Wellness members also become HIPAA compliant.

<http://info.mbaileygroup.com/ncps-hipaa>

Mrs. Farmer inquired about the new Sick Leave Bank paperwork. Is the medical certification and other related paperwork public record? Becky Cromwell will check into this and follow-up with Mrs. Farmer.

NTA Life

Suzanne Davis advised that the incorrect materials were provided to members for discussion. AmeriLife & Health Services of North Florida was originally prepared for review when NTA Life is the entity that Suzanne wanted to

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discuss. NTA Life's marketplace is in schools. They provide supplemental insurances which do not require a payroll deduction. Short Term Disability (STD) plans provide as little as a 4-day elimination period (our AFLAC policies begin at 7 days). Marian O'Neal stated that NTA Life has already made contact with Beverly Kurak. Confirmation needs to be obtained if Beverly wants NTA Life to make a presentation to the Insurance Committee.

Public Comments

None

General Question and Answer Session

Marian O'Neal had two follow-up questions and comments.

- NCSB employees indicated that the Out-Of-Pocket-Maximums (OOPM) were not stopping automatically and that the members needed to contact Florida Blue for proper credit. HMO Plan 25 and Plan 112 do require members to reach out to customer care to advise that the OOPM has been reached. Members on these two plans should be tracking their medical expenses. The Blue Options plans (3769, 3766 and 5168/5169) automatically keep track of OOPM and members do not need to contact customer care.
- Concern has arisen that HMO Plan 112 will not be offered next year. This is most likely based on PPACA and the Cadillac Plan restrictions. These restrictions don't come into play until 2015/2016. HMO Plan 112 has the highest rates and the richest benefits. Nothing has been confirmed at this point regarding plan selections for 2014-2015.

Next Meeting Date

The next meeting is scheduled for January 16, 2014 at 4:30pm. Location is to be determined.

Meeting Adjourned

Marian O'Neal made a motion to adjourn the meeting and Richard Burton seconded the motion. The meeting adjourned at 5:40 pm.

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