

**INSURANCE COMMITTEE MEETING MINUTES
YULEE MIDDLE SCHOOL – 4:30PM
TUESDAY, MAY 6, 2014**

Attendees: Susan Farmer – Executive Director of Business Services
Suzanne Davis – Director of Personnel Services
Beverly Kurak – Teacher, Yulee Middle School
Melissa Stokes – Teacher, Yulee Elementary School
Joshua Bozeman – Teacher, Yulee Elementary School
Marian O’Neal – Supervisor’s Secretary, Adult Education & Dropout Prevention
Richard Burton – Paraprofessional, Yulee Middle School
Luz Vasquez-Bieker – Paraprofessional, Hilliard Elementary School *VIA CONFERENCE CALL*

Guests: Jackie Tyson – Agent, Miller Health Group
Allison Profitt – The Bailey Group

Meeting Called to Order

The meeting was called to order by Suzanne Davis at 4:35 PM.

Adoption of Agenda

The agenda was reviewed. Beverly Kurak made a motion to accept the agenda and Melissa Stokes seconded the motion. The motion was carried unanimously.

Review of the March 20, 2014 Minutes

The minutes from the March 20, 2014 meeting were reviewed. Beverly Kurak made a motion to accept the minutes and agenda and Melissa Stokes seconded the motion. The motion was carried unanimously.

After adoption of the agenda Marian O’Neal requested discussion regarding the inclusion of the Payroll Deduction for Families in Transition (FIT) Program which was presented on the Agenda for March 20, 2014 and captured on the minutes for the same. Marian stated that the NESPA Union does not want any items which are not “insurance based” to come before the Insurance Committee for review. Ms. Farmer advised that items such as TSA’s, which are financial in nature, are presented to the committee and these are not insurance based. Marian stated that items such as this need to be presented to the unions for bargaining. Ms. Farmer advised that this would not be a bargained item such as the similarly fashioned payroll deduction for the United Way. Ms. Farmer stated that this item was presented to the committee for review and going forward, the decision to launch a program/deduction of this nature would be an administrative decision between Ms. Farmer and the Superintendent.

Marian made a motion that only items relating to insurance and items identified as Insurance Committee items be presented to the Insurance Committee. Richard Burton seconded the motion.

Votes:
Susan Farmer – Yes
Beverly Kurak – No
Melissa Stokes – No
Joshua Bozeman – No
Marian O’Neal – Yes
Richard Burton – Yes
Luz Vasquez-Bieker – Yes

There were four votes to pass the motion and three against. The motion passed.

ProShare Jackie Tyson

The calculations for the Florida Blue ProShare Agreement with the Nassau County School District were tabulated and funds were received after the last Insurance Committee meeting. Blue Options plans (3766, 3769 and 5168/5169) are performing well yet the HMO plans (25 and 112) are lagging a bit behind. Ms. Farmer pointed out

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that the upcoming plan year (2014-2015) introduces a two-year versus a one-year agreement. Therefore the next time that the district is poised to receive funds under the ProShare agreement would be early 2016.

Medical Claims Jackie Tyson

Jackie Tyson provided a copy of the updated Florida Blue Utilization Report (April 2013-March 2014). The Medical Loss Ratio (MLR) for February 2014 was 54.58% and March 2014 was 74.63%. For the 12-month period, the MLR averaged 71.25%

Florida Blue Renewal Rates Jackie Tyson

Based upon the utilization report, Jackie Tyson requested our renewal rates with February 2014's MLR. Renewal calculations incorporate items such as the past 22-month trend, membership participation (we have sustained an estimated 5% increase) and Health Care Reform (HCR) fees. The first proposed renewal rate from Florida Blue was 7.56%. Jackie Tyson revisited the increases with Florida Blue and received a sharpened increase of 5.9%. Our increase is still lower than national trends which are now hovering in the double-digits. Jackie advised that the plans are not accurately priced. HMO Plan 112 has higher utilization and claims versus the other plans, therefore the increase should be higher for that plan resulting in reduced increases on the remaining plans. Essentially, the other plans are sustaining higher increases to off-set the utilization under HMO Plan 112.

Jackie provided materials showing the plan improvements. The structure of the plans will remain the same as those offered in 2013-2014 with a few exceptions:

- Plan improvements fueled by HCR.
- A name change for HMO Plan 25 to HMO Plan 57.
- A name change for HMO Plan 112 to HMO Plan 55.

Jackie advised that she could request alternate plan options from Florida Blue and return within roughly a week if the Insurance Committee members did not want to accept the proposed rate increase of 5.9%. Potential savings with alternate plans would be most likely be somewhere in the range of 1% to 2% which was similar to the alternate plan options presented last year. Ms. Farmer reminded the committee that the alternate insurance options which were presented last year would have provided a savings in premiums; however the fees for services (co-pays, deductibles, etc.) would have been higher. Beverly Kurak shared that it's easier for individuals to budget for a higher premium (which would be a consistent cost) versus higher, unexpected costs for services. Jackie Tyson suggested that since any alternate plans presented would involve higher co-pays, it might not be worth changing plans if the premium savings would only yield a 1% to 2% reduction off the proposed increase of 5.9%.

Allison Profitt advised that the Health Care Exchange is not currently in Open Enrollment. Nassau County School District employees sustaining increases are not currently able to move from our group plans onto the Exchange. Furthermore, since the NCSD offers coverage that meets the affordability requirements outlined by HCR, our employees would not be eligible for the federal subsidies to help curb premium costs on the Exchange. Off-market plans (e.g. Florida Blue individual plans) would possibly cost less, but only for members who are exploring options to remove a spouse or dependent(s) from our group plans. Our employee-only group coverage, even incorporating the rate increase, is still priced less expensive than off-market plans and Health Care Exchange plans without eligibility for subsidies.

Suzanne Davis asked the Insurance Committee if they wanted to accept the Florida Blue renewal rates of 5.9% or if members wanted to explore alternate plans.

Beverly Kurak made a motion to move forward with the current plans bearing the 5.9% increase. Melissa Stokes seconded the motion. None opposed. The motion passed.

* Luz Vasquez-Bieker, who was participating via conference call, exited the meeting at this time.

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FIT Program *Susan Farmer*

Based upon prior discussion during the meeting, this agenda item was removed from the discussion.

Open Enrollment Schedule *Laurie Robert*

A copy of the 2014-2015 Open Enrollment Schedule was distributed to committee members. The schedule has already been emailed to principals, assistant principals, directors, coordinators and secretaries. It has also been launched on the NCSB website.

Public Comments

None.

General Question and Answer Session

None.

Next Meeting Date

The next meeting is scheduled for September 18, 2014 at 4:30pm. Yulee Middle is the targeted location. However until confirmed, the location is to be determined.

Meeting Adjourned

Marian O'Neal made a motion to adjourn the meeting and Joshua Bozeman seconded the motion. The meeting adjourned at 5:18pm.

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