

**INSURANCE COMMITTEE MEETING MINUTES
YULEE MIDDLE SCHOOL – 4:30PM
THURSDAY, NOVEMBER 20, 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
Marian O’Neal – Supervisor’s Secretary, Adult Education & Dropout Prevention
Richard Burton – Paraprofessional, Yulee Middle School

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

Absent: Joshua Bozeman – Teacher, Yulee Elementary School
Ellen Wiggins – Paraprofessional, Yulee Elementary School

Meeting Called to Order

The meeting was called to order by Suzanne Davis at 4:30 PM.

Adoption of Agenda

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

Review of the Minutes from May 6, 2014 and October 14, 2014

The minutes from the May 6, 2014 and October 14, 2014 meetings were reviewed.

May 6, 2014

Beverly Kurak made a motion to accept the minutes from the May 6, 2014 meeting and Susan Farmer seconded the motion. The motion was carried unanimously.

October 14, 2014

Beverly Kurak made a motion to accept the minutes from the October 14, 2014 meeting and Susan Farmer seconded the motion. The following amendment was requested: under **Introduction to Self-Funding - Disadvantages**, the first sentence was amended as follows: *Disadvantages to self-funding include the Nassau County School District assuming risk for claims up to a predetermined threshold.* The initial statement did not identify a threshold. The motion was carried with the amended language.

Tax Shelter Information in NTA & NESPA Contracts *Suzanne Davis/Susan Farmer*

Suzanne Davis reviewed the handout from the NTA and NESPA Contracts. Per the NTA and NESPA Contracts, any company or agency wishing to make other insurance/TSA programs available to members shall be reviewed by the Insurance Committee. The Insurance Committee shall make a recommendation or non-recommendation on said company or agency to the Board and Superintendent. This provision initially went into effect per the contracts for NESPA since 1979-80 to 1980-81 and NTA 1976-77 to 1977-78.

Insurance Committee and Financial Matters *Suzanne Davis/Susan Farmer*

Ms. Farmer advised that based upon the language in the NTA and NESPA Contracts, the Insurance Committee would need the Unions to bring this issue to the bargaining table if they do not want to oversee Tax Shelter companies. The Insurance Committee cannot decide upon this without the contract language being updated through contract negotiations.

Aspire Financial Offering TSAs *Susan Farmer*

Suzanne Davis asked the Insurance Committee for permission to bring Edward Jones/Aspire Financial to the table for a presentation. Edward Jones, along with Aspire Financial, can offer 403(b) accounts and mutual funds. Most of our accounts are annuities. Beverly Kurak was open to the presentation, stating that this would simply offer

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more opportunities to employees. Susan Farmer noted that 25 employees must elect the product before payroll deductions could begin. Beverly Kurak made a motion to invite Edward Jones/Aspire Financial to the Insurance Committee and Melissa Stokes seconded the motion.

Medical Claims *Jackie Tyson*

Jackie Tyson presented the group with a Utilization and Enrollment report spanning over the period of November 2013 through October 2014. October's claims were low with a MLR of 61.13%. This is the first month of data for the 2014-15 plan year which took effect 10/01/2014. The average Medical Loss Ratio for the period is 71.77%, which Jackie Tyson noted is solid and trending better than other companies. September 2014 netted 1,023 contracts and 1,195 members (which includes dependents). Open Enrollment yielded a slight increase of 22 more contracts for a total of 1,045 and 15 more members for a total of 1,210 members.

Some changes that will be reflected in the Florida Blue renewal:

- 10/01/2014 Coverage for residential treatment facilities will be added to group contracts in alignment with Inpatient Mental/Substance Abuse benefits.
- 10/01/2014 Cancer Treatment Fairness Act (Cancer Parity) reduces the cost for oral chemotherapy medications to \$10 under Rx co-pays. This change impacts any co-pays that were in a cost-share bucket greater than \$50.
- 10/01/2014 Essure, a permanent non-surgical birth control method, will be covered at \$0 cost-share.
- 10/01/2014 Bowel Preparation Agents, employed prior to preventative colonoscopies and sigmoidoscopies, will be covered at \$0 cost share.
- 10/01/2014 Breast Cancer Chemo Medications tamoxifen and raloxifene will be covered at \$0 cost share.
- 10/01/2015 Low dose CT screenings for early detection of lung cancer will be covered at \$0 cost-share.

Self-Funding Discussion *Jackie Tyson*

During the October 14th meeting, Jackie Tyson and Allison Profitt provided the Insurance Committee with a detailed overview of Self-Funding. As a follow-up to that discussion, Jackie Tyson offered a few more points on the matter with a handout entitled **Self-Funding for Beginners**. Self-funding can be profitable. As of last month's numbers, the Nassau County School District's claims were under 78%. Partially Self-Funded plans are the most common and this is what would be the recommendation if the Nassau County School District were to pursue this avenue. Self-insured groups do not need to adhere to certain state mandates, for example the inclusion of rehab facilities into coverage, the group has the ability to select which state mandates it wishes to include. Federal mandates would still apply and self-insured groups do not have any veto rights on this level. Self-funded groups have the option to customize plan designs, or benefits can remain as-is.

Jackie Tyson reminded the Insurance Committee that there are protections against high claims by way of Stop-Loss Coverage. This is a factor for self-insured groups since the group is responsible for payment of claims. Florida Blue has a Stop-Loss policy and Susan Farmer asked Jackie Tyson to look at the 2013-14 plan year to see how many claims our group sustained. Florida Blue's Stop-Loss threshold is \$165,000 and in 2013-14 there were five (5) claims that surpassed this limit.

Comments

Marian O'Neal shared that she is receiving complaints from the support staff asking the Board to help with insurance costs, members are maxed-out. Marian wants the Insurance Committee to make a motion to refund the ProShare money to off-set the insurance premiums, not to issue employees refunds. Suzanne Davis advised that the Insurance Committee Meeting is not the place to seek this approval. The application of the ProShare money is a bargained item and needs to be presented by the Unions to the bargaining table. Mrs. Davis added that the Insurance Committee can look into changing the insurance plans offered for the upcoming year, however she reminded the Committee that while some savings may be realized with alternative plans, services would be impacted. Additionally, ProShare money is not guaranteed.

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Next Meeting Date

The next meeting is scheduled for Thursday, February 19, 2015 at 4:30pm at Yulee Middle.

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 Services Department*