

INSURANCE COMMITTEE MEETING MINUTES
YULEE MIDDLE SCHOOL – 4:30PM
THURSDAY, MAY 21, 2015

Attendees: Susan Farmer – Executive Director of Business Services
Beverly Kurak – Teacher, Yulee Middle School
Joshua Bozeman – Teacher, Yulee Elementary School
Marian O’Neal – Supervisor’s Secretary, Adult Education & Dropout Prevention

Guests: Jackie Tyson – Agent, Miller Health Group
Allison Profitt – The Bailey Group
Daniel Greene – The Bailey Group
Kay Nobles – AGIS Network, Regional Long Term Care Consultant

Absent: Suzanne Davis – Director of Personnel Services
Melissa Stokes – Teacher, Yulee Elementary School
Richard Burton – Paraprofessional, Yulee Middle School
Ellen Wiggins – Paraprofessional, Yulee Elementary School

Meeting Called to Order

The meeting was called to order by Susan Farmer at 4:30 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 Minutes from April 16, 2015

The minutes from the April 16, 2015 meeting were reviewed. Beverly Kurak made a motion to accept the minutes and Marian O’Neal seconded the motion. The motion was carried unanimously.

Long Term Care Coverage *Kay Nobles, AGIS Network*

As a result of the Long Term Care Survey conducted in March 2015, the Insurance Committee agreed to examine options for employees.

Kay Nobles, a Certified Long Term Care Consultant with AGIS Network, a caregiving educational firm, made a presentation to the Insurance Committee. Caregiving is no longer stereotypically geared to the elderly and does not only refer to care in a hospital setting. In many instances, caregiving encompasses adults, either spouses or siblings, as well as elderly and settings range from home healthcare, rehabilitation facilities to hospital settings. Most long term care begins with home healthcare and may graduate to an assisted living facility and/or a hospital. Needs typically begin with small, monthly assistance such as paying bills. Slowly progressing to weekly assistance such as grocery shopping assistance, housekeeping assistance, etc. Then, daily assistance comes into play when the individual can no longer complete activities of daily living on their own.

Employees and productivity are being impacted. Caregiving typically consumes 20-30 hours of time per week. Currently, the average age of the caregiver is 49. The Nassau County School District’s demographic reveals an average age of 48. Jackie Tyson asked for statistics on the normal duration of care. Kay Nobles advised that the average duration of care is five (5) years, with roughly 2½ years of that time spent in a nursing home. Kay added that care is provided on a gender neutral basis: 50/50 men and women. This is not historically the case, in the past it was the women in the family providing the bulk of the care. Ms. Farmer asked when men are the care giver, are they caring for men or women? Kay responded that it is typically the family member that lives the closest that is tasked with providing care, it’s not necessarily divided on a gender basis.

The average age of the caregiving claimant is 50 and the number one claim is cancer. Falls are the number one reason for nursing home entrants and within that category, throw rugs were the number one cause of falls.

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The impact to a caregiver can broken down as follows:

- 40% of caregivers rearrange their own schedules.
- 36% of caregivers miss work days.
- 12% of caregivers take leaves from their job.
- The remainder try to complete necessary tasks for their family member while at work.
- This equates to \$308 per employee per year in lost productivity.

AGIS Network offers group educational seminars. Get employees to think about their needs and that of other family members by asking questions. What plans are in place when parents get older? What if a family member becomes injured and needs care? What is the family prepared to do? Retirees average \$250,000 in health care costs, including costs tied to caregiving, per person. Who pays for care giving costs? You pay.

Coverage is available to all family members including aunts, uncles, adult children and grandparents. It does not matter if the covered individual is an employee or if they reside in the employee's home. Even if the employee does not want coverage, other family members may elect coverage. Payroll deductions are only offered to cover premiums for the employee and that of their spouse (if elected), all others would be direct billed and/or automatic bank draft. The policies are individual policies bearing guaranteed renewals with various discounts. Coverage is portable.

Marian O'Neal asked if the rates could increase. Kay Nobles advised that rates will remain priced at the individual's purchase age, however that age bucket could sustain increases.

The benefits of offering group coverage? Group coverage does not differentiate between genders, whereas in the open market, women tend to pay higher premiums for long term care coverage. Group coverage offers less underwriting, no blood/urine tests, and no medical records will be pulled, etc.

In addition to the educational seminars, AGIS Network offers employers an online Caregiving Exchange which would be branded to the Nassau County School District. The Caregiving Exchange would be a tool that directs employees and family members to various resources including local services, driving assessments, checklists, an online shopping mall for medical supplies/aids, as well as an entire section dedicated to Medicare.

TransAmerica was the company used in the example given. There are three levels of policy issue:

- Modified Guarantee Issue – entails the fewest questions and requires employer funding.
- Simplified Issue – voluntary benefit with five (5) application questions.
- Abbreviated Issue - voluntary benefit with five (5) application questions and a phone interview.

Sample Rates for TransAmerica:

Reimburse	\$50/day	\$100/day	\$150/day
Duration	3 Years	3 Years	3 Years
Maximum Reimbursement	\$54,750	\$109,500	\$164,250
Reimburse Up to	\$1,500/mo	\$3,000/mo	\$4,500/mo
Age 30	\$19.05/mo	\$38.12/mo	\$57.17/mo
Age 40	\$22.22/mo	\$44.46/mo	\$66.69/mo
Age 50	\$28.59/mo	\$57.17/mo	\$85.78/mo
Age 60	\$47.64/mo	\$95.27/mo	\$142.91/mo

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Marian O’Neal inquired about the premiums should the member die, what becomes of the premiums paid? Kay Nobles stated that a ride could be added to the policy for a refund of premiums for roughly 12% above the monthly premium. Refunds would be paid to the named beneficiary, minus any expenses paid. Laurie Robert asked who was tasked with tracking beneficiaries. Kay advised that the insurance company was responsible.

Companies typically invite the member to add an inflation rider to the policy, averaging 12% to 15% above premiums. If the member declines, they will be asked again after the 1st year of coverage, the 3rd year of coverage and again after the 5th year of coverage. If these opportunities are bypassed, the member will not be asked again to add the inflation rider.

Jackie Tyson asked if there were any waiting periods. Kay advised that there is a 90 day waiting period for facilities, home health care does not have any waiting periods.

Insurers have various requirements with regard to minimum employee participation. TransAmerica dictates that 5% of the employee population, aged 45-50, earning at least \$35,000/year must enroll in order to offer the minimum underwriting requirements. In the event that the 5% is not met, members may still enroll, however the underwriting process is much more detailed. Marian O’Neal stated that this requirement basically pulls all non-instructional members out of the hat. Dan Greene, The Bailey, Group, advised that this population still may participate in the benefit, however they simply do not count towards the 5% participate requirement.

Many companies require and acceptance/declination enrollment. The initial eligibility enrollment does not require the full underwriting process, whereas subsequent election of benefits does. By documenting who waives coverage upon initial eligibility, the insurer would not face any issues if an applicant balks at the lengthy underwriting process.

Enrollment is online. Laurie Robert asked what procedures are in place for those that either do not have computer access and/or are not proficient with a computer. Representatives can be onsite at the educational meetings and are also available by phone for support. Roll-out spans roughly 60 to 90 days. Heavy emphasis is placed on signage and email blasts.

General Question and Answer Session

- Marian O’Neal stated that she recently paid \$7.00 for chiropractic care, when according to the benefits booklet, the co-pay for this service should have registered \$45.00. Florida Blue recently partnered with The Chiropractic Network, a third-party administrator. Jackie Tyson offered to research the issue.

Next Meeting Date

The next meeting is scheduled for Thursday, September 17, 2015 at 4:30pm at Yulee Middle.

Meeting Adjourned

Susan Farmer made a motion to adjourn the meeting and Joshua Bozeman seconded the motion. The meeting adjourned at 5:40 PM.

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