

**REGIONAL SCHOOL DISTRICT # 8 HEALTH AND MEDICAL INSURANCE CONSORTIUM
REGULAR MEETING**

THURSDAY, AUGUST 4, 2016

Members Present: Andrew Tierney, Donna Lanza, Tim Van Tassel, Laureen Davids, Robert Siminski, Amy Traversa, Haley Wagner, Sally Doyen, Robert Burbank

Guests: Chuck Petruccione, Sonia Kaminsky, Randy Skoly

Call to Order and Attendance to Ascertain a Quorum

The meeting was called to order at 9:39 a.m.

Approval of Minutes:

A. Tierney moved, second by A. Traversa, to approve the July 14, 2016, meeting minutes as presented. The motion passed unanimously.

Review Brown & Brown Report and Discussion/Decision of Self Insurance

Sonia Kaminsky provided information with timeline for change to self-funded arrangement, stating it will shift depending on choice of carrier.

S. Kaminsky stated they have a 20 minute presentation that explains self-funding and they can do this if so desired. R. Siminski stated that he feels it would be best to make that type of presentation to a meeting of all entities boards at a joint meeting.

S. Kaminsky provided a sample trust agreement, ECHIP does not currently have one, but she is recommending that Region 8 group adopt a trust agreement if move to self-funded. B & B has reviewed all contracts to check language pertaining to change of carrier or funding. Most are in good form. There was discussion on preferred language.

S. Kaminsky explained the RFP process to get the quotes for stop loss vendors, pharmacy vendors, etc. to be sure they are getting the best pricing, very labor intensive and complex process. To include provider disruption analysis, formulary disruption analysis. C. Petruccione stated that education with the unions is essential. They will recruit providers who are not in the network. Will also have a transition of care (allow provider to be in network if someone is under care for critical illness or pregnancy). Should be as transparent as possible with the employee groups to let them know of process of going out to bid and considering self-funding. ECHIP will bid along with other bidders when this goes out for RFP.

R. Siminski stated would like to schedule the large group meeting in September. D. Lanza stated they envision a large group meeting in September with all three towns Boards of Finance, Boards of Selectmen and Boards of Education with all hearing the same presentation, then follow up by B & B going to each individual entity to follow up.

S. Kaminsky stated the group must look to long term goals, will not have large immediate savings. Trust agreement and by-laws are essential.

S. Doyen asked if each BOE and town have separate votes or is each town considered one. It is one vote per entity. T. VanTasel stated he has discussed with the BOE and they are supportive. T. VanTasel stated he does not see how this process would move forward without at least one entity going to arbitration as he sees it as a change of operation/structure of insurance. S. Kaminsky stated she does not see any group ending up in arbitration. C. Petruccione stated that the State plan is self-funding.

R. Skoly noted people will be concerned about proper reserve funding, ad-hoc reports from Anthem, should we be requesting from Anthem and looking at claims triangles for the last five years. S. Kaminsky stated must look at this long term, will recommend reserves and IBNR. R. Skoly stated long term results July 2012 – June 2013 claims for that period, completion report as of July 2014, to look at reserve factors based on history of the group.

R. Skoly questioned if in the RFP will they provide claims history and spec claims. S. Kaminsky replied yes they can provide that. R. Skoly asked if there is resistance, will they be asking for a conventional quote as well. S. Kaminsky confirmed that they will be requesting it both conventional and self-funded.

S. Kaminsky discussed the stop loss complexity with the several different groups involved.

There was discussion on need to bring on administrators for the plan. Pharmacy, stop loss, claims. C. Petruccione stated it will be quoted with flexibility but will be based on what is best for the group. Can be separately or administered by one company.

R. Siminski asked for letters to send out to boards, teachers, unions and set a date for the Tri-Town All Boards meeting, sending a notice out to them all at the same time. Group decided to schedule the All Boards meeting for Wednesday, September 14, 2016, with Monday, September 12, 2016, as the alternate meeting date at the RHAM Auditorium. BOE, BOS, BOF will be formally invited and it is public meeting anyone can attend.

R. Burbank suggested a press release to the paper notifying the public. B & B will provide the letter to notify all boards, unions and entities.

T. VanTasel asked how the reserve gets set up, how to determine each entity's contribution. S. Kaminsky recommended 2 ½ months of claims of most recent year, trended up to be target reserve. C. Petruccione stated the group must determine where the funding is to be housed. S. Kaminsky stated if it is ECHIP, they will hold the money; need bid information back first before having the discussions. S. Kaminsky stated that the entities that it is imperative that each entity must have someone monitoring the claims.

A. Traversa asked if the consortium as a whole has an administrator and an attorney for the entire group. R. Siminski stated that the group as a whole has used Hebron's attorney there is not an administrator, but there is a Chairman. A. Traversa suggested hiring an attorney for the group as a collective responsibility. R. Siminski stated we are moving that way. S. Kaminsky stated that ECHIP is not the answer to all the concerns. S. Kaminsky stated must ask ECHIP specifically what it is they are doing, must look for best price, broker will check rates and claims, ECHIP will not be reviewing claims and will not be responsible for the budget. The Region 8 group is ultimately responsible for claims and financing.

R. Skoly asked B & B to explain how a service contract works. S. Kaminsky stated they do have a PowerPoint presentation that explains that in about 20 minutes. S. Kaminsky explained via the Self-Funded Presentation to the group including Q & A. The presentation will be updated to reflect information specific to Region 8 group and will be emailed to the group for dissemination.

R. Siminski stated he would like to get the letter out as soon as possible. Want to meet with B & B before the 14th. S. Kaminsky can set up a conference webinar to go through the updated presentation geared toward the consortium. Webinar was scheduled for Thursday, September 1, 2016 at 9:30 a.m.

R. Siminski asked B & B to add the 9/1 and 9/14 meeting dates to the timeline.

A. Traversa moved, second by A. Tierney, to authorize Brown & Brown to go out to bid on a self-insurance and fully insured plans. The motion passed unanimously.

R. Siminski distributed financial reports from ECHIP for review.

R. Siminski distributed a proposed by-law change for review and to be included on the agenda for the next meeting. Asked if the change will have to go before the Boards.

A. Tierney confirmed that it will need to go to all boards to be approved.

B & B will provide letters, revised PowerPoint, call in number for September 1 meeting.

S. Kaminsky indicated people should call her any time with questions.

Next Meeting Date: September 1 telephone meeting.

Adjournment

A Traversa moved, second by R Burbank, to adjourn the meeting at 11:29 a.m. The motion passed unanimously.

Respectfully submitted,
Donna Lanza