

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

**REGULAR MEETING**

**THURSDAY, NOVEMBER 10, 2016**

Members Present: R. Siminski, T. VanTasel, D. Sklarz, D. Lanza, A. Tierney, L. Davids, C. Bourassa, H. Wagner

Guests: C. Petruccione, R. Skoly, Laura Webb

**Call to Order and Attendance to Ascertain a Quorum**

The meeting was called to order by Chairman Siminski at 9:32 a.m.

**Approval of Minutes**

Motion by D. Sklarz , second by A. Tierney , to approve the October 13, 2016 –Regular Meeting minutes as presented. The motion passed unanimously.

**Claims and Loss Ratio Information**

C. Petruccione distributed claims data showing an 84 % rolling 12 month loss ratio, which he stated is still looking good for the year, with a slight uptick due to HDHP as expected.

**Collective Bargaining Updates**

T. VanTasel reported Hebron BOE reopener for non-certified employees to be done by February.

R. Siminski reported he is working with RHAM administrators, working with B & B trying to stay to one plan. Will be working with non-certified in the spring.

L. Webb reported that all Andover BOE employees will be on one HDHP next year.

**Review Bid Responses**

C. Petruccione reported the bids were due last Friday, still had responses coming in this week.

C. Petruccione distributed a preliminary bid tally of self-funded proposal, with individual stop loss at 150,000, and 125 % aggregate. Initial review shows that Anthem and CIGNA (ECHIP) are the two lowest proposals. Very early with much more work to be done in reviewing proposals. ECHIP number is current year rate. There was discussion regarding the admin fees. For the fully insured renewal Anthem's not to exceed for January would be 6 % based on the current claims.

C. Petruccione stated he needs another couple of weeks to completely analyze the proposals.

R. Siminski stated that the Consortium should meet again before the regional meeting; meeting scheduled for Wednesday, November 30, 2016 Hebron TOB 9:30 a.m. Scheduled the Regional All Boards meeting on Wednesday, December 7, 2016, 7:00 p.m. RHAM High School, room TBD, to review bids and let Boards know what Consortium is thinking and get direction for going forward.

C. Petruccione stated that he will try to get the early renewal from Anthem for the meeting on the 30<sup>th</sup>.

R. Skoly stated that with group being conservative in early years with stop loss and need to pay claims, aggregate stop loss, on ECHIP proposal there is no aggregate stop loss. C. Petruccione stated that ECHIP does not have aggregate stop loss, they are too big, that is one of B & B's concerns with ECHIP. D. Lanza asked if Region 8 consortium could buy aggregate stop loss on its own if with ECHIP. C. Petruccione did not know but will look into this. R. Siminski asked if we would need permission from ECHIP to do that.

D. Sklarz asked what the process would be. R. Siminski The Consortium would make a recommendation and then the Boards would have to decide. C. Petruccione stated would need to know by January/February.

Scheduled a tentative meeting for December 5, 2016 at 9:30 a.m. at Hebron TOB in case it is needed for final review and decision on recommendation before the All Boards meeting.

Further discussion on the approval process and if it needs to be unanimous. T. VanTasel questioned the administrator's role within the Consortium, legal elements of the reserve, and if will we have all this information prepared to present to the Boards.

C. Petruccione distributed a presentation and explained the claims process and bank account. T. VanTasel asked if the administration is something that B & B could handle. C. Petruccione stated not currently from the Rocky Hill office, but he can look into it, or if it could be handled at RHAM. R. Siminski stated RHAM would need additional help, asked for an estimate of how many hours a week would be needed. A. Tierney stated we need to build a presentation model with all questions answered to present to the Regional meeting. R. Skoly stated he cannot envision how this will be managed or administered, with there being 8 entities. R. Skoly stated a working rate will be needed for each plan; ultimately each entity will be billed, and pay into the fund. Carrier/claims adjudicator will pull claim funding from the account. C. Petruccione stated that ECHIP will view Region 8 group as one entity and will be looking for one amount, Region 8 will need someone to manage regardless of who they go with. H. Wagner stated that there are companies out there that provide this service. L. Webb stated that this group should be prepared for someone who does not pay the bills. R. Siminski stated that RHAM has not had a problem getting levy payments from member towns monthly. A. Tierney stated there would be a contractual agreement.

T. VanTasel expressed concern about destabilizing the Consortium. RHAM is large on its own. R. Siminski stated that the RHAM Board is in favor of self-insurance, looking for the best alternative. R. Tierney stated that RHAM's budget comes from the three towns, have a partnership/agreement to act together. A. Tierney stated that he is familiar with ECHIP participants who are very pleased with the program, experiencing minimal or any increases; he is favoring a move to ECHIP. R. Siminski stated he may be looking at staff reductions due to enrollment declining, RHAM is not looking to go it alone.

H. Wagner asked if we can have ECHIP come back out to explain how it would work, what services they provide, how they will bill us.

C. Petruccione stated the group would not be able to have a rolling monthly cap with ECHIP, that is an Anthem product.

R. Siminski suggested as an immature group, could Region 8 start on their own with ISL and ASL for the first couple of years, then look to join ECHIP, or stay on own and allow others to join. R. Burbank stated he would not be comfortable going without the aggregate stop loss. C. Bourassa stated that this Consortium works well, she would like to keep the authority local. L. Webb stated if we stay alone, we can expect a higher rate. R. Skoly responded by looking at initial numbers, not necessarily.

T. Van Tasel noted that going with Anthem would spare us for switching carriers, with considerations of making large change with collective bargaining. D. Sklarz agreed, with Anthem would be saving money while minimizing risk.

T. VanTasel asked C. Petruccione to seek quotes on administration agencies. C. Petruccione will do.

T. VanTasel asked if there is a legal element we need to consider, including the reserve. R. Siminski stated that we have a draft agreement to work from, would be done after we get the go ahead from the Boards.

#### **Discussion of Projected FY 17-18 Budget Costs**

R. Siminski asked C. Petruccione if there is a guesstimate that could use for budget purposes. C. Petruccione stated group should use 10 % at this time. He hopes to have an early renewal number for the November 10 meeting.

**Next Meeting Date: November 30, 2016 9:30 a.m. Hebron Town Office Building**

**December 5, 2016 9:30 a.m. Hebron Town Office Building (tentative date)**

**Regular Meeting: December 8, 2016, 9:30 a.m. Hebron Town Office Building**

**Schedule Regional All Boards Meeting : December 7, 2016 7:00 p.m. RHAM High School**

#### **Adjournment**

Motion by D. Sklarz, second by A. Tierney , to adjourn the meeting at 10:52 a.m. The motion passed unanimously.

Respectfully submitted,

Donna Lanza