

REGIONAL SCHOOL DISTRICT # 8 HEALTH AND MEDICAL INSURANCE CONSORTIUM

REGULAR MEETING

THURSDAY, October 13, 2016

Members Present: R. Siminski, T. VanTasel, D. Sklarz, S. Doyen, D. Lanza, A. Tierney, L. Davids, C. Bourassa, H. Wagner, A. Traversa (9:40 a.m.)

Guests: S. Kaminsky, R. Skoly

Call to Order and Attendance to Ascertain a Quorum

The meeting was called to order by Chairman Siminski at 9:35 a.m.

Approval of Minutes

Motion by S. Doyen, second by D. Sklarz, to approve following minutes as presented: Thursday, August 4, 2016 – Special Meeting; Thursday, September 8, 2016 – Regular Meeting; Wednesday, September 14, 2016 – Special Regional Joint Meeting. The motion passed unanimously.

Claims and Loss Ratio Information

S. Kaminsky distributed and explained the claims report depicting a rolling 12 month loss ratio of 64.5 %, indicating it is not a realistic number as many members just went on to HSA. A. Tierney stated this is the same report reviewed at the last meeting.

Self-Insurance Next Steps and Decision

S. Kaminsky reported that B & B is fielding questions for the bidders and will provide information to the group as soon as possible. B & B will revise the timeline and add a meeting with all the boards. (A. Traversa arrived) S. Kaminsky stated they must look at the consortium members towns as one group, must take highs and lows together. R. Siminski stated that the board members are looking for more information and details. A. Tierney/R. Siminski stated the need to convert the percentages to dollars and calculate amounts for potential savings.

T. VanTasel stated that Rob will be meeting with the Hebron BOE tonight to review self-funding.

T. VanTasel asked if the group has seen the actual bid document. S. Kaminsky reported that the bid is closed, but bidders are asking questions. Bidders include: CIGNA, Aetna, ECHIP, United Health Care, Anthem, stop loss vendors. S. Kaminsky will send the RFP and a list of all vendors who sent intent to bid.

T. VanTasel asked how we award the bid. Asked if the language can tie us down when time to select the provider and that he has a sense of security with a program that is already established and successful.

A. Tierney stated that there is concern about the size of the group and that we are close to the threshold. S. Kaminsky stated the threshold is 250 and above to self-fund. A. Tierney asked if we should be looking to join ECHIP or to do on our own. S. Kaminsky stated must wait until the numbers come in, must look at all numbers including stop loss. R. Skoly stated that under self-insured arrangement it is

imperative to find out if there are services ECHIP is offering that are not available under another more traditional service contract. He asked who develops the ghost billing rates? S. Kaminsky stated B & B would. S. Kaminsky stated that ECHIP has wellness discussions and bargaining discussions. S. Kaminsky stated that Reg. 8 Consortium does a real good job of being sure no one is ripping us off. Decision will be based on bottom line and fees, not claims. CPT4 and ICD10 coding, must be reviewed and matched from Anthem to the other insurance vendors (reimbursements on provider level). Pmpm rate with CIGNA through ECHIP is high. CIGNA may not bid directly.

R. Siminski asked how much time between date bid is opened until a decision is made. S. Kaminsky stated it would be two to three months. T. VanTasel stated he thought they would see the numbers sooner; they are hearing concerns already and it may be a very tough sell.

There was discussion of who has the ultimate approval on the decision; who votes and it is all or nothing. S. Kaminsky stated that there will be savings over the long haul, but it may be tough to explain to the boards.

T. VanTasel stated that he is more secure with ECHIP, as we can point to their success.

A. Tierney asked who will audit the claims. S. Kaminsky stated that B & B looks at claims, but group would have to hire an auditor, ECHIP does not do a true audit. Each entity will need someone to review their claims and B & B will as well. S. Kaminsky stated if go self-funded, all will have HIPAA training. R. Siminski stated that there are many families whose names are not the same. S. Kaminsky stated they do this all the time, must have faith in the broker.

R. Skoly stated that the only real change is how claims are funded, as long as appropriate stop loss coverages are in place.

D. Sklarz and S. Doyen each expressed concern over time commitment involved to review the claims as they have limited staff.

R. Skoly stated that today each group gets a bill which is reviewed; with sophisticated technology systems are in place, claims would not be paid for individuals not covered by the plan. There is no need for the concern.

S. Kaminsky stated that the group could hire someone to manage the consortium.

Discussion on how administration/service fees and claims will be billed, reviewed and processed.

Confirmation that the change is being considered for 2017-2018. S. Doyen asked when it will be determined and who will have to vote on this. R. Siminski stated that the Consortium will have to make a recommendation and then will have to go to each town for the approval. Will need a flow chart of how the claims will be processed and how the stop loss is accessed if there is an unusual claim. B & B will work on this. S. Kaminsky stated that they will be very conservative in their estimates and will be giving a worst-case scenario. The decision will need to be made by the Consortium as to who is the person assigned to handle the account. Allocation rate will be determined by B & B, and each entity will

pay same amount into the fund each month, all claims will be paid from this fund. S. Kaminski stated that the claims and administration fees will be paid out of the same account, and she will be recommending a monthly rolling cap.

R. Skoly asked that the flow chart should show fully insured and self-insured.

A. Traversa stated she met with BOF in Marlborough there were no great concerns, they want to be sure enough in reserve accounts, everyone acting in union, and confirm the time line. Would like to see an attorney or administrator for the group to begin. A. Traversa stated her comfort level at this time is going with ECHIP.

Discussion again about who has the vote to approve this. A. Tierney stated that we should update the timeline, wait for numbers to come in, the Consortium makes a recommendation, get legal opinion, and would need agreements on the financing and compact. B & B will have a budget number by early to mid-December for budgeting purposes.

T. VanTasel stated that he believes there will be concern about who has the authority to make the decision. Discussion of legal counsel to review and consider using one attorney and share the cost. S. Kaminsky has names of attorneys familiar with this, will need a trust agreement. B & B has sample trust agreement and by-laws.

Consortium Agreement: Officers and Term Limits

A. Tierney stated the current agreement is too stringent, things change, may want to keep the chair longer. Group expressed concern of moving ahead with a change to the agreement with other items currently being considered. Motion by A. Traversa, second by D. Sklarz, to table this item until April.

Renewal of Brown & Brown Agreement

Motion by T. Van Tasel, second by A. Tierney, to renew the B & B contract/agreement for FY 2016-2017. S. Kaminsky wants to be sure that all expectations are being met; please advise them if there are any concerns or issues. Everyone spoke in favor of service received from B & B. The motion passed unanimously.

Next Meeting Date: November 10, 2016

Adjournment

Motion by S. Doyen, second by A. Traversa, to adjourn the meeting at 10:55 a.m. The motion passed unanimously.

Respectfully submitted,

Donna Lanza