

WFCA HEALTH CARE COMMITTEE MEETING MINUTES

The WFCA Health Care Committee held a regular meeting on Tuesday, October 21, 2014 at the Red Lion Hotel at the Park in Spokane, Washington.

PRESENT

Members: Chair Jack Hensley, Gene Carmody, Ken Eakin and Jim Farrell.

Guests: Tina Vasen (TPSC), Sally Borte and Adam Frey (Parker, Smith & Feek).

Staff: Roger Ferris, Jim Lux, Sandy Babcock and Nora Eylenfeldt.

CALL TO ORDER

Chair Hensley called the meeting to order at 2:15 p.m. and began with introductions.

APPROVAL OF MINUTES

Gene Carmody moved and it was seconded to approve minutes of the November 6, 2013 special meeting and July 11, 2014 regular meeting. **Motion carried.**

FINANCIAL REPORT

Roger Ferris reviewed third quarter finances, noting the solid return on bond investments. Following discussion, Gene Carmody moved and it was seconded to recommend to the Board approval of an additional \$3 million in bond investments. **Motion carried.**

JAMES R. LARSON FORUM BUILDING REPORT

Roger Ferris reported that a new three-year lease with WAPA for Suite 101 began in August at \$12 per square foot which includes 3% annual escalators. Suite 106 is move-in ready and is being advertised.

CORRESPONDENCE

None.

EXPERIENCE REPORT

Adam Frey stated the overall experience ratio to date is 95% and we anticipate ending the year with approximately \$1 million in surplus. The dental utilization report and reserve calculation were reviewed.

HEALTH CARE WORKSHOP REVIEW

Jim Lux stated workshop attendance overall was down a bit compared with past years; however, the new noon start time appeared to work better for all concerned. Several districts that are not enrolled in the program attended the Lynnwood workshop. Gene Carmody stated he believes the workshops get better every year.

2015 VENDOR CONTRACT RENEWALS

Claims Administrator: TPSC is proposing a 1.6% increase for 2015 and Roger Ferris recommends the committee approve renewal.

Broker: Parker, Smith & Feek is proposing no increase for 2015 and Roger Ferris recommends the committee approve renewal.

Jim Farrell moved and it was seconded to recommend to the WFCB Board renewal of the claims administrator and broker contracts for 2015 as outlined above. **Motion carried.**

Administrative Services Contract: Roger Ferris stated staff will be meeting with the Health Care Manager following conference to discuss the health care program and related workload; he requested an increase in the amount paid to Babcock, Nolan and Eylefeldt for administrative services performed on behalf of the health care program. Gene Carmody moved and it was seconded to recommend to the Board approval of the 2015 administrative services contract in the amount of \$21,000.00 to be split equally among the three. **Motion carried.**

MEDICAL PLAN OFFERINGS.

Minimum Value Plan: Jim Lux stated he believes it is important for the committee to discuss minimum value plans from time to time; the committee agreed. Sally Borte will bring information back to the committee regarding a version of high deductible and minimum value plans.

Express Scripts: It was noted members continue to experience customer service issues with Express Scripts. Representatives from various prescription drug companies will be invited to the January meeting to discuss their programs; it was noted that a mid-year change is possible if the committee believes it is warranted.

Coverage for Children of Domestic Partners: Tina Vasen stated that when the committee included domestic partners in the Plan, there was no discussion of including children of domestic partners. Discussion followed. Jim Farrell moved and it was seconded to cover dependent children of domestic partners effective January 1, 2015. **Motion carried.**

HEALTH CARE MANAGER'S REPORT

Jim Lux stated he and Roger Ferris met last summer with the State Risk Manager for the bi-annual review (through the year 2012) and he just received the report, which shows our program is in compliance. The report is available for anyone wishing a copy.

The 2013 state audit was just completed and the exit interview is scheduled for mid-November; a complete report will be provided at the committee's January meeting.

Jim Lux stated he has had discussions with a Texas company that help consumers shop for medical services and navigate choices; Sally Borte stated she is familiar with several companies that provide this service as well. Discussion followed regarding the cost of

providing this service and quality assurance. It was the consensus of the committee to proceed.

Jim Lux provided a follow-up to discussion at the last meeting regarding out of pocket costs that were part of the Affordable Care Act changes, asking, "Do you want to leave it at \$2,000 and \$4,000, or do you want to change it to \$6,350 individual and \$12,000 or \$13,000 on family, medical and prescription?" It was the consensus of the committee to leave it as it was adopted in July (\$2,000/\$4,000) unless and until a change is necessary.

Jim Lux stated South Kitsap Fire & Rescue and Grant 5 may join the program in 2015 which would add more than 100 enrollees.

UNFINISHED BUSINESS

None.

NEW BUSINESS

Stop Loss Contract Renewal: Tina Vasen stated the stop loss carrier, QBE, has submitted a quote for 2015 with a 5.8% increase. Jim Farrell moved and it was seconded to recommend to the Board approval of the stop loss renewal with QBE for 2015 at a 5.8% increase. **Motion carried unanimously.**

ADJOURN

There being no further business, the meeting was adjourned at 4:00 p.m.

Submitted by:

Jack Hensley, Chair

Nora Eyllenfeldt, Recording Secretary