

WFCA HEALTH CARE COMMITTEE SPECIAL MEETING MINUTES

The WFCA Health Care Committee held a special meeting on Friday, June 21, 2013 at the state association office in Olympia, Washington.

PRESENT

Members: Chair Jack Hensley, Jerry Bragg, Gene Carmody, Jim Farrell and Brad Langdell.

Staff: Jim Lux and Nora Eysenfeldt.

Guests: Tina Vasen (TPSC) and Barb Wills (Mercer).

CALL TO ORDER

Chair Hensley called the meeting to order at 1:15 p.m. and led the group in the Pledge of Allegiance. Chair Hensley dispensed with introductions.

EXPERIENCE REPORT

Barb Wills distributed the experience report noting a loss ratio of 86% through May 2013. Enrollment is down four percent from last year. The dental program is also doing well at an 86% loss ratio.

DISCUSSION ON 2014 PLANS, BENEFITS & RATES

Barb Wills distributed reports and discussion proceeded on projections, assumptions and trends for 2014. One report focused on a 2014 Affordable Care Act requirement concerning in-network cost sharing (out of pocket) limits, which will not exceed \$6,350 per individual and \$12,700 per family. The report illustrated three different scenarios for the committee's consideration. Jim Lux recommended Scenario #3 for 2014 which would essentially leave out of pocket limits at existing levels. Further discussion on this matter will take place at the July meeting.

Renewals: Barb Wills discussed insured renewals as follows...

- WDS—Experience to date indicates a potential reduction in premiums for 2014.
- Group Health—no information received to date.
- Standard Insurance Company—no increase on core life and AD&D.
- Kaiser—approximate eight percent increase.

The committee recessed at 2:25 p.m. The committee reconvened at 2:40 p.m.

HEALTH CARE MANAGER'S REPORT

Choice of COBRA or Retiree Plan: In a follow-up to discussion at the last meeting, Jim Farrell moved and it was seconded to allow pre-Medicare individuals, upon retirement, to choose the COBRA option, and once COBRA is exhausted, to allow a switch to the retiree plan. **Motion carried unanimously.**

Incentive Program for Detecting Medical Claim Overpayments: Jim Lux passed out information for the committee's consideration regarding implementation of a program to recognize members

who identify medical claim overpayment errors. After discussion, it was the consensus of the committee to offer this incentive program. This incentive plan is to be modified to include errors specific to “services not received” but included on the providers invoice or billing document. The other change to be added is a prospective effective date of January 1, 2014. With those changes the program will be ready for committee approval at the July 12, 2013 meeting.

State Audit: The audit has resumed and is expected to conclude within a couple of weeks.

GENERAL DISCUSSION

Committee members gave their input on 2014 rates and the potential for, and impact of, a premium holiday, rate reduction and/or rate hold.

Discussion was held on the possibility of offering a program for volunteers.

It was noted that the Health Care Program overview in Chelan was attended by 56 people, most of whom are not currently in the plan.

NEXT MEETING

The next meeting of the Health Care Committee will be held Friday, July 12, 10:00 a.m., in Olympia. (NOTE: The meeting was originally set to begin at 1:00 p.m.; however, based on the nature of the issues to consider, an earlier start was agreed upon to allow ample time for discussion.)

There being no further business, the meeting was adjourned at 4:25 p.m.