Health Insurance Committee

Kalispell Public Schools

Date: Thursday, October 22nd

4:00pm Admin Office Basement Conference Room

**Members:** Dawn Ann Anderson, Deb Hunt, Bette Albright, ~~Greg Letourneau~~, Lisa Lykins - Chair, ~~Mike Lincoln~~, Mike Thiel, Niki Dykstra, Sylvia Heselwood, Warren Lane, ~~Alex Schaeffer~~, Karen Mainolfi, Shari Culburt, ~~Kris Hursh~~, ~~Judd Nyberg~~, Jack Fallon (Names marked through we not in attendance at this meeting)

**Advisors:**Gwyn Andersen, Tracy Scott, Mark Flatau, Braumlee Boyce, Dave Schultz

**Consultant:** Michael Young, Consilium

**AGENDA**

**Discuss the Meeting with the Finance Committee** Lisa Lykins

 Lisa quickly reviewed the outcome of our Oct 9, 2015 meeting with the Finance Committee

 (Minutes at end of this document)

**Financial Report** Gwyn Andersen

Delia, Gwyn, Dave, Mike Y. and Mike T. met 10/20/15 to go over numbers. Have not had time to

 dig deeper into details but will do this at their next meeting. Mike T says they’re “just

 getting started” and would like to look at the Cash-out transactions back to the inceptions

 of the self-insured plan in 2013. Mike Y. will go through the presented statement to match

 expenditures to the line items.

Gwyn presented a finance report that included figures for 7/1/13, 6/30/14 and 6/30/15.

Balance in reserves as of 6/30/15 is $2,175,796.00. This amount does not include some minor for

 July/August legal fees or the claims activity for July/August/September, which were

 substantial.

In future reports dental and vision activity will be reported separately from medical on the

 monthly report.

2014/15 flu shots for non-plan members that were paid for with reserves funds still needs to be

 paid back in the amount of approx. $1500.00. Braumlee will bring the specific dollar

 amount next month.

**Medical/Dental/Vision Financial Report** Mike Young

KPS Medical claims funding ($325,985) v claims paid ($350,424) for September continue to be

 higher than expected. Need to wait until we see November claims before

 deciding/discussing a potential premium increase. There will be 5 weekly claims runs in

 October so claims are liable to be high again.

Stop Loss – received reimbursement on a heart issue in July/August that exceeded stop loss

 limit. Issue appears to be resolved.

Dental Plan- Claims for the first 3 months of 2015-16 plan year all exceeded expectations and

 funding: July 191%, August 154% and September 131%

Vision Plan – This is the 2nd year of self-funding. We kept premiums the same as Principal

 Financial. Claims for the first 3 months of 2015-16 plan year all exceeded expectations and

 funding: July 164%, August 135% and September 128%

**Flu Shot Update/Cutoff date** Braumlee Boyce

Braumlee reported that there has been a good response to flu shot offerings this year. There have been a few complaints regarding locations for the shots.

Costco has a master sheet of employees and folks can go to Costco for their shots; so far 20 folks have gone to Costco

SD#5 school board will use general budget monies to pay for non-plan employees that wish

 to have flu shots

Braumlee will follow up to all employees with deadline reminders

**Wellness Program Screening Update** Braumlee Boyce

Screening is going well; has had good feedback from participants

One glitch has been the survey required for Fitbit or $ eligibility. The issues have been quickly

 resolved so not that big a deal.

Russell/Elrod/Admin will have their screening last

There are two more Saturday mornings at the Summit

As of the end of September 21 Fitbits have been requested vs. 80 cash cards

Need to remind members that the Summit is waiving the new member registration fee (1 time

 only) until Dec 12 for wellness screening participants that complete the screening and the

 survey.

Mike Young and Gwyn Anderson will go to the bank and purchase the cash cards

Braumlee and Tracy will arrange to visit each school and handout cash cards so members can sign

 off that they have received the card.

Hope to use Fitbits for future wellness programming

The Summit will provide details about the number of peope that completed the screening but NOT

 the survey.

*Question*: Can we compare participation in the Healthy Future screenings a couple of year ago to

 participation in the current Summit wellness screening? Braumlee will look into this and

 report back.

**Amendment Language for Wigs** Mike Young

Mike submitted a benefit summary proposal to cover wigs as discussed at out last meeting. The purchase of a wig will be:

 “Covered when loss of hair is a result of chemotherapy, radiation therapy,

 burns or surgery. Maximum lifetime benefit of $500.00”

 This benefit applies to deductible and Out of Pocket Maximus with a 70% co-pay.

**Consortium Update** Mike Young

 WFSD & Flathead group both doing wellness screening with the Summit Consortium board meets

 every 2-3 months

 A Fathead Group Board is being formed that will meet more frequently much like WSD & KPS.

 Whitefish School District Medical Plan loss ratio claims v funding- Started off 15-16 school year

 high at 125.7%, August came in at 106.1% and September ended at a reasonable 90%.

 Flathead Group-First 16 weeks of 15-16 plan year started off high but have come down steadily

 ending at 84% on 10-16-15. They have gained a net of $142,000 after setting aside $45,000

Discuss KPS Board Member for Consortium Board Mike Young

Need to replace Dave Schultz on consortium board and insurance committee.

Jack Fallon was in attendance at this meeting and has agreed to fill these positions. Thanks Jack!

October 9, 2015

Finance Committee meeting with District Insurance Committee

Meeting notes by Lisa Veyna Lykins

Attendees: Mark Flatau, Gwyn Anderson, Delia Biangone, Joe Brenneman, Dave Schultz, Mike Thiel, Mike Lincoln, Lisa Lykins, Kris Hursh, Debra Hunt, Mike Young, Tracy Scott, Jason Betterly, Jack Fallon, Bette Albright, Anna Marie Bailey, Sylvia Hesselwood; Mary Ruby

Gwyn explained the complexity of tracking revenue and expenses for the plan. There have been differing opinions from Kim Downey and OPI regarding how this tracking should be documented. Gwyn believes there is now agreement between Kim and OPI. Gwyn has written to both parties to confirm this and will keep us informed.

The Insurance Committee (IC) expressed concern and frustration that monthly financial reports have not been received from the business department as requested. It makes it very challenging to make fiscally responsible decisions for the district self-insurance plan when there is not a clear picture of where the plan stands financially. The IC needs to know the level of reserves and if all transactions involving the self-insurance fund(s) are appropriate in nature and accurate in amount. For instance, it is known that the funds were used to pay for immunizations for non-plan employees (to our knowledge repayment has yet to be received) and the IC needs to make sure it hasn’t been used for other purposes not approved by the IC. The IC would like an accounting of all non-claims related expenses that have been paid out of the account.

Former board member Dave Schultz is offering his time pro-bono as a consultant to the district and IC in order to help create clear, readable financial reports. These reports are to be provided to the IC on a monthly basis from the SD#5 business department.

After considerable discussion the finance committee members and the district IC members agreed that Mike Young (IC consultant), Gwyn Anderson (SD#5 business director), Kim Downey (auditor) and Dave Schultz (consultant) will meet October 20, 2015 to begin creating reports going back to the Fall of 2013 when we went self insured. This group hopes to have a report for the October 22, 2015 insurance committee meeting.

If, at any point, this group does not feel it is possible to retrace all income and expenditures the district has agreed to move forward with an audit by an outside auditor.

Ultimately, the expectation is that the IC will receive a monthly financial report showing all revenues and expenses from the SD#5 business office that will be reviewed at the monthly IC meeting. Insurance committee meetings take place on the 3rd Thursday of each month unless that day falls on a school holiday.

2015-16 Meeting Dates:

October 22, 2015; November 19, 2015; December 17, 2015; January 21, 2016; February 18, 2016; March 17, 2016; April 21, 2016; May 19, 2016