Health Insurance Committee

Kalispell Public Schools

Date: 4/23/17

4:00pm - 7:45 pm FHS Conference Room

**Members:** Judd Nyberg, 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~~, Jack Fallon, Kris Hursh, Paul Dougherty

**Advisors:**Gwyn Andersen, Tracy Scott, Mark Flatau (on phone), Braumlee Boyce,

**Consultant:** Scott Hass-Wells Fargo; Luann Tufts

Other: Lance Isaak, Frank Miller

(Names marked through we not in attendance at this meeting)

**AGENDA**

**Review RFP responses:**

**Fully Funded Medical-**

RFP was sent to 6 vendors and we received quotes from BCBS, MUST,

PacificSource and United Healthcare. All quotes included large rate increases.

PacificSource = 41.5%;

MUST = 50.6%

BCBS = 54.6%

United Healthcare = 64.8%

*Action:*

Based on these quotes it is Scott Hass’s recommendation to stay self funded and the committee unanimously concurred.

**Fully Funded Dental**-

Boulder = 0% increase

BCBS = .2% increase

PacificSource = 13.7% increase

United Healthcare = 20.7% increase

MUST = 16.4

*Action:*

These bids validate that our dental plan is healthy and it makes no sense to move to fully funded. We may want to consider moving dental to a single TPA with medical and vision for ease of management.

**Fully Funded Vision**-

Can’t compare quotes to our plan as the quotes included plan designs unlike ur current plan.

Boulder = 0% increase

VSP = 22.3% decrease (but different benefits)

Ameritas = 32.1% decrease (but different benefits)

MUST = 7.7% increase (with different benefits)

*Action:*

Committee agreed with Scott that it makes sense to stay self funded, but we may want to consider moving vision to single TPA with medical and dental.

**Self Funded Medical**

TPA quotes were based on the following proposed plan design options:

3 plan options - RM1000, RM 3000, HE 6050

4 options - Employee, Emp & Spouse, Emp & Child(ren); Empl & Family (or some variation)

We are looking at a 26.9% increase for the 2017-18 plan year to correctly fund the plans.

**TPA (Third Party Administrator)**

Our current TPA is First Choice Health. We had 8 TPA quotes w/ varying rate increases as well as transition fee reimbursement and wellness credits to consider.

First Choice = .2% increase; 24 mo fee guarantee; no > than 3% the following yr

Allegiance = .2% increase; 36 mo fee guarantee; no > than 0% the following yr

BCBS MT = 52% increase; 12 mo fee guarantee; no > than 3% the following yr

Boulder = 4.6% decrease; 24 mo fee guarantee; no > than 10% the following yr

Meritain = 29.3% increase; 36 mo fee guarantee; no > than 0% the following yr

PacificSource=47% increase; 24 mo fee guarantee; no > than 3% the following yr

UMR =40.3% increase; 24 mo fee guarantee; no > than 3.3% the following yr

WebTPA = 42.7& increase; 24 mo fee guarantee; no > than 5% the following yr

*Action:*

WHAT- Committee with interview First Choice and Allegiance to determine best TPA fit for our organization.

WHO- Scott will coordinate presentation dates 4/3 and 4/4 with committee staying late after the 4/4 presentation to deliberate and make a selection.

WHO- Tracy will arrange the presentation space

**Stop Loss**

Quotes for stop loss were divided between SL/TPA combines and SL administrative services only. All quotes were based on $115,00 specific deductible. Berkley is our current stop loss provider.

**SL/TPA**

HM Insurance-4.1% increase; 15/12 contract type; 1 yr rate guarantee

HM Insurance-6.6% increase; 24/12 contract type; 1 yr rate guarantee

HCC-6.3% increase; 15/12 contract type; 1 yr rate guarantee

HCC-7.2% increase; 24/12 contract type; 1 yr rate guarantee

Reliance-12.6% increase; 15/12 contract type, 1 yr rate guarantee

Reliance-17.3% increase; 24/12 contract type; 1 yr rate guarantee

Berkeley A&H-16% increase; 15/12 contract type;1 yr rate guarantee

Berkeley A&H-20.7% increase; 24/12 contract type; 1 yr rate guarantee

**SL/ASO**

BCBS MT- 30.3% increase; 15/12 contract type; 1 yr rate guarantee

BCBS MT-35.5% increase; 24/12 contract type; 1 yr rate guarantee

United-105.1% increase; 24/12 contract type; 1 yr rate guarantee

*ACTION***:**

Need to wait until rates are set and open enrollment complete so SL can be

quoted accurately based on membership.

**Plan Design Discussion/Decision**

Discussed our plan to only offer 3 plans during May 2017 open enrollment. Also discussed the need to go through a formal process to implement new plan approach in which spouses with access to insurance at their work will not longer be eligible for insurance with our plan. This is the industry standard that we must consider.

*ACTION:*

Confirmed that we are going with 3 plan options for the 2017-18 plan year. We will consider investigating other plan design option after 7/1/17. We will make it a work study prior to next open enrollment.

**Update to Finance Committee on 4/7**

Committee has been asked to report to finance committee on 4/7/17 about our progress.

*ACTION:*

**WHAT: Finance committee will hear that we are going with 4 tiers**

**WHO: WELLS FARGO/SCOTT HASS**

**Consortium Discussion**

Discussed the Pros/Cons of staying with the consortium for SL.

*Action:*

WHAT:Need to determine if consortium still wants us to belong. Need to consider ramifications for all groups if we part ways as it could negatively impact all or some groups.

WHO**:** Scott Hass will speak with Berkeley regarding ramifications

WHO: Tracy will draft a letter to the consortium board requesting a meeting to

discuss future dealings to be reviewed by Mark and Jack.

**Funding Philosophy Discussion**

 **Discuss goals for funding levels**

 **Decide funding philosophy & present to board on 4/7**

**ACTION:**

**UPCOMING MEETING DATES**:

January 14, 2016

February 18, 2016

March 18, 2016

April 21, 2016