



FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT

520 Fifth Avenue Fairbanks, Alaska 99701-4756 (907) 452-2000

www.k12northstar.org



Health Care Committee Meeting Minutes

August 23, 2016

Health Care Committee Members:

Superintendent Appointed Reps:

Krista Lord – HR (1:35 PM)
Robin Mullins (Chair) – BUS
Lisa Pearce – CFO – Admin Services

FEA Reps:

Lynn Bernheim - HUT
David DeVaughn - BEH
Kristina Mulready – LAD

ESSA Reps:

Jasmine Adkins-Brown – Sped Office
Carlene Cummings - BEJSHS
Irene Matheis – ESSA President

FPA Rep:

Barbara Sperl – CRW
Alt - Kate LaPlaunt – PLC (Left at 3:00 PM)

FNSB Risk Manager (Non-Voting):

Tony Shumate (1:32 PM)

Staff Support:

Terri Cothren, Benefits Coordinator – Human Resources
Meghan Geyer, Benefits Assistant – Human Resources
Bernice Creek – Human Resources
Colleen Savoie – Health Care Consultant - Parker, Smith & Feek
Sarah Brown, Parker, Smith & Feek

I. Call to Order/Introductions/Reports

Meeting called to order by Robin Mullins at 1:30 pm

• **Introductions**

Meghan Geyer, Benefits Assistant for HR, and Sarah Brown from Parker, Smith & Feek were introduced to the committee. Sarah works on the reports, communications, and other projects for the district.

• **Approve minutes**

Motion: Approve minutes from April 19, 2016, and May 10, 2016 as presented.

Moved: Irene Matheis
Second: Dave DeVaughn

All in Favor - Motion Passes

• **Claims Experience Report Y-T-D**

For the fiscal year 2015-2016, the District paid claims of approximately \$35,629,141 or \$1852 per covered employee per month. This is a 1% increase in total claim costs, or a 6% increase from the average monthly claims cost per employee during 2014-2015 (\$1,749).

On a per covered employee basis, medical claims have increased by 6%, dental claims have increased by 12%, prescription claims have increased by 2%, and vision claims decreased by 9%. The total number of covered employees for the district decreased by 5%.

Approximately \$19,224,633 has been paid in large claims (over \$20,000) on behalf of 295 claimants. This represents a 1% decrease in dollars paid and nineteen additional large claimants.

Compared to the 2014-2015 Fiscal Year, the number of prescription drugs purchased decreased by 2%, and the cost per claim decreased by 1%.

For the 2015-2016 Fiscal Year, the average employee cost per month for Plan A was \$2,039 while the average for Plan B was \$534.

• **Coalition PA Clinic update**

The Coalition expects to open the Health Coalition Center in Fairbanks by November 1, 2016. This will be operated by Beacon Occupational Health and sponsored by the Health Care Cost Management Corporation of Alaska (HCCMCA). The services offered will include preventative, chronic and minor care. Hours are tentatively set for Monday – Friday with on-call consults available after 5 p.m. or on weekends.

The average cost of a visit to US Healthworks is \$250. The Coalition Center cost per visit, set by HCCMCA, is expected to be between \$135-\$160 per visit. Estimated savings using the Coalition Center are expected to be around \$200,000 per year with an additional \$24,000 in savings on the cost of x-rays and labs. The Coalition Center will also be stocked with low cost generic drugs.

The contract with US Healthworks expires December 31, 2016.

Motion: School district will start usage with the Coalition Health Center beginning on November 1, 2016, (or when the center is open) and move to full usage on January 1, 2017, when the contract with US Healthworks expires.

Moved: Jasmine Adkins-Brown

Second: Lynn Bernheim

All in favor – Motion Passes

- **Caremark Impact Report**

Report will be presented at the September meeting.

II. New Business

- **New Chair Election**

Robin Mullins yielded the meeting to Tony Shumate for the new chair election.

Motion: Krista Lord is nominated as the new chairperson for the Health Care Committee.

Moved: Lisa Pearce

Second: Jasmine Adkins-Brown

All in Favor – Motion Passes

Krista Lord asked Robin Mullins to continue chairing the August 23, 2016, meeting to completion.

- **Open Enrollment & Communication Plan**

Communication with employees concerning the upcoming health plan changes began in May 2016. The committee reviewed the communication plan and timeline. Discussion was held on the amount of monetary change the employee can expect for the 2017 year.

Agenda items were moved around to cover items that may need decisions prior to committee members leaving.

- **Rx Plan – Exclusion of Metformin ER and Omperazole-Sodium Bicarbonate**

Metformin ER (extended release) generic brands, have a daily cost ranging from \$0.16 to \$85.76. These variations are used interchangeably by pharmacies unless one is specified by the doctor. There are eight (8) participants that will be impacted with the switch to only the lower cost generic.

Omperazole-Sodium Bicarbonate generic costs in excess of \$70 a day. There are lower cost PPI generic medications that cost as little as \$0.14 per day. There is an appeal process in place if participants cannot use the lower cost drugs. National Cooperative has recommended to exclude Omperazole-Sodium Bicarbonate and the higher cost Metformin ER drugs.

Motion: Exclude the higher priced generic drugs for Metformin ER and exclude Omperazole-Sodium Bicarbonate totally from the health plan.

Moved: Irene Matheis

Second: Dave DeVaughn

Vote: Aye – 9 Votes

Nay – 1 Vote (Jasmine Adkins-Brown)

Motion Passes

Kate LaPlaunt left at 3:00 pm.

- **Travel Preauthorization – Clarification of Intent**

Current contract language states, “Non-emergency travel *should* be pre-authorized before travel costs are incurred.” Having travel pre-authorized would allow participants to know which expenses will be reimbursable prior to travel.

Motion: Change the contract language to read: Non-emergency travel **must be pre-authorized before travel costs are incurred.**

Moved: Irene Matheis

Second: Carlene Cummings

Lisa Pearce called the question

Vote: Yay: 7
Nay: 2 (Jasmine Adkins-Brown & Lynn Bernheim)
Abstain: 1 (Dave DeVaughn)

Motion Fails (With 10 voting members present, 8 votes are required for motion to pass)

Carlene Cummings left at 3:20 pm

• **Newsletter schedule and website**

Terri Cothren will send out a monthly newsletter and a quarterly health plan newsletter with information about benefits available to staff. Information is available on the district web page under the benefits page. A summary of Plan Changes for 2017 has been distributed to schools and departments for posting on bulletin boards. There are presentations on the upcoming health plan changes planned at each school, along with a proposed mandatory presentation at the ESSA Inservice.

• **Amendments for 2017 Plan Changes**

All are progressing, some ahead of schedule.

Lisa Pearce left at 3:25 pm.

Dave DeVaughn left at 3:35 pm.

• **Health Fair Dates**

There will be three dates for the upcoming Alaska Coalition 2016 Health Fair:

- September 18, 2016, for school district and borough participants only.
- September 24 & 25, 2016, for all participants.

Pre-registration is required for all lab tests. Postcards are being mailed out to covered employees. Information was included on the post cards for the minimum age to get a flu shot.

• **Volunteers to be at table?**

Carlene Cummings and Irene Matheis will help on September 18. Barbara Sperl will help on September 24.

III. **Old Business**

• Meeting Dates:

September 15, 2016	1:30 - 3:30 pm	Room 426
October 18, 2016	1:30 – 3:30 pm	Room 341
November & December	No meeting	
January 17, 2017	1:30 – 3:30 pm	Room 341
February 16, 2017	1:30 – 3:30 pm	Technology Conference Rm (3 rd Floor)
March 21, 2017	1:30 – 3:30 pm	Room 341
April 25, 2017	1:30 – 3:30 pm	Room 341
May 2017	No Meeting	

IV. **Adjourn**

Meeting was adjourned by Robin Mullins at 3:45 pm.

Upcoming Meeting Schedule:

Thursday, September 15, 2016

1:30 PM – 3:30 PM – Room 426

Meeting Handouts:

- Agenda 8-23-2016
- Minutes – April 19, 2016 and May 23, 2016
- Claims Experience Report August 23, 2016
- PA Clinic Services through the New Coalition Health Center
- Flyer on Coalition Health Center
- 2017 Health Plan Communication Plan
- Plan Changes for 2017
- Plan changes for 2017 - Poster for buildings
- Health Fair & Pre-Registration Postcard
- Benefits Newsletter