



FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT

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

www.k12northstar.org



Health Care Committee Meeting Minutes

September 15, 2016

Administrative Center

Location: Rm 426

1:30 PM to 3:30 PM

Health Care Committee Members:

Superintendent Appointed Reps:

Krista Lord – (Chair)HR
Sharice Walker – Public Affairs Ofc.
Lisa Pearce – CFO – Admin Svs.

FEA Reps:

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

ESSA Reps:

Jasmine Adkins-Brown – Sp.Ed.
Carlene Cummings – BEJSHS
Irene Matheis – ESSA President

FPA Rep:

Barbara Sperl – CRW
Alt - Kate LaPlaunt – PLC

FNSB Risk Manager (Non-Voting):

Tony Shumate

Staff Support:

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

I. Call to Order/Introductions/Reports

Meeting was called to order at 1:35 PM by Krista Lord.

• **Introductions**

Sharice Walker, interim appointed committee member, was introduced.

• **Approve minutes**

Motion: Approve minutes from August 19, 2016, as presented.

Moved: Irene Matheis

Second: Barbara Sperl

All in Favor - Motion Passes

• **Claims Experience Report Y-T-D**

For the fiscal year-to-date, the School District paid claims of approximately \$6,034,980 or \$1,900 per covered employee per month. This is a 4% increase in total claim costs, and a 4% increase from the average monthly claims cost per employee during 2015/16 year-to-date (\$1,824).

On a per covered employee basis, medical claims have increased by 6%, dental claims have decreased by 2%, prescription claims have increased by 2%, and vision claims decreased 26%. The total number of covered employees for the district decreased by less than 1%.

Approximately \$2,256,659 has been paid in large claims (over \$20,000) on behalf of 45 claimants. This represents a 15% increase in dollars paid and three additional large claimants.

Compared to the 2015-2016 Fiscal Year-to-Date, the number of prescription drugs purchased decreased by 9%, and the cost per claim increased by 11%.

Effective July 1, 2016, the School District increased the stop loss deductible to \$400,000. No claimants have exceeded this deductible.

• **Caremark Impact Report**

Caremark found out when programming their system for the upcoming changes for January 1, 2017, that there were

959 claims that need to be reworked. The specialty drug co-pay was done incorrectly for these claims. The audit showed that 56 individuals overpaid for their specialty drug co-pay and that amount totaled \$19,868. These individuals were contacted and the overpayments are being refunded. Of the 959 reworked claims, 11 individuals should have paid more for their specialty drug co-pay in the total amount of \$4,808.13. These individuals were contacted, but will not be required to pay these additional funds to Caremark.

II. New Business

- **Interim Superintendent committee member appointment to replace Robin Mullins**
Sharice Walker was appointed as the interim Superintendent committee member by Dr. Gaborik.
- **Presentation of FPA MOA establishing FPA member as voting member of HCC**
Lineup was restored to what it previously was, including discussion, voting, etc.

III. Old Business

• **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.

There are 220 enrolled for September 18th.

Call for volunteers – Barbara, Kristina, Irene, & Carlene. Postcards went out a little late this year for the Health Fair and there have been reports of problems selecting “School District” in the registration process.

• **Travel Preauthorization – clarification of intent**

Discussion opened back up on whether to change the verbiage of our current plan’s travel preauthorization from “Non-emergency travel *should* be pre-authorized before travel costs are incurred” – to – “Non-emergency travel *must* be pre-authorized before travel costs are incurred”. The intent of this change would be to prevent people from any misunderstandings on what amounts would be covered by the plan so they know what to expect beforehand as well as to prevent certain abuse of the medical travel.

Discussion took place among the committee with several concerns being voiced about planning and the whirlwind of medical procedures and timely communications between parties.

Motion: Request additional language be added for clarification of medical travel with Colleen Savoie to provide draft language changes at next health care committee meeting.

Moved: Lisa Pearce

Second: David DeVaughn

All in Favor – Motion Passes

• **Open Enrollment Communication Plan update**

Review of the items that had been sent out to date, the ones currently in process, and the planned communications for the future. Colleen suggested that each member take the draft handed out of the 2017 Employee Benefits Enrollment Guide and read through it and send any suggested changes via email to Terri, Krista or Meg, for final draft to be mailed out mid October. We are taking every possible avenue to get this information out so that the employees can make informed decisions. Presentations are being done at each school with some sessions in the evening so that spouses can attend. The presentations with a voiceover will be made available online to employees and the public. Feedback on presentations and employee questions are being used to modify and develop additional presentation documents.

Discussions were had on the current negotiations and how prices were set and if the prices in the communications were final.

Motion: Health Care Committee members be provided a printed copy of the Health Plan Summary Description.

Moved: Irene Matheis

Second: David DeVaughn

No objections – Motion Passes

IV. Adjourn

Meeting was adjourned by Krista Lord at 3:00 pm.

Upcoming Meeting Schedule:

Tuesday, October 18, 2016

November & December

1:30 PM – 3:30 PM – Room 341

No meeting

Meeting Handouts:

Agenda - 9-15-2016

Minutes - 8-23-2016

Claims Experience Report September 15, 2016

2017 Health Plan Communication Plan

2017 Employee Benefits Enrollment Guide DRAFT