



## **MINUTES OF THE WASHOE COUNTY SCHOOL DISTRICT GROUP INSURANCE COMMITTEE**

April 22, 2018

### **1. Opening Items**

#### **1.01 Call to Order**

The meeting of the Washoe County School District Group Insurance Committee was called to order at 2:00 p.m. at Hometown Health, 10315 Professional Circle, Room 201, Reno, Nevada 89521.

#### **1.02 Roll Call**

Chair Don McHenry, and Members Kathy Howard, Robert Munson, Dawn Miller, Sheryl Bennett, Jordan Howell, Toni Maresjo, Diane Lyon, and Gail Carson were present at roll call. Members Danny Kitts and Eric Diamond were absent. WCSD representative Jackie James, Risk Manager, and staff were also present.

#### **1.03 Public Comment**

Melissa Boesen, President of the Washoe Education Support Professionals, spoke on behalf of that group regarding member concerns related to insurance premiums. Ms. Boesen indicated that premiums for dependents have not been pulled for several periods and that the employees have been asked to repay the premiums. This has resulted in a financial hardship for those employees that Ms. Boesen wanted to bring to the committee's attention.

#### **1.04 Action to Adopt the Agenda**

**It was moved by Dawn Miller, second by Kathy Howard, that the Insurance Committee adopt the agenda as presented** (Yea: Don McHenry, Kathy Howard, Robert Munson, Dawn Miller, Sheryl Bennett, Jordan Howell, Toni Maresjo, Diane Lyon, and Gail Carson). Final Resolution: Motion Carried 9-0.

### **2. Items For Discussion, Presentation and/or Action**

#### **2.01 Presentation and Discussion of Washoe County School District Group Insurance Internal Service Fund as of March 2018**

Gail Carson, Washoe County School District Controller, reviewed the health insurance internal service fund statement as of March 31, 2018. According to the comparative statement of net assets as of February 2018, the total assets were \$26,205 as compared to \$21,708,712 at this time last year, an increase of \$4,496,797 (21%). Total liabilities were \$9,464,596 as compared

to \$8,192,615 last year, an increase of \$1,271,981 (16%). The total net position as of March 2018 was \$16,689,956 as compared to \$13,434,835 an increase of \$3,255,121 (24%).

Ms. Carson reviewed the operating revenues and expenses related to the St. Mary's PHCN Plan, the Renown HHP Plan, and additional areas including dental, vision, and prescriptions. The total operating revenues are \$60,339,113 compared to \$56,988,723 in March 2017. The total operating expenses as of March 2018 are \$61,852,810 compared to \$57,075,416 from 2017.

The Wellness Special Revenue Fund was presented which showed an actual net position of \$938,767, a change from \$840,596 as of March 2017.

## **2.02 Presentation and Discussion of Washoe County School District Group Insurance Claims Experience Report as of March 2018**

Lloyd Barnes with L/P Insurance reviewed the insurance claims experience report as of March 2018. The committee reviewed the Executive Summary, which provides data to include active enrollment of employees and dependents; claims from medical, prescription, dental, and vision; and specific utilization from medical and pharmacy categories such as emergency, lab x-ray, pharmacy, urgent care, etc.

## **2.03 Presentation and Discussion of Washoe County School District Group Insurance Claims Activity and Turnaround Reports for March 2018**

Heather Reimer, Hometown Health, reviewed the claims activity report through March 2018. She reminded the committee that Hometown Health's goal is to process claims paid within 30 days at 98% or better.

Currently the overall percentage is at 96.5% for all claims. The reason for the number being less than 98%, Ms. Reimer reminded the committee, is "catch-up" from January and February when claims may have been delayed due to contracts and plan document changes.

The data reviewed included the total claims received and paid in the month of January, February, and March 2018. This includes data in the categories of EPO Dental, EPO Medical, HSA Dental, HSA Medical, PPO Dental, and PPO Medical.

## **2.04 Presentation and Discussion of Washoe County School District's Group Insurance Wellness Program Report as of March 2018**

Christina Abina, the District's Wellness Coordinator, presented the Wellness Report. Topics discussed were a review of the Healthy Tracks Point Structure; participation in the Financial Fitness Challenge and the dates the challenge spanned; the Spring Step Challenge; the upcoming Healthy Lifestyles seminars and webinars hosted by Guidance Resources; and the 8-week Mindfulness Based Stress Reduction Program.

## **2.05 Approval of Minutes from the March 22, 2018 Regular Meeting of the Insurance Committee**

There were no comments or questions on the minutes.

**It was moved by Robert Munson, second by Dawn Miller, that the Insurance Committee approve the Minutes from the March 22, 2018 Regular Meeting of the Insurance Committee** (Yea: Don McHenry, Kathy Howard, Robert Munson, Dawn Miller, Sheryl Bennett, Jordan Howell, Toni Maresjo, Diane Lyon, and Gail Carson).  
Final Resolution: Motion Carried 9-0.

## **2.06 Presentation and Discussion of Washoe County School District's Third Party Administrator, Hometown Health, performance review for 2017-2018 and Joint Presentation by Renown on Community Engagement Efforts.**

Heather Reimer, Director of Self-Funded and Wellness Programs, Hometown Health, presented an overview of Hometown Health, the District's third-party benefits administrator, to include the services offered. Several members of Hometown Health's senior leadership attended and introduced themselves to the Committee.

Some of the programs and products mentioned included Senior Care Plus, individual and family plans, third-party administration services, Hometown Rx, and the Health and Wellness Program. The various ways through which members can access services, to include locations of offices and access through the internet and online apps were presented.

Wendy Damonte, Vice-President of Advocacy and Community Partnerships with Renown Health, presented the Committee with information on and a review of Renown's community engagement efforts. This included information about the services offered to the community, numbers of physicians and specialties, etc.

Ty Windfeldt, Senior Vice President for Renown Health and Chief Executive Officer of Hometown Health, concluded the presentation by introducing himself and making final comment about the services of Hometown Health and Renown Health.

## **2.07 Presentation and Discussion on the status of the Washoe County School District's Health Insurance Fund and Other Post-Employment Benefits ("OPEB") Contributions.**

Mark Mathers, WCSD Chief Financial Officer, and Jeff Bozzo, WCSD Budget Project Manager, presented information related to the Other Post-employment Benefits (OPEB) Trust Fund. Mr. Bozzo explained the historical and projected shortfalls in the Health

Insurance Fund beginning in Fiscal Year (FY) 2015, there was a shortfall with expenses exceeding revenues by \$10.3 million, with continued shortfalls in FY 2016, 2017 and 2018. To correct the shortfalls, monies were transferred from the OPEB Trust Fund to balance the Insurance Fund.

Looking forward, Mr. Bozzo explained that shortfalls are projected for the next three years as a result of assumed rate increases and medical inflation for those years.

Mr. Mathers clarified for the members that the projections presented came from the WCSD Business Office and not LP Insurance.

Mr. Bozzo continued by describing the projected fund balance for the next years assuming a 10% annual rate increase and 8% medical inflation. He explained that the OPEB Trust will be impacted due to the current budget deficit in the District and cannot be drawn on to balance the Insurance Fund as a result.

There was some discussion about the projected medical inflation between the members, Mr. Bozzo and Lloyd Barnes of LP Insurance. Additional discussion occurred related to the past use of the premium holiday for staff and their dependents.

## **2.08 Presentation and Discussion of Washoe County School District's Preliminary Health Insurance Rates for 2019 presented by LP Insurance.**

Lloyd Barnes of LP Insurance presented preliminary information related to projected health insurance rates for 2019. Mr. Barnes informed the committee that the preliminary projection is for a 15% rate increase. That projection, he reminded the members, is not tied to any funding by the District.

## **2.09 Discussion and possible action to grant a six-month extension of premium waiver to three Plan Members who are qualified for the extension under the Plan Document.**

Risk Manager Jackie James explained that requests for a six-month extension of premiums is covered under the Plan Document. The Committee action is based solely on the benefits covered under the Plan Document.

Ms. James explained that the individuals seeking the extension have been vetted through the Risk Management Department. To be eligible, the member must have an illness or injury and have exhausted all sick and vacation time. Additionally a note from the physician providing reasonable assurance that the employee will be able to return to work within six months must be provided with the request.

**It was moved by Dawn Miller, second by Sheryl Bennett, that the Insurance Committee grant a six month extension of premium waiver to three Plan Members who are qualified for the extension under the Plan Document** (Yea: Don McHenry, Kathy Howard, Robert Munson, Dawn Miller, Sheryl Bennett, Jordan Howell, Toni Maresjo, Diane Lyon, and Gail Carson). Final Resolution: Motion Carried 9-0.

#### **2.10 Introduction of new Education Support Personnel (ESP) Committee member Diane Lyon.**

New member Diane Lyon was introduced to the committee. Ms. Lyon will represent Education Support Personnel.

### **3. Closing Items**

#### **3.01 Announcement of Next Meeting**

The next meeting of the Washoe County School District Insurance Committee will take place at 2:00 PM, on Thursday, April 19, 2018 at a location to be determined.

#### **3.02 Public Comment**

Public comment was given by a member who expressed concern about his dependent's payment not being taken and the increase in the premium.

#### **3.03 Adjourn Meeting**

There being no more business, the meeting was adjourned at 3:55 p.m.