

Present: Dawn Ann Anderson, Mike Thiel, Niki Dykstra, Jack Fallon, Kris Hursh, Paul Dougherty - Chair, Anne Castren, Lynne Ogden-Rider, Hollis May, Cindy Jones, Tracy Scott, Braumlee Boyce (via phone), Scott Haas

November 21

Opened at 4:04 PM

Monthly Underwriting analysis from Scott Haas at USI

- District finances just arrived yesterday so no P & L reports.
 - This is largely due to a function of meeting timing
- November financials showed a loss of \$304,000

Projected Renewal with Scott Haas

- Current numbers:
 - 550 enrolled members, 580 is average
 - \$888.40 PEPM
- No anticipation of changes to benefits
- Budget projections
 - \$5,530,375 starting July 1
 - + Annual trend
 - + Compound trend of 1.1265
 - An underwriting projection updated as we approach July 1, 2020
 - Trended incurred claims:
 - \$5,901,924
 - \$894.23 PEPM
 - Fixed costs:
 - Assuming a worst case scenario in admin renewal fees, projecting a very conservative 18% increase
 - ~\$50.64 PEPM increase
 - Consulting fees based on Mike Young's compensation, ~\$2,650
 - Will increase, TBD
 - Stop-loss
 - Assuming, again, worst case 15% increase
 - \$139.95 PEPM increase
 - We are currently running a 65-70% loss ratio on stop-loss, district may have taken on too much risk as we haven't utilized stop loss as much
 - PCORI Fees for Self Funded Plans
 - An ACA law
 - Wednesday, December 18th, 5th Circuit struck down portion of ACA that jeopardize future this.
 - USI's compliance team will look into legal obligations
 - Ultimately fixed costs seem to be \$191.05 PEPM increase
 - Rate increase of 22% on medical, just to break even next year
 - Idea of building a reserve
 - Jack Fallon suggests \$380,000 reserve goal

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- This would be in addition to other increases
- Could be facilitated by utilization fees via other groups participating in the clinic?
- Modeled on 1 year build up, 2 year build up, or 3 year build up of reserve
- Jack Fallon says Board unlikely to offer increased contribution to employee health plan, this would be costs passed onto employee contribution
- Dental
 - Utilize low trend projection, equalizing after 2 years of flux: 8.89% increase
- USI will try to have these numbers more trued up by March or April
 - January meeting will have more finalized plan experience and closer projections
 - None of these include CareHere modeling

Subrogation update:

- Still being pursued between our stop-loss carrier and the defendant insurance company
- Mike Thiel asks why not pursue the compensation for claims that did not exceed stop-loss? "Health Plan not in position to throw away money...even \$36 dollars."
 - Scott will look into this

Clinic Update from Jack Fallon

- Clinic will be open by May 1
 - Not February 1 as previously discussed
- Architect and engineer met on December 6th
 - discussed layout
 - 1 break room
 - 3 exam rooms
 - 1 lab room that can double as an exam room
 - Waiting room
 - Plans submitted to the city of Kalispell for approval
- Will cost at least \$85,000 to build out
 - 2-3 times more than estimates provided by the Finance committee at Oct 31 and Nov 4 meetings
- Jack does not expect further updates until 6th of January
- How are these costs managed?
 - "District fronts, plan repays." - Jack

Finance Committee presentation to school board debrief with Gwyn Andersen (Tabled from last meeting)

- Gwyn Andersen was not present at the meeting but with Tracy Scott present and Jack present all committee questions were answered as Tracy represented finance committee to board

Education Subcommittee update from Dawn Anderson

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- All staff not present at December staff meetings in which CareHere was broadly introduced will receive an introduction at the January 20th staff meetings
- CareHere looking into introducing “Virtual Doctors” before May 1st meeting
- CareHere will also be doing a full court press on member education ahead of opening

First Choice Health RFP

- Rather than potentially destabilize, Scott is working on renegotiating FCH renewal rates
 - FCH benefits management and updated user interface presented at previous meeting impressed committee

KRH Case Rates

- Scott received some new information from Jason Spring at KRH, will present fully at January meeting

Meeting adjourned at 5:30 PM. Next meeting is January 30. Happy holidays!