A meeting of the Health Insurance Committee was held on Thursday, May 10, 2018 at the Mark Sanford Education Center with Kevin Ohnstad presiding.

**Committee Members Present:**
Kevin Ohnstad, Principal Voting Member  
Nikki Polum, Teacher Voting Member  
Brad Srur, Teacher Voting Member  
Kelly Neis, Classified Voting Member  
Jody Thompson, Superintendent/District Administrator Voting Member (on behalf of Dr. Larry Nybladh)  
Ed Gerhardt, Business Manager/Advisory Member/Facilitator  
Tracy Abentroth, HR Manager Advisory Member/Facilitator  
Elizabeth Meihaus, GFAFB School Board Liaison (on behalf of Cindy Thiel)

**Committee Members Absent:**
Matt Spivey, GF School Board/Advisory

**Others Present:**
Michelle Emineth, Accounting Supervisor (via phone)  
Cindy Johnson, Meeting Secretary  
Kelly Gates, Hays of Utah Insurance Services  
Randy Johnson, Hays of Utah Insurance Services

**Call to Order.** The meeting was called to order at 5:02 p.m. with Kevin Ohnstad presiding.

**Approval of Minutes.** It was moved by Srur and seconded by Thompson to approve the April 5, 2018, minutes as written. Motion carried with all voting members present voting aye.

**Financials.** Gates reported that the 20% increase in premiums last year has helped this year's financial outlook. The rolling 12 month loss ratio is at 91%, which means the claims and administration costs are lower than the premiums collected thus far. The claims trend; however, is definitely trending upwards. Current year expenses (medical/RX/admin) are running at 85% loss ratio compared to last year’s expenses which were at 110% loss ratio.

CCStpa has been purchased by AmeriHealth, which is a Blues plan in PA. The EPNI network that was offered by BCBSMN through CCStpa will be retired and the new health plan will be a straight Blues plan. Due to BCBS affiliation rules, BCBSND would need to give special authorization to another Blues plan to offer GFPS coverage. This was not needed with BCBSMN. BCBSND will not give that authorization, which means GFPS must make a choice for a different health insurance carrier for next year.

**Underwriting.** CCStpa will continue to pay any pending 2017-2018 claims at the same rates in the next year.

Johnson and Gates explained comparisons of underwriting and administration cost projections of CCStpa, Medica (with the ACO model), BCBSND, and Sanford for the 2018-2019 plan year. Medica cannot do the same plan design as it relates to the additional copay for hospital services, but this would be a benefit to the employee. With Medica, there may be some differences in the way some things are administered, but
the way the basic plan document is followed would be the same as CCStpa. The Medica Passport model is an open network, which means medical services may be used outside of the Altru network. The Medica ACO model is a closed network, which means medical services must be used at Altru or one of Altru’s referred providers. The ACO model is a coordinated care model.

The premium projections 2018-2019 plan year were discussed. If Medica were selected as recommended by Hays, it was suggested that if an employee did not want to participate in the ACO model, there would be a premium differential for the employee to participate in the Passport model. Assuming 85% participation in the large network model (Passport) and 15% participation in the small network ACO model (Altru and You) and no plan changes, and as compared to the current premium rates with the district’s existing plan through CCStpa, the premium rate for employees who participate in the Passport plan would increase by approximately 2% and the premium rate for employees who participate in the Altru and You plan would decrease by approximately 6.2%. Medica also has a wellness program, but that discussion is for later.

**Marketing Exhibits/Renewal.** This item was not discussed due to new information regarding termination of CCStpa.

**Legislative Issues.** If GFPS keeps the current 78%/22% split for premiums, there are no plan changes, and if the lowest paid eligible employee makes at least $10 per hour, the GFPS plan is affordable.

The current plan excludes Title VII and transgender benefits. The committee must decide to continue or discontinue this exclusion. Cost to the plan would not change unless it was used for this benefit. It may be more of a possible discrimination concern. It was suggested that a legal opinion be obtained if GFPS continues the exclusion.

Implementation of the Cadillac tax is delayed until 2022. ACA fees were suspended for 2017 with a one-year moratorium for 2019, but the fee is applicable for 2018. There is a moratorium on medical devices tax through 2019. Highlights of other legislative issues were provided in the meeting handout from Hays.

**Review of Bids and Selection of Insurance Provider.** It was moved by Thompson and seconded by Polum to select Medica as the GFPS insurance carrier for 2018-2019 with an approximate 2% premium increase for employees who select the Passport model and an approximate 6.2% premium decrease for employees who select the ACO model. Motion carried with all voting members present voting aye. Total annual premiums with Medica as compared to the current CCStpa are as follows:

<table>
<thead>
<tr>
<th></th>
<th>CCStpa (current)</th>
<th>Medica Passport</th>
<th>Medica Altru and You (ACO)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single</td>
<td>$6,540</td>
<td>$6,671</td>
<td>$6,137</td>
</tr>
<tr>
<td>Single + Dependent</td>
<td>$14,828</td>
<td>$15,125</td>
<td>$13,915</td>
</tr>
<tr>
<td>Family</td>
<td>$21,080</td>
<td>$21,501</td>
<td>$19,781</td>
</tr>
</tbody>
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**Discussion of Date/Time of Next Meeting.** The next meeting date will be determined in the next fiscal year.

**Adjournment.** There being no further business, the meeting was adjourned at 6:29 p.m.

APPROVED ___________________________

(Date)

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Kevin Ohnstad, Committee Chair