

10/10/18 Handouts

HCPC MEETING AGENDA minutes

DATE AND TIME: September 19, 2018

LOCATION: Skyview Middle Library, 3:00 pm

VOTING MEMBERS:

P	Stephanie Bohrsen	KPESA
P	Joel Burns	KPEA
A	Vaughn Dosko	KPAA
P	Matt Fischer	KPEA
P	Liz Hayes	District
P	John O'Brien	District
P	Robert Ernst	KPEA
P	Laura Wertanen	KPESA
A	Anne McCabe	KPESA
P	Kristen Vix	District
P	David Brighton	KPEA

QUORUM PRESENT: (NINE MEMBERS NEEDED) ___ YES ___ NO

ADMINISTRATION/CONSULTANTS:

P	Stacey Cockroft	Benefits Manager
P	Dave Jones	Plan Administrator
P	Curt Hebert, Jennifer Myhoff, and Nicole Culbetson	Consultants

GUESTS PRESENT:

P	Kristin Hernandez, Joseph Hurley, Jeremy Bond, Jim Zirul, and Lynn Carlson	Kenai Surgery Center and Providers
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A. CALL TO ORDER BY Matt TIME 3:45 .

1. Approval of Agenda ___ as written, with flexibility ___ with additions
 - a. MOTION: Stephanie SECOND: Laura VOTE: Unanimous
2. Approval of August 29, 2018 minutes ___ as written. ___ with amendments
 - a. MOTION: Stephanie SECOND: Laura VOTE: Unanimous

B. REPORTS

1. Dave Jones, Plan Administrator
 - Report on opt out and discussion
2. Stacey Cockroft, Benefits Manager
 - Refunds outstanding
3. Liz Hayes, Director of Finance
4. Consultant
 - Introduction
 - Discussion on setting rates and the recent open enrollment
 - Migration report and discussion
 - Discussion of negotiations with providers

C. OLD BUSINESS

1. Officers – Chair – Matt Fischer
 - Secretary – David Brighton

D. NEW BUSINESS.

a. Kenai Surgery Center

Discussion of network coverage

Joining AETNA

Discussion of a direct contract

Discussion of wellness program

Discussion of health screenings

Discussion of minutes

More discussion of setting rates

b. Aetna- Outreach to providers, and processing time

District and Broker will contact AETNA

c. Motion to include Kenai Surgery Center in network pending AETNA approval and send a letter of summary of material modification

MOTION: Stephanie SECOND: Liz Vote VOTE: Unanimous

E. ADJOURN TIME 5:08

a. MOTION John SECOND Joel VOTE: Unanimous

F. NEXT MEETINGS

- Wednesday, October 10, 2018, 3-5 PM
- Wednesday, November 28, 2018, 3-5 PM
- Wednesday, January 15, 2019, 3-5 PM
- Wednesday, February 20, 2019, 3-5 PM (early release day)
- Thursday, March 20, 2019, 3-5 PM
- Wednesday, April 17, 2019, 3-5 PM
- Wednesday, May 15, 2019. 3-5 PM

Kenai Peninsula Borough School District
 Health Care Committee Monthly recap
 as of September 30, 2018

<u>Reserve Account</u>	<u>As of 6-30-17</u>	<u>As of 6-30-18</u>	<u>FY18 Monthly Contribution - Traditional</u>
Employee Share	701,399.69	471,065.27	Employee Share *
Employer Share	1,353,713.48	1,572,408.17	Employer Share
			<u>1,934.25</u>
			2,484.39

<u>FY18 Monthly Contribution - HDHP</u>
Employee Share *
Employer Share
<u>228.00</u>
<u>1,621.08</u>
1,849.08

This document is provided to the Health Care Committee as a work paper to recap the contributions to and expenditures from the Health Care Plan each month. It is to be used primarily as an aid in estimating costs of the plan to determine if changes should be made in employee contribution amounts. Every effort is made to provide current and accurate information, but this information is not audited until after the end of the fiscal year.

	Number of Employees	YTD Employees	Current Month Obligations	YTD Obligations	Contributions Current Month Collected	Contributions YTD Collected
Employees						
KPEA Employees	299	1,341	164,491.86	737,737.74	218,911.33	218,911.33
KPEA Employees - HDHP	312	441	71,136.00	100,548.00	108,199.59	108,199.59
KPEA Repay EE Reserve					16,830.69	16,830.69
KPESA Employees	186	894	102,326.04	491,825.16	137,132.65	155,083.53
KPESA Employees - HDHP	201	287	45,828.00	65,436.00	69,601.57	71,725.97
KPESA Repay EE Reserve					10,856.70	10,856.70
Administrators	21	123	11,552.94	67,667.22	14,950.65	23,502.05
Administrators - HDHP	37	48	8,436.00	10,944.00	12,519.56	12,519.56
Admin Repay EE Reserve					1,600.80	1,600.80
Board Members	1	9	550.14	4,951.26	1,077.26	3,970.48
Board Members - HDHP	4	6	912.00	1,368.00	275.00	779.52
Board Repay EE Reserve					27.60	27.60
Exempt Employees	8	49	4,401.12	26,956.86	4,659.44	20,596.14
Exempt Employees - HDHP	16	24	3,648.00	5,472.00	4,088.95	5,682.25
Exempt Repay EE Reserve					662.40	662.40
Affordable Care Act **	-	-	0.00	0.00		
ACA Empl Repay EE Reserve						
Total Employees on Payroll	1,085	3,222	413,282.10	1,512,906.24	601,394.19	650,948.61
COBRA Payers (FY19 = \$2215.88)	2	6	4,431.76	13,295.28	4,431.76	13,295.28
COBRA HD Payers (FY19 = \$1960.28)	1	3	1,960.28	5,880.84	-	5,880.84
Total Employees	1,088	3,231	419,674.14 *	1,532,082.36	605,825.95	670,124.73

* Current month employee obligations are a calculation of "Number of Employees" eligible for health care coverage during that month times the "Employee Share" (shown in the upper right corner of the sheet).

** Affordable Care Act (ACA) coverage is offered to employees once eligibility is determined. Eligibility is based on number of hours worked during the measurement period.

Employer	Employer share	Employer share - HDHP	Total
Employer share	515	2,418	996,138.75
Employer share - HDHP	570	807	924,015.60
Total			2,339,828.49
			7,517,310.42
			3,150,733.19
			3,473,298.66
+ Employee Share Split	FY19 Contribution Traditional		
	Cobra	550.14	Subtotal
		2,215.88	Subtotal
			376,731.33
			422,063.53
			4,431.76
			13,295.28
			381,163.09
			435,358.81
	FY19 Contribution HDHP		
	Cobra HD	228.00	Subtotal
		1,960.28	Subtotal
			194,684.67
			198,906.89
			-
			5,880.84
			194,684.67
			204,787.73
	Prior Year Reserve Repayment		
		20.70	Subtotal
			29,978.19
			29,978.19

Expenditures

Since the health care plan is self-funded, both employee and employer contributions are collected and bills are paid from the accumulated funds.

	TRADITIONAL		HDHP	
	Current Month	Year-To-Date	Current Month	Year-To-Date
Claims				
Health Care Claims paid by TPA (Rehn)	1,296,905.70	4,577,738.09	97,820.42	206,703.03
Prescription Claims paid by Caremark HRA	476,192.50	1,289,393.95	29,700.77	41,217.02
	-	-	6,241.31	15,548.02
Total Claims Paid	1,773,098.20	5,867,132.04	133,762.50	263,468.07
Administration				
TPA (Rehn) fees and costs	28,265.83	92,971.63	-	-
TPA (Rehn) HRA fees and costs	-	-	17,604.85	22,675.37
Aetna Administration Fees	10,011.98	45,470.20	11,057.72	15,457.96
Consultant Fees	7,032.72	7,032.72	7,767.27	7,767.27
Stop Loss Premiums	105,661.53	461,856.07	116,697.75	160,905.41
Affordable Care Act Fee	-	32,010.59	-	4,297.02
Total Administration	150,972.06	639,341.21	153,127.59	211,103.03
Total Claims plus Administration	1,924,070.26	6,506,473.25	286,890.09	474,571.10
Adjustments				
Stop Loss reimbursements	(58,500.76)	(925,524.85)	-	-
Prescription Rebates	-	(55,739.69)	-	-
Health Care Claims refund	-	-	-	-
Other adjustments	-	(24.83)	-	-
Total Adjustments	(58,500.76)	(981,289.37)	-	-
Total Expenditures	1,865,569.50	5,525,183.88	286,890.09	474,571.10

Obligations/Contributions

Health care obligations and contributions provide employee and employer amounts of health care contributions using different calculation methods.

Obligations are estimates of funds that employees and the district will be obligated to contribute, based on the plan year (July through June).

Returning employees are covered by the health care plan for the entire plan year, meaning the 12 month period July through June; both employee and employer are obligated to pay for 12 months of coverage. New employees pay for coverage from date of hire through June, the end of the plan year. If an employee works at all during a month, both employee and employer pay for the entire month of coverage.

Actual Contributions made by employees and benefits paid by the employer during the payroll process are shown on the sheet in the columns labeled "Collected." The division of payments is governed by the Collective Bargaining Agreements and Memorandums of Understanding between the district and the employee groups.

Employee-paid contributions are deductions from payroll checks. Employees who work 12 months make contributions each pay period. Many school district employees do not work 12 months, so contributions are collected for those employees during the 9 month period from September through May.

For this reason, contributions are generally larger than obligations for September through May and contributions are generally smaller than obligations for June, July and August.

The "Collected" columns show what is actually available for paying health care costs. The "Obligations" show what is estimated to be available by month, based on number of employees at the current rate of contributions.

**Kenal Peninsula Borough School District
Healthcare Expenditures Split
as of September 30, 2018**

<u>Traditional Plan</u>				<u>HDHP</u>			
YTD Participants	2,418			YTD Participants	807		
Net Expenditures	5,554,161.43			Net Expenditures	444,870.33		
ER - Employer Cap \$1731.45	4,186,646.10			ER - Employer Cap \$1645.61	1,328,007.27		
EE - Employee Cap \$305.55	<u>738,819.90</u>			EE - Employee Cap \$182.85	<u>147,559.95</u>		
Total Cap Expenditure EE/ER	4,925,466.00			Total Cap Expenditure EE/ER	1,475,567.22		
Expenditures over Cap	628,695.43			Expenditures over Cap	-		
50/50 Split of Expenditures over Cap	314,347.72			50/50 Split of Expenditures over Cap	-		
ER Expenditures Up To Cap	4,186,646.10			ER Expenditures Up To Cap	400,383.30		
ER Expenditures Above Cap	<u>314,347.72</u>			ER Expenditures Above Cap	<u>-</u>		
Total ER Expenditures	4,500,993.82			Total ER Expenditures	400,383.30		
EE Expenditures Up To Cap	738,819.90			EE Expenditures Up To Cap	44,487.03		
EE Expenditures Above Cap	<u>314,347.72</u>			EE Expenditures Above Cap	<u>-</u>		
Total EE Expenditures	1,053,167.62			Total EE Expenditures	44,487.03		
Total ER & EE Expenditures	5,554,161.43			Total ER & EE Expenditures	444,870.33		
Traditional Summary				HDHP Summary			
Through	YTD	YTD	REV Less	Through	YTD	YTD	REV Less
August 2018	EXP	REV	EXP	August 2018	EXP	REV	EXP
Employer	4,380,955.93	1,554,129.23	(2,826,826.70)	Employer	400,383.30	1,249,044.53	848,661.23
Employee	<u>1,173,205.50</u>	<u>435,358.81</u>	<u>(737,846.69)</u>	Employee	<u>44,487.03</u>	<u>204,787.73</u>	<u>160,300.70</u>
Totals	5,554,161.43	1,989,488.04	(3,564,673.39)	Totals	444,870.33	1,453,832.26	1,008,961.93
Obligation per Employee FY19				Obligation per Employee FY19			
550.14 EE/1934.25 ER Split	2,484.39	<u>Year-to-date</u> 2,484.39		228 EE/1621.08 ER Split	1,849.08	<u>Year-to-date</u> 1,849.08	
Monthly Cost per Employee - ER		1811.81		Monthly Cost per Employee - ER		496.14	
Monthly Cost per Employee - EE + Cobra		<u>485.20</u>		Monthly Cost per Employee - EE + Cobra		<u>55.13</u>	
		2297.01				551.26	
Current Variance		187.38		Current Variance		1,297.82	

Obligations indicate the funds that will be accumulated per employee per month. Expenditures are amounts that have been paid through the plan.

A positive number for "current variance" represents the amount per employee per month that is estimated to be collected above the amount spent year-to-date. A negative number represents the amount of expenditures (per employee per month) that are more than what is estimated to be collected for payment of those expenditures.

Stacey Cockroft

From: Stacey Cockroft
Sent: Friday, October 5, 2018 10:03 AM
To: Anne McCabe; Dave Jones; David Brighton; Elizabeth Hayes; Joel Burns; John O'Brien; Kristen Vix; Laura Wertanen; Matt Fischer; Robert Ernst; Stephanie Bohrsen; Vaughn Dosko
Subject: Specific Stop Loss Report 9/30/18

Follow Up Flag: Follow up
Flag Status: Flagged

Good Morning,

Below is the Specific Stop Loss report as of 9/30/2018.

Subscriber	Total Amt	Amt over Spec	Amt Requested	Amt Reimbursed	Non Reimbursed Expenses	Amt Open
1	\$ 1,287,686.35	\$ 1,067,686.35	\$1,067,686.35	\$ 923,118.55		\$144,567.80
2	\$ 1,248,188.74	\$ 1,028,188.74	\$1,028,188.74	\$ 890,860.11		\$137,328.63
3	\$ 279,912.76	\$ 59,912.76	\$ 59,912.76	\$ 59,912.76		\$ -
4	\$ 285,994.04	\$ 65,994.04	\$ 65,994.04	\$ 65,994.04		\$ -
5	\$ 232,461.45	\$ 12,461.45	\$ 12,461.45	\$ -		\$ 12,461.45
6	\$ 234,590.24	\$ 14,590.24	\$ 14,590.24	\$ -		\$ 14,590.24
	\$ 3,568,833.58	\$ 2,248,833.58	\$2,248,833.58	\$1,939,885.46	\$ -	\$308,948.12

Thanks,

Stacey Cockroft

Kenai Peninsula Borough School District

Employee Benefits Manager

148 N. Binkley St. Soldotna, AK 99669

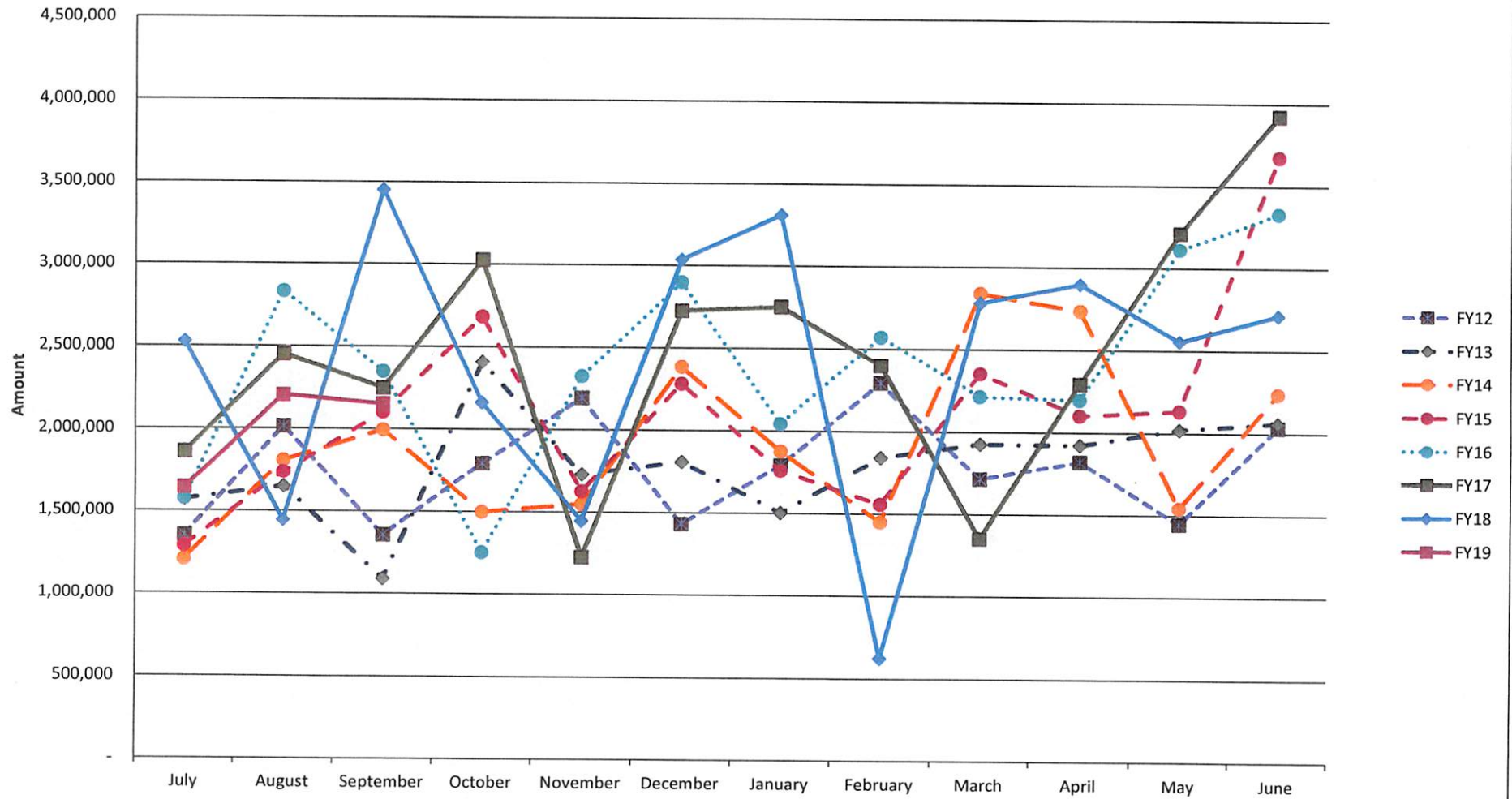
Phone: (907) 714-8879 Fax: (907) 262-9645

scockroft@kpbsd.k12.ak.us



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Net Health Care Costs





Alaska Coalition/HCCMCA
Aetna Provider Nomination Form

If your provider is not currently with Aetna, and you would like him/her to receive an application, please complete this form and return to us at the address/fax listed below.

Referring Member Name: _____

PROVIDER INFORMATION

Provider Last Name: _____ Provider First Name: _____

Group/Practice Name: _____

Tax Identification Number (if known): _____

Specialty: _____ Degree (if known): _____

Address: _____

City: _____ State: _____ Zip: _____

Phone: _____ Office Manager's name (if known): _____

Please Return completed Nomination Form To:

Aetna – Coalition Account Team
600 University Street, Suite 920
Seattle, WA 98101

NOTE: This Nomination Form does not guarantee a provider's participation in Aetna's network. Providers must successfully complete Aetna's credentialing process and sign an agreement (a contract) before becoming part of the Aetna network.

Aetna is the brand name used for products and services provided by one or more of the Aetna group of subsidiary companies, including Aetna Life Insurance Company and its affiliates (Aetna).