

February HCPC Minutes

DATE AND TIME: February 24, 2021 3:00pm

LOCATION: Zoom virtual

VOTING MEMBERS:

P	Eric Simondson	KPEA
P	Joel Burns	KPEA
P	Dylan Hooper	KPEA
P	Jeff Moore	KPEA
P	Janette Latimer KPESA alternate	KPESA
P	Anne McCabe	KPESA
	<i>Vacant</i>	KPESA
P	Vaughn Dosko	KPAA
P	Liz Hayes	Superintendent
E	Jimmy Love	Superintendent
P	Jordan Chilson	Superintendent

QUORUM PRESENT: (NINE MEMBERS NEEDED) YES NO

ADMINISTRATION/CONSULTANTS:

P	Stacey Cockroft	Benefits Manager
E	Dave Jones	Plan Administrator
P,P,P	Nicole Culbertson, Curt Hebert, Jennifer Meyhoff	Marsh & McLennan Agency

GUESTS PRESENT:

P	Donnalee Engelke	
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- A. Call to Order: 3:05pm
- B. Approval of Agenda: Moved by: J. Chilson 2nd: V. Dosko
Unanimous Motion passes
- C. Approval of January 27th Minutes : Moved by: E. Simondson 2nd: D. Hooper
Unanimous Motion passes
- D. REPORTS

- 1. Dave Jones, Plan Administrator

Notes: No Report. D. Jones absent.

- 2. Stacey Cockroft, Benefits Manager

Notes: No new report. No Jan. stop loss report due to new calendar year. No report from Voya yet, but there are still outstanding reimbursements. \$301,146 outstanding

- 3. Liz Hayes, Director of Finance

Notes: January reports were issued in handouts. Perhaps running slightly ahead of last year

- 4. Marsh & McLennan Agency

Notes: Dermatology in the past year: No claims for 2020, 6 claims from 2019. Aetna will double-check. MMA will report those findings when they get them.

-FY 2022 projected funding rates: 3-tier and 4-tier presented. Projected 6.7% increase. Explanation of dampening factors, claims weighting per year, projected enrollments, 3% Covid allowance, and trend factors. Subcommittee will establish rates. See Attached.

E. UNFINISHED BUSINESS:

a.

Notes:

F. NEW BUSINESS :

a. HRA/HSA changes due to arbitration

Notes: HRA/HSA accounts had been funded at 85/15. Arbitrator ruled that district should have funded at 100%.

b. Orthotic Repair

Notes: Discussion from D. Hooper: Simple repairs to orthotics are approx. half of cost of replacement. Would cost the plan less money to cover repairs. Consider renewal of orthotic fitting, diagnosis, durability, etc.

G. Meeting adjourned: 3:49

Composite Rate

MEDICAL/RX/DENTAL/VISION	Enrollment	2020/21 Current Rates	2021/22 Projected Rates
HDHP HRA + HDHP HSA			
PEPM		\$2,616.27	\$2,790.28
Monthly Total	967	\$2,529,933	\$2,698,196
Annual Total		\$30,359,197	\$32,378,353
PEPM		\$2,616.27	\$2,790.28
% Increase			6.7%

3-Tier Rate Options

MEDICAL/RX/DENTAL/VISION	Enrollment	2020/21 Current Rates	2021/22 Projected 3-Tier Rates
HDHP HRA + HDHP HSA			
Employee Only	206	\$2,616.27	\$1,057.99
Employee + One Dependent	228	\$2,616.27	\$2,221.79
Employee + Two or more Dependents	<u>533</u>	<u>\$2,616.27</u>	<u>\$3,702.98</u>
Monthly Total	967	\$2,529,933	\$2,698,201
Annual Total		\$30,359,197	\$32,378,409
PEPM		\$2,616.27	\$2,790.28
% Increase			6.7%

4-Tier Rate Options

MEDICAL/RX/DENTAL/VISION	Enrollment	2020/21 Current Rates	2021/22 Projected 4-Tier Rates
HDHP HRA + HDHP HSA			
Employee Only	206	\$2,616.27	\$1,155.15
Employee + Spouse	178	\$2,616.27	\$2,541.33
Employee + Child(ren)	98	\$2,616.27	\$2,194.79
Employee + Family	<u>485</u>	<u>\$2,616.27</u>	<u>\$3,696.48</u>
Monthly Total	967	\$2,529,933	\$2,698,201
Annual Total		\$30,359,197	\$32,378,409
PEPM		\$2,616.27	\$2,790.28
% Increase			6.7%

Assumptions:

1. Projected enrollment is based on December 2020 reporting.
2. Net Claims are based on 40%/60% claims weighting for 2019/2020, respectively.
3. 2021/22 Fixed costs are estimated based on 6 months of actual 2021 rates and 6 months of projected 2022 rate increases.
4. Projected rates **do not** include annual employer contributions to the HRA/HSA Fund. The estimated HRA/HSA Fund PEPM equivalent is \$51.55 PEPM, based on employer contributions of \$800 PEPY and the enrollment above, with a 75% dampening factor applied to HRA enrollees, as typically not everyone uses the full HRA each year.
5. Variable costs by plan are based on total variable costs, pro-rated based on enrollment. *All estimates are based upon the information available at a point in time, and are subject to unforeseen and random events. Therefore, any projection must be interpreted as having a likely range of variability from the estimate. Any estimate or projection may not be used or relied upon by any other party or for any other purpose than for which it was issued by Marsh & McLennan Agency. Marsh & McLennan Agency is not responsible for the consequences of any unauthorized use.*