

**KPBSD HEALTHCARE COMMITTEE HCPC
September 21, 2011 Meeting Minutes**

**Meeting was called to order at 2:55 pm by Bruce
Location: Risk Management Office**

Voting Members Present

- Nancy Courtright (HCPC secretary, KPEA)
- Mike Druce (outgoing HCPC chair, KPEA)
- Carl Locke (KPESA)
- Betty Miller (KPESA)
- Bruce Rife (HCPC chair, KPEA)
- Patty Sirois (KPESA)
- Terri Zopf-Schoessler (outgoing HCPC secretary, KPEA)
- Vaughn Dosko (KPAA)

Quorum present **Quorum not present**

Administration and consultants

- Tim Peterson, Plan Administrator
- Stacey Gorder, Employee Benefits Manager
- Laurie Olson, KPBSD Finance Director
- David Jones, Assistant Superintendent
- Colleen Savoie, Parker-Smith-Feek consultant

Guests

- Greg Loudon, Parker-Smith-Feek

I. Agenda

- Agenda approved. Motion: Terri. Second: Mike. Vote: Unanimous
- Approved with additions
- Not approved

II. Minutes (August 17, 2011)

- Approved. Motion: Betty. Second: Carl. Vote: Unanimous
- Approved with corrections
- Not approved

III. Unfinished Business

1. Physical reimbursements. In the absence of Tim, Dave presented that Tim took the average of the cost of the physical for the past three years filtered by the coded amount and proposed that \$21,309 be deposited into the employee health care fund to fulfill the contract commitment. The plan lost grandfather status, effective July 1, 2011. Much discussion followed. Patty would like the exact amount per each individual for the required three year physical deposited. After Tim showed up late, Mike believes Tim said that the district will not deposit \$21,309, into the health care fund. The amount will be the actual dollar amount and whatever additional costs may be associated with determining the actual amount. No vote was taken, so it will be placed on next month's agenda as unfinished business.

2. Designer (or whatever they are called) drugs – form (attached) Website (Patty)

Patty asked who authorized the Brand Name Drug Authorization Request? Stacey explained that the medical doctor completed the form. Colleen added that the claim would be denied unless other choices were tried and documented. If denied, the appeal process was an option to all employees at which time an independent medical review would take place. Tim Peterson, as plan administrator, is the authorizing signature on the form. No members are currently presenting **issue** with the form process.

3. Amend Health Care Program Committee By-Laws

ARTICLE VII – MEETINGS Section I (Mike)

Current language:

Section I - **The HCPC will meet on the second Monday of each month from September through May.** The length of the meetings will be adjusted according to the agenda but will promptly end at 4 PM. Therefore, longer meetings will start earlier in the day and members will be provided administrative leave

Revised language: Mike revised the language to state,

Section I – The HCPC committee will meet at least once a month September through May. The monthly meeting day and date will be determined by the committee at either the last meeting of the year or the first meeting.

Discussion followed. Mike clarified that a meeting can be cancelled or added by language currently in the Bi-laws.

Motion moved by Betty to accept the changed Section 1 language. Second: Terri. Vote: Unanimous

IV. Reports

1. Tim Peterson: Absent

2. Stacey Gorder: Reported on the upcoming October 15 Health Fair that is available for all employees, spouses, and children over the age of nine. The question was asked where the money comes from for the “free” flu shot. Colleen explained that the Coalition pays for them from the access fee. Pre-registration is encouraged to help with projection of vaccine required. A local health care provider issues the shot for \$25.00.

Stacey reported a four day lag time from Rehn.

3. Laurie Olson: Absent. The financial sheet was provided. Questions will be reserved for the next meeting. Patty requested additional information to be shown regarding the additional money generated from the plan changes. Colleen said she could show quarterly information about generated revenue from dependents and costs related to adult children dependents. It was noted that the current reserve went up.

4. Colleen Savoie: It was noticed that there was a \$16,453.46 prescription rebate on the financial sheet. Colleen explained, CVS Caremark negotiates rebate agreements with prescription drug manufacturers, which returns a portion of the funds paid for prescription drugs. Rebates are paid to CVS Caremark and then remitted back to the plan, typically on a quarterly basis.

V. New Business

1. Open enrollment notification (Patty)

Patty was concerned that the open enrollment by electronic notification was not completed properly. The information she provided said the plan booklet was under ERISA requirements. Colleen clarified that because the KPBSD Health Plan is a governmental plan, it is not governed

by ERISA. Although the Plan uses ERISA as a guideline, the Plan is not subject to this federal law. Electronic notice is allowable. No members have reported a compliance issue with regard to the electronic notification. A condition of employment is to check your email.

2. Opt out provision in contracts vs federal mandates (Patty)
Patty asked that for employees working less than six hours, is there a federal mandate for opting back in to the health care? KPBSD states once you opt out, you may not opt back in unless a qualifying event is experienced. She requested for more information. Colleen will research and report back at the next meeting.
3. Future Health Coverage Options ie. Cafeteria (Bruce)
Discussion focused on affordable health options. This will be a major focus in negotiations during this bargaining year.
Other ideas to save money to plan (Betty)
Betty shared three ideas from members: *Need local triage, especially on weekend
*Massages should have a prescription (Currently a prescription is required for massage therapy per page 38 of the health plan) * Rolfing in a series of 10 for a total of 20

VI. Next Meeting – October 19, 2011 @ 2:45 pm Risk Mgmt. portable

VII. Adjournment

Meeting adjourned at 4:40 pm.

Motion: Carl. Second: Patty. Vote: Unanimous

Respectfully submitted,
Nancy Courtright