

January 24<sup>th</sup>, 2019 OPEH&W Board of Review Meeting

ACCO Building, 429 NE 50<sup>th</sup> Street, Oklahoma City, Oklahoma

Board Members Present:

Jimmy Beavin- Roger Mills County  
Cindy Bobbitt – Grant County  
Mike Bouvier – Washington County  
Mike Brittingham - Pushmataha County  
Rick Garrison – Elk City Schools  
Karen Hickman – Harper County  
Tammy Malone – Craig County  
Kristie Moles – Pawnee County  
Gina Richardson – Cimarron County  
CJ Rose – Beaver County  
Heath Dobrovolny – Kingfisher County  
Lynn Smith – Ellis County  
Jack Strain – Texas County  
Tahasha Wilcots – Seminole County

Board Members Absent:

Kathy Ross – Johnston County

Guests:

Gayla Bowman – Ellis  
Elzie Smith – City of Cleveland  
Jennifer Layman – Grady County  
Kealee Romero – Grady County  
Jill Locke – Grady County  
Kirk Painter – Grady County  
Cindee Blankenship – City of Wilburton  
DeDe Richardson – Wilburton Public Works  
Linda Warner – City of Bethany  
Steve Harzman – City of Bethany  
Laura Anderson – City of Mustang  
Jodi Cox – OMRF  
Steve Saxon – City of Seminole  
Karla Eschiti – City of Walters  
Sheri Davis – City of Walters  
Shelley Snider – Pontotoc County  
Keressa Compton – Pontotoc County  
Hope Morgan – Town of Hinton  
Lisa Hunt – Elk City Schools  
Mersadez Raper – Lincoln County  
Alicia Wagnon – Lincoln County  
Anita James – City of Kingfisher  
Matt Jacobson – OMAG  
Marsha Shelton – SWODA  
Noel Hunt – Cherokee County  
Shannon Sawyer – Beckham County  
Dana McElroy – Plan Administrator  
January Gilmore – Plan Administration Office  
Ross Naylor - Plan Administration Office

Gayla Thornton – City of Stroud  
Hope Trammell – Pittsburg County  
Cindy Pratt – Grant County  
Donnie Head – CED 8  
Susie Maeder – City of Blanchard  
Robert Floyd – City of Blanchard  
Sara Thulin – ACCO  
Keressa Compton – Pontotoc County  
Tammy Brown – Pontotoc County  
Kristen Dowell – Washita County  
Daniel Ofsthun – City of Blanchard  
Ashley Patton – NW Solid Waste  
Jeannie Boevers – Kingfisher County  
Donna Conner – Kingfisher County  
Kimberly Meek – City of Duncan  
Ira Harris – Boise City Schools  
Brian Holland - OMAG  
Anita Denson – City of Woodward  
Mickie Parks – City of Woodward  
Kaye Kurtz – City of Woodward  
Cheryl Trammel – Cherokee County  
Cindy McGuire – Washita County

Tammy Malone called the meeting to order at 10:00 AM – quorum present.

Agenda Item A –Approval of the minutes of the last Board Meeting dated October 18<sup>th</sup>, 2018.

Jack Strain made a motion to approve the minutes. Mike Bouvier seconded. Jimmy Beavin, Cindy Bobbitt, Mike Brittingham, Rick Garrison, Karen Hickman, Tammy Malone, Kristie Moles, Gina Richardson, CJ Rose, Lynn Smith and Tahasha Wilcots all voted aye; motion carried.

Agenda Item B – Discussion and possible action thereon regarding new Kingfisher County Board member.

Kingfisher County representative retired and requests Heath Dobrovolny to replace him.

Cindy Bobbitt made a motion to approve Heath Dobrovolny. Tahasha Wilcots seconded. Jimmy Beavin, Mike Brittingham, Mike Bouvier, Rick Garrison, Karen Hickman, Tammy Malone, Kristie Moles, Gina Richardson, CJ Rose, Lynn Smith and Jack Strain all voted aye; motion carried.

Agenda Item C – Discussion and possible action thereon regarding the financial position of the Plan ending 11-30-2018.

Dana McElroy reviewed the financial position of the plan ending 11-30-2018. Total cash on hand was \$323,818.00. Total investments were \$3,703,422.00. BlueCross performance guarantee received was \$44,444.00. Express Scripts rebates owed is \$1,658,780.00. Unpaid premiums were \$2,426,933.00. Total current assets was \$8,157,397.00. Liabilities totaled \$2,772,715.00. Bank loan payable was \$2,675,202.00. Total premium income was \$22,163,453.00. RX rebates \$574,310.00. Subrogation income was \$77,275.00. All other income received was \$60,797.00. Total income \$22,875,835.00. Total claims expense was \$18,159,842.00. All other expenses totaled \$3,515,512.00. Leaving a net income of \$1,179,845.00

Mike Brittingham made a motion to approve the financial position of the plan. Jack Strain seconded. Jimmy Beavin, Cindy Bobbitt, Mike Bouvier, Heath Dobrovolny, Rick Garrison, Karen Hickman, Tammy Malone, Kristie Moles, Gina Richardson, CJ Rose, Lynn Smith and Tahasha Wilcots all voted aye; motion carried.

Agenda Item D – Discussion and possible action thereon regarding annual loan approval.

Bank loan is up for renewal. This is the same loan with no changes and just needs annual board approval.

Jack Strain made a motion to approve the loan. CJ Rose seconded. Jimmy Beavin, Cindy Bobbitt, Mike Bouvier, Mike Brittingham, Heath Dobrovolny, Rick Garrison, Karen Hickman, Tammy Malone, Kristie Moles, Gina Richardson, Lynn Smith and Tahasha Wilcots all voted aye; motion carried.

Agenda Item E – Discussion and possible action thereon regarding benefit changes, contract renewals and premium rates for the 2019-2020 Plan Year to include:

1. Actuary Study
2. BCBS ASA Contract
3. Stop-Loss Contract
4. Plan Design Changes
5. New Health Benefit Options
6. Rates

#### Actuary Study

The actuary study was received and suggests a BlueChoice plan rate increase of 4.1% and a Blue Preferred plan increase of 3.9%. National trend on Medical rate increase is at 12.5% and Rx at 17.1%. Approval needed for the actuary study itself, not the rates and changes suggested.

Jack Strain made a motion to approve the actuary study. Heath Dobrovolny seconded. Jimmy Beavin, Cindy Bobbitt, Mike Bouvier, Mike Brittingham, Rick Garrison, Karen Hickman, Tammy Malone, Kristie Moles, Gina Richardson, CJ Rose, Lynn Smith and Tahasha Wilcots all voted aye; motion carried.

#### BCBS ASA Contract

The ASA contract with BlueCross is up for renewal. The proposed Medical ASA fee for the 2019/2020 Plan year is \$37.77 up from \$36.84 and the Dental ASA fee is \$2.75 up from \$2.68.

Lynn Smith made a motion to approve the ASA contract. Tahasha Wilcots seconded. Jimmy Beavin, Cindy Bobbitt, Mike Bouvier, Mike Brittingham, Heath Dobrovolny, Rick Garrison, Karen Hickman, Tammy Malone, Kristie Moles, Gina Richardson, CJ Rose and Jack Strain all voted aye; motion carried.

#### Stop-Loss Contract

The stop-loss contract will remain at \$425,000 with a 15% rate increase. This was negotiated down from the 25% that was initially proposed.

Rick Garrison made a motion to approve the stop-loss contract. Mike Brittingham seconded. Jimmy Beavin, Cindy Bobbitt, Mike Bouvier, Heath Dobrovolny, Karen Hickman, Tammy Malone, Kristie Moles, Gina Richardson, CJ Rose,

Lynn Smith, Jack Strain and Tahasha Wilcots all voted aye; motion carried.

#### Plan Design Changes

The only plan design change being suggested is on the prescription plan to add a non-preferred brand name copay tier. The non-preferred brand name tier would have a \$60 copay for a 30 day supply and \$150 for a 90 day supply. Members currently taking a non-preferred brand name will be notified by Express Scripts and be given a 90 day window to change to a preferred brand if they choose.

Gina Richardson made a motion to approve the Rx benefit change. Kristi Moles seconded. Jimmy Beavin, Cindy Bobbitt, Mike Bouvier, Mike Brittingham, Heath Dobrovlny, Rick Garrison, Karen Hickman, Tammy Malone, CJ Rose, Lynn Smith, Jack Strain and Tahasha Wilcots all voted aye; motion carried.

#### New Health Benefit Options

The Plan Administrators worked with the Actuary to come up with new plan options. The Plan has always offered only one plan design and the Administrators feel like it is time to add more options for groups that need to reduce their cost. The proposed plan designs would be referred to as the Diamond, Platinum, Gold, Silver and Bronze Plan with each offering a different level of coverage and premium cost. Having these options in place will help retain groups in the future. Each group will choose which Plan to offer their employees and will not be an individual option.

Each new plan option is reviewed and discussed individually.

Rick Garrison made a motion to approve adding the new Plans. Cindy Bobbitt seconded.

CJ Rose made a motion to take a roll call vote. All voted aye for adding the new plan designs. Motion passes.

#### Rates

For the current plans, now known as Diamond Preferred and Diamond Choice, the actuary suggested a rate increase of 3.9% for the Diamond preferred and 4.1% for the Diamond Choice for Medical and Dental coverage only. The Board is presented with 3 rate increase options per plan. The suggested 3.9% and 4.1% that the actuary suggested, 4% across the board or 5% across the board.

CJ Rose made a motion for a 4% increase. Jack Strain seconds.

After continued discussions and questions about all possible options, the Board is polled. Motion carries with a 4% rate increase across the board.

#### Agenda Item F – Discussion and possible action thereon regarding annual renewal for 2019-2020 Plan year.

All groups will have until mid-March to make plan design changes. The Annual Renewal period will start at the beginning of April and members will have until the end of May to login to HEART and complete their renewal.

No action required.

#### Agenda Item G – Discussion and possible action thereon regarding entities leaving the Plan.

Ross Naylor discusses the groups that have chosen to leave over the past year and the impact to the Plan. The most recent groups leaving are City of Guymon and Custer County on January 1 and City of Yukon on February 1.

No action required.

#### Agenda Item H – Discussion and possible action thereon regarding marketing of the Plan.

The Plan Administrators will begin marketing the Plan by attending County and City conferences.

No action required.

#### New Business unforeseen at the time of the posted agenda –

No new business.

Mike Brittingham made a motion to adjourn. Tahasha Wilcots seconded. Jimmy Beavin, Cindy Bobbitt, Mike Bouvier, Heath Dobrovlny, Rick Garrison, Karen Hickman, Tammy Malone, Kristie Moles, Gina Richardson, CJ Rose, Lynn Smith and Jack Strain all voted aye; motion carried.

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Secretary/Board of Review

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Attested To/ Notary

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My Commission Expires

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Chairman/Board of Review

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Attested To/ Notary

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My Commission Expires