

January 16th, 2020 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  
Heath Dobrovolny – Kingfisher County  
Rick Garrison – Elk City Schools  
Tammy Malone – Craig County  
Kristie Moles – Pawnee County  
Gary Nielsen – Harper County  
Gina Richardson – Cimarron County  
CJ Rose – Beaver County  
Kathy Ross – Johnston County  
Lynn Smith – Ellis County  
Jack Strain – Texas County  
Tahasha Wilcots – Seminole County

Board Members Absent:

Guests:

Matt Jacobson – OMAG  
Sara Thulin – ACCO  
Tammy Brown – Pontotoc County  
Shelley Snider – Pontotoc County  
Keressa Kerr – Pontotoc County  
Steve Harzman – City of Bethany  
Kristen Dowell – Washita County  
Mersadez Raper – Lincoln County  
Michelle Lehnus- City of Cleveland  
Jenny Vincent – Ellis County  
Noel Hunter – Cherokee County  
Gayle Thornton – City of Stroud  
Dave Slezcickey – City of Kingfisher  
Lorie Legere – Garfield County  
Vicki Hutcheson – Garfield County  
Shannon Sawyer- Beckham County  
Jodi Cox – OMRF  
Audra Scott – Town of Roff  
Kevin Duke – CPA  
Brian Mauck – American Fidelity  
Dana McElroy – Plan Administrator  
January Gilmore – Plan Administration Office  
Ross Naylor - Plan Administration Office  
Blane Wood – Plan Administration Office

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 24<sup>th</sup>, 2019

Cindy Bobbitt made a motion to approve the minutes. Tahasha Wilcots seconded. Jimmy Beavin, Mike Bouvier, Mike Brittingham, Heath Dobrovolny, Rick Garrison, Tammy Malone, Kristi Moles, Gary Nielsen, Gina Richardson, CJ Rose, Kathy Ross, Lynn Smith And Jack Strain all voted aye; motion carried.

Agenda Item B – Discussion and possible action thereon regarding financial position of the Plan ending 11/30/2019.

Dana McElroy reviewed the financial position of the Plan. Total cash on hand was \$(88,171.00). Investments totaled \$4,378,006.00. Express Scripts rebates owed was \$1,918,073.00. Total unpaid premiums were \$3,195,924.00. Accounts payable was \$1,606,216.00. Bank loan payable was \$2,818,234.00. Total current liabilities were \$4,424,450.00. Total premium income was \$18,464,907.00. RX Rebates received was \$1,283,464.00. Total claims

expense was \$16,472,584.00. PCORI fee was \$19,896.00. Administrative and claims processing fees totaled \$1,415,548.00. Stop-loss fees were \$453,680.00. Group Life insurance was \$423,511.00. Vision Insurance was \$190,734.00. All other expenses totaled \$112,589.00. There was a gain on investments of \$674,584.00. Leaving a total net income for the year of \$1,334,413.00.

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

Agenda Item C – Discussion and possible action thereon regarding Annual Audit as of 6-30-2019.

Kevin Duke presented the findings for the Plan's annual audit. Total assets were \$8,800,000 compared with \$10,500,000 in the previous plan year due to more accounts payable being paid. Total liabilities were \$4,500,000 compared to \$8,700,000 in the previous year. Total expenses were \$51,600,000 compared to \$54,200,000 in the previous year due to lower claims being paid. There were no findings or adjustments to report and the Plan is running well. All annual changes and updates required under the Affordable Care Act have been implemented as well as all other state and federal laws applicable to Health Plans.

Mike Brittingham made a motion to approve the annual audit. Heath Dobrovoly seconded. Jimmy Beavin, Cindy Bobbitt, Mike Bouvier, Rick Garrison, Tammy Malone, Kristi Moles, Gary Nielsen, Gina Richardson, CJ Rose, Kathy Ross, Lynn Smith, Jack Strain and Tahasha Wilcots all voted aye; motion carried.

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

For the last several years, the Plan's loan has been secured by the reserve funds and helped pay high claims. The loan is no longer needed to help pay claims, so it has been turned off. The plan administrator is now just making principal payments to pay off the loan as quickly as possible. The interest rate has been lowered to 4.75%.

Mike Bouvier made a motion to approve the loan. CJ Rose seconded. Jimmy Beavin, Cindy Bobbitt, Mike Brittingham, Heath Dobrovoly, Rick Garrison, Tammy Malone, Kristi Moles, Gary Nielsen, Gina Richardson, Kathy Ross, Lynn Smith, Jack Strain 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 2020-2021 Plan Year to include:

1- Actuary Study:

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

2- BCBS ASA Contract:

BlueCross is proposing a rate hold with a renewal guarantee for the 2021 and 2022 on both Medical and dental should the plan use their Stop-loss option. They are offering their stop-loss policy with the same as our current at \$425,000 with the same aggregating component of 125%. This proposal does not include Rx coverage. The proposed rate for the stop-loss component would be \$21.42. The administrators need more time to negotiate the terms of the stop-loss to include the RX coverage. It is proposed to approve the ASA renewal, but table the Stop loss component until the next meeting while the plan is negotiating the terms to include RX coverage.

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

3- Stop-Loss:

Lynn Smith made a motion to table the Stop-loss contract until the next meeting. CJ Rose seconded. Jimmy Beavin, Cindy Bobbitt, Mike Bouvier, Mike Brittingham, Heath Dobrovoly, Rick Garrison, Tammy Malone, Kristi Moles, Gary Nielsen, Gina Richardson, Kathy Ross, Jack Strain and Tahasha Wilcots all voted aye; motion carried.

#### 4- Plan Design Changes:

There are two benefit changes that have already gone into effect as of January 1. Under 65 Retiree rates are now lowered to mirror the active rates and certain preferred brand insulins have been reduced to a \$25 copay for a 30-day supply.

Proposed benefit changes:

A: Health Advocacy Solutions (HAS) – This is a new customer service experience that provides a more Personal, “concierge style” experience for the Members. When a member contacts BlueCross, they will be given a personal health advocate that will become their single point of contact at BlueCross. They can help them find providers, setup appointments, enroll them in health programs, etc. The cost to the Plan is \$10 per member per month. The following additional programs become available if the Plan chooses to use the HAS program:

Member Rewards- Members can earn free cash rewards for certain medical services just for using higher quality, lower cost providers. Member must call customer service to find a provider nearest them for the procedures.

OMADA- Members can receive a free digital solution with connected technology and personalized feedback to help manage pre-diabetes, hypertension, high cholesterol and type 2 diabetes.

Livongo- Members can receive a free digital solution and testing supplies with personalized reports and expert coaching to help manage their diabetes.

Hinge Health- Free digital solution for musculoskeletal health and physiotherapy. Replaces the costly and inconvenient physical therapy visits. Members get a personalized exercise therapy plan and receives a free tablet computer with wearable sensors that provide live feedback of stretches and exercises.

Well on Target- Free digital wellness and fitness platform. Providing fitness programs, health assessments, self-management programs, wellness coaching and education.

Naturally Slim- Free 10-week digital weight loss program.

Ovia Health- Members have access to free comprehensive maternity and family benefit solutions.

Rick Garrison made a motion to approve the HAS program. Gina Richardson seconded. Jimmy Beavin, Cindy Bobbitt, Mike Bouvier, Mike Brittingham, Heath Dobrovolny, Tammy Malone, Kristi Moles, Gary Nielsen, CJ Rose, Kathy Ross, Lynn Smith, Jack Strain and Tahasha Wilcots all voted aye; motion carried.

B: Free Select Medical Procedures – Members can save thousands of dollars by choosing to have certain medical procedures performed for free at certified BlueDistinction Network providers. Members call HAS customer service for details. Main treatment areas include Cancer, cardiac, orthopedic, transplant and maternity.

Jack Strain made a motion to approve free select medical procedures. Cindy Bobbitt seconded. Jimmy Beavin, Mike Bouvier, Mike Brittingham, Heath Dobrovolny, Rick Garrison, Tammy Malone, Kristi Moles, Gary Nielsen, Gina Richardson, CJ Rose, Kathy Ross, Lynn Smith and Tahasha Wilcots all voted aye; motion carried.

C: Connect 360 from Express Scripts – A new way to coordinate patient care with a personalized approach. Key areas of guaranteed adherence include members with Diabetes, inflammatory conditions, opioid dependence, cardiovascular disease, pulmonary, and behavioral health.

Cindy Bobbitt made a motion to approve connect 360. Heath Dobrovolny seconded. Jimmy Beavin, Mike Bouvier, Mike Brittingham, Rick Garrison, Tammy Malone, Kristi Moles, Gary Nielsen, Gina Richardson, CJ Rose, Kathy Ross, Lynn Smith, Jack Strain and Tahasha Wilcots all voted aye; motion carried.

D: Cancellation of BVA penalty – A \$100 penalty was previously put in place for members not calling Customer service ahead of getting an MRI or Cat Scan. Removing the penalty has no impact on the plan and has been a confusing and negative requirement. The penalty will be removed effective 3/1/2020.

Jack Strain made a motion to approve the removal of the BVA penalty. Lynn Smith seconded. Jimmy Beavin, Cindy Bobbitt, Mike Bouvier, Mike Brittingham, Heath Dobrovolny, Rick Garrison, Tammy

Malone, Kristi Moles, Gary Nielsen, Gina Richardson, CJ Rose, Kathy Ross and Tahasha Wilcots all voted aye; motion carried.

E: Retiree Eligibility definition change – The administrators would like to update the current retiree Eligibility definition to remove the 6 years of continuous coverage requirement. The proposed language will be:

Members of the Health Plan will be considered eligible for retiree coverage for 30-days following their employment end date, if during the period immediately prior to their retirement, either the sum of the member's age plus their years of service (calculated from their employment start date) with the Participating Government Agency equals at least the number 80 on the date they retire (their employment end date); or the individual is vested with one of the following:

- Oklahoma Teachers Retirement System (OTRS)
- Oklahoma Public Employees Retirement System (OPERS)
- Oklahoma Law Enforcement Retirement System (OLERS)
- Oklahoma Municipal Retirement Fund (OMRF)
- Other such Oklahoma Retirement Systems

CJ Rose made a motion to approve the retiree eligibility criteria change. Jimmy Beavin seconded. Cindy Bobbitt, Mike Bouvier, Mike Brittingham, Heath Dobrovlny, Rick Garrison, Tammy Malone, Kristi Moles, Gary Nielsen, Gina Richardson, Kathy Ross, Lynn Smith, Jack Strain and Tahasha Wilcots all voted aye; motion carried.

5- Dental Plan:

There will now be two dental plan options available. The current plan will be called Standard Dental, will have the same benefits, but with a slightly lower premium. The 2<sup>nd</sup> plan will be called Enhanced Dental and it will have an increased plan payment maximum up to \$2,500, lower member cost share and will have the same premium as the current dental rate.

Gina Richardson made a motion to approve the new enhanced dental plan. Rick Garrison seconded. Jimmy Beavin, Cindy Bobbitt, Mike Bouvier, Mike Brittingham, Heath Dobrovlny, Tammy Malone, Kristi Moles, Gary Nielsen, CJ Rose, Kathy Ross, Lynn Smith, Jack Strain and Tahasha Wilcots all voted aye; motion carried.

6- Rates:

The actuary study suggested a 3% increase on the diamond plan, 6.7% on Platinum, 5.3% on Gold, 8% on Silver and 9.3% on Bronze. The Board is given 3 options. Option A mirrors the actuary study recommendations, Option B puts an increase of 3% on the diamond plan with a 5% on all other plans, Option C puts a 3% increase across all plans.

Jack Strain made a motion to choose option C for a 3% increase across the board. Mike Bouvier seconded. Jimmy Beavin, Cindy Bobbitt, Mike Brittingham, Heath Dobrovlny, Rick Garrison, Tammy Malone, Kristi Moles, Gary Nielsen, Gina Richardson, CJ Rose, Kathy Ross, Lynn Smith and Tahasha Wilcots all voted aye; motion carried.

Agenda Item F – Discussion and possible action thereon regarding Annual Renewal Period (ARP) for 2020-2021 Plan year.

All groups will have until March 15<sup>th</sup> to make plan design changes. The Annual renewal period will start April 1 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 joining the Plan.

Lincoln County has rejoined the Plan effective January 1. Other new entities include City of Morris, Town of Leedey and Town of Forest Park.

Rick Garrison approves the new entities. Mike Bouvier seconded. Jimmy Beavin, Cindy Bobbitt, Mike Brittingham, Heath Dobrovlny, Tammy Malone, Kristi Moles, Gary Nielsen, Gina Richardson, CJ Rose, Kathy Ross, Lynn Smith, Jack Strain and Tahasha Wilcots all voted aye; motion carried.

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

The Administrators are currently in contact with several groups who are interested in joining and are just waiting on gathering their data. There is also a plan to start talking to some school districts.

No action required.

New Business unforeseen at the time of the posted agenda –

Change next meeting to April 23 due to meeting conflicts.

CJ Rose made a motion to adjourn. Heath Dobrovlny seconded. Jimmy Beavin, Cindy Bobbitt, Mike Bouvier, Mike Brittingham, Rick Garrison, Tammy Malone, Kristi Moles, Gary Nielsen, Gina Richardson, Kathy Ross, Lynn Smith, Jack Strain and Tahasha Wilcots 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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My Commission Expires