

August 20, 2020 OPEH&W Board of Review Meeting

ACCO Building, 429 NE 50th Street, Oklahoma City, Oklahoma

Board Members Present:

Cindy Bobbitt – Grant County
Heath Dobrovlny – 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
Lynn Smith – Ellis County
Jack Strain – Texas County

Board Members Absent:

Jimmy Beavin- Roger Mills County
Mike Bouvier – Washington County
Mike Brittingham - Pushmataha County
Kathy Ross – Johnston County
Tahasha Wilcots – Seminole County

Guests:

Dana McElroy – Plan Administrator
January Gilmore – Plan Administration Office
Ross Naylor - Plan Administration Office

Tammy Malone called the meeting to order at 10:00 AM

January Gilmore completed a roll call of the board members, quorum present.

Agenda Item A –Approval of the minutes of the last Board Meeting dated January 16th, 2020

Jack Strain made a motion to approve the minutes. Heath Dobrovlny seconded. Roll call vote completed.

Cindy Bobbitt, Rick Garrison, Tammy Malone, Kristi Moles, Gary Nielsen, Gina Richardson, CJ Rose and Lynn Smith all voted aye; motion carried.

Agenda Item B – Discussion and possible action thereon regarding financial position of the Plan ending 6-30-2020.

Dana McElroy reviewed the financial position of the Plan. Total cash on hand was \$1,044,085.00. Investments totaled \$4,431,710.00. Express Scripts rebates owed was \$1,772,995.00. Total unpaid premiums were \$2,192,916.00. Accounts payable was \$1,122,211.00. Bank loan payable was \$2,228,888.00. Total current liabilities were \$3,351,099.00. Total premium income was \$44,749,485.00. Reinsurance refunds received was \$95,871.00. RX Rebates received was \$2,431,828.00. Subrogation refunds received was \$20,778.00. Total claims expense was \$39,036,309.00. PCORI fee was \$19,896.00. Administrative and claims processing fees totaled \$3,431,573.00. Stop-loss fees were \$1,107,557.00. Group Life insurance was \$1,489,198.00. Fiduciary Insurance was \$12,700.00. Vision Insurance was \$532,826.00. All other expenses totaled \$296,279.00. There was a gain on investments of \$728,288.00. Leaving a total net income for the year of \$2,445,637.00.

Lynn Smith made a motion to approve the financial position of the plan. Gary Nielsen seconded. Roll call voted completed.

Cindy Bobbitt, Heath Dobrovlny, Rick Garrison, Tammy Malone, Kristi Moles, Gina Richardson, CJ Rose and Jack Strain all voted aye; motion carried.

Agenda Item C – Discussion and possible action thereon regarding Administrator Contract

Administrator agreement is still the same and the admin fee is not changing. The contract is good through June 30, 2021.

Cindy Bobbitt made a motion to approve the Administrator contract. Rick Garrison seconded. Roll call vote completed.

Heath Dobrovlny, Tammy Malone, Kristi Moles, Gary Nielsen, Gina Richardson, CJ Rose, Lynn Smith and Jack Strain

all voted aye; motion carried.

Agenda Item D – Discussion and possible action thereon regarding Stop-loss Contract

The plan administrators are recommending staying with BlueCross for the Plan's stop-loss contract. The contract does have a 19% increase, but this is for adding coverage for prescription claims. It is vital that the Plan add in this protection now because of the increasingly higher costs of drugs hitting the market. The reinsurance attachment point would stay at the current amount of \$425,000.

Jack Strain made a motion to approve the stop-loss contract. CJ Rose seconded. Roll call vote completed.

Cindy Bobbitt, Heath Dobrovoly, Rick Garrison, Tammy Malone, Kristi Moles, Gary Nielsen, Gina Richardson and Lynn Smith all voted aye; motion carried.

Agenda Item E – Discussion and possible action thereon regarding increase in attorney fees.

Jan Dumont with Riggs Abney has been the Plan's attorney for many years. The plan has been paying the same rate at \$190 an hour for the last 10 years. Riggs Abney's normal fee is \$350 an hour, but they are willing to still give us a discounted rate and charge \$250.

CJ Rose made a motion to approve the increase in attorney fees. Heath Dobrovoly seconded. Roll call vote completed.

Cindy Bobbitt, Rick Garrison, Tammy Malone, Kristie Moles, Gary Nielsen, Gina Richardson, Lynn Smith and Jack Strain all voted aye; motion carried.

Agenda Item F – Discussion and possible action thereon regarding Annual Renewal Period and new plan year benefits.

Ross Naylor gave a review of the annual renewal period (ARP). Plan year renewal went very smooth and the administration office has received only positive feedback. A new monthly educational program is rolling out and all members will start receiving materials through the mail and email from BlueCross. The new plan year benefits were reviewed.

No action required.

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

Two entities joined effective July 1. Texas County E911 and Oklahoma Municipal Management Services.

Cindy Bobbitt made a motion to approve the new entities. Gary Nielsen seconded. Roll call vote completed.

Heath Dobrovoly, Rick Garrison, Tammy Malone, Kristie Moles, Gina Richardson, CJ Rose, Lynn Smith and Jack Strain all voted aye; motion carried.

New Business unforeseen at the time of the posted agenda –

None

Rick Garrison made a motion to adjourn. Kristie Moles seconded. Roll call vote completed.

Cindy Bobbitt, Heath Dobrovoly, Tammy Malone, Gary Nielsen, Gina Richardson, CJ Rose, Lynn Smith and Jack Strain all voted aye; motion carried.

Secretary/Board of Review

Attested To/ Notary

My Commission Expires

Chairman/Board of Review

Attested To/ Notary

My Commission Expires