

April 15th, 2021 OPEH&W Board of Review Meeting

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

Board Members Present:

Mike Bouvier – Washington County
Mike Brittingham - Pushmataha County
Heath Dobrovoly – Kingfisher County
Rick Garrison – Elk City Schools
Tammy Malone – Craig County
Kristie Moles – Pawnee County
Gary Nielsen – Harper County
CJ Rose – Beaver County
Kathy Ross – Johnston County
Lynn Smith – Ellis County
Jack Strain – Texas County

Board Members Absent:

Jymay McLeod – Roger Mills County
Cindy Pratt – Grant County
Gina Richardson – Cimarron County
Lisa Turpin – Seminole County

Guests:

Dana McElroy – Plan Administrator
January Gilmore – Plan Administration Office
Ross Naylor – Plan Administration Office
Lori Legere
Mike Sparks
Matt Jacobson

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 February 25th, 2021.

Jack Strain made a motion to approve the minutes. CJ Rose seconded. Roll call vote completed.

Mike Bouvier, Mike Brittingham, Heath Dobrovoly, Rick Garrison, Tammy Malone, Kristi Moles, Gary Nielsen, Kathy Ross, and Lynn Smith all voted aye; motion carried.

Agenda Item B – Discussion and possible action thereon regarding new Treasurer/Secretary Board position.

Mike Brittingham made a motion to appoint CJ Rose. Heath Dobrovoly seconded and made a motion to cease nominations. Roll call vote completed.

Mike Bouvier, Rick Garrison, Tammy Malone, Kristie Moles, Gary Nielsen, CJ Rose, Kathy Ross, Lynn smith, and Jack Strain all voted aye; motion carried.

Agenda Item C – Discussion and possible action thereon regarding financial position of the Plan ending 2/28/2021.

Dana McElroy reviewed the financial position of the Plan. Total cash on hand was \$1,502,550. Investments totaled \$4,681,519. Express Scripts rebates owed was \$617,095. Total unpaid premiums were \$2,735,428. Total current assets are \$9,536,592. Total liabilities were \$702,859. Total premium income was \$30,143,012. Reinsurance refunds totaled \$210,100. Claims runoff revenue was \$51,489. RX Rebates received was \$1,772,405. Subrogation refunds received was \$77,249. Other income received from Express Scripts guarantees was \$10,185. Total income was \$32,264,440. Total claims expense was \$25,390,215. PCORI fee was \$22,144. Administrative and claims processing fees totaled \$2,177,159. Stop-loss fees were \$743,778. Group Life insurance was \$896,966. Vision Insurance was \$392,449. All other expenses totaled \$148,411. There was a gain on investments of \$249,809. Leaving a total net income for the year of \$2,743,127.

Heath Dobrovoly made a motion to approve the financial position of the plan. Gary Nielsen seconded. Roll call vote completed.

Mike Bouvier, Mike Brittingham, Rick Garrison Tammy Malone, Kristi Moles, CJ Rose, Kathy Ross, Lynn Smith, and Jack Strain all voted aye; motion carried.

Agenda Item D – Discussion and possible action thereon regarding line-of-credit loan approval.

The line-of-credit loan is a loan against the plan's investments. 70% of the Plan's investments can be borrowed. The interest is using prime rate which is currently at 3.25%. The administrators need approval to keep the line-of-credit loan open with Arvest Bank.

Mike Brittingham made a motion to approve the line-of-credit loan. Heath Dobrovlny seconded. Roll call voted completed.

Mike Bouvier, Rick Garrison, Tammy Malone, Kristie Moles, Gary Nielsen, CJ Rose, Kathy Ross, Lynn Smith, and Jack Strain all voted aye; motion carried.

Agenda Item E – Discussion and possible action thereon regarding 2021/2022 Administrator Contract.

There are no changes or updates to the current administrator contract.

CJ Rose made a motion to approve the Administrator Contract for 2021/2022. Kristie Moles seconded. Roll call vote completed.

Mike Bouvier, Mike Brittingham, Heath Dobrovlny, Rick Garrison, Tammy Malone, Gary Nielsen, Kathy Ross, Lynn Smith, and Jack Strain all voted aye; motion carried.

Agenda Item F – Discussion and possible action thereon regarding 2021/2022 Life Insurance Contract.

The plan administrators received quotes for new Life insurance companies. The current carrier, The Standard, offered a contract with a considerable rate increase. MetLife has offered a three-year contract with reduced rates. It is recommended to move to MetLife effective July 1.

Jack Strain made a motion to approve the new Life insurance contract with MetLife. Gary Nielsen seconded. Roll call vote completed.

Mike Bouvier, Mike Brittingham, Heath Dobrovlny, Rick Garrison, Tammy Malone, Kristie Moles, CJ Rose, Kathy Ross, and Lynn Smith all voted aye; motion carried.

Agenda Item G – Discussion and possible action thereon regarding Pre-Med Defender Plan Design.

A company approached the Administrators about a pre-med defender plan. Under their plan design, the base primary plan would have a \$5,000 deductible with 100% coinsurance and copays. The pre-med defender plan was brought to the Plans actuary to look at and the actuary determined that the design would cost the Plan \$7.5 Million. The administrators do not recommend the use of this plan design.

Mike Bouvier made a motion to not approve the pre-med defender plan design. Jack Strain seconded. Roll call vote completed.

Mike Brittingham, Heath Dobrovlny, Rick Garrison, Tammy Malone, Kristie Moles, CJ Rose, Kathy Ross, Lynn Smith, and Jack Strain all voted aye; motion carried.

Agenda Item H – Discussion and possible action thereon regarding new Board Member approval.

Rick Garrison is retiring and would like to appoint Mike Sparks to replace him as the at-large board member.

Heath Dobrovlny made a motion to approve Mike Sparks as the new at large board member replacing Rick Garrison. CJ Rose seconded. Roll call vote completed.

Mike Bouvier, Mike Brittingham, Rick Garrison, Tammy Malone, Kristie Moles, Gary Nielsen, Kathy Ross, Lynn Smith, and Jack Strain all voted aye; motion carried.

New Business unforeseen at the time of the posted agenda –

The Plan administrator's office will be closed for remodeling in May, but all employees will be working from home.

An in-person board meeting is planned for the next meeting in August.

Rick Garrison made a motion to adjourn. Mike Brittingham seconded. Roll call vote completed.

Mike Bouvier, Heath Dobrovolny, Tammy Malone, Kristie Moles, Gary Nielsen, CJ Rose, Kathy Ross, 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