



## Summary of the 9/3/20206 Emergency Meeting

### Attendance

#### Trustees:

|         |               |                   |
|---------|---------------|-------------------|
| PRESENT | C.J. Rose     | Beaver County     |
| ONLINE  | Amy Gonzalez  | Cimarron County   |
| PRESENT | Tammy Malone  | Craig County      |
| PRESENT | Lynn Smith    | Ellis County      |
| PRESENT | Steve Stinson | Grant County      |
| PRESENT | Gary Nielsen  | Harper County     |
| ABSENT  | Kathy Ross    | Johnston County   |
| PRESENT | Emily Lee     | Kingfisher County |
| PRESENT | Matt Jacobson | OMAG              |
| PRESENT | Kristy Moles  | Pawnee County     |
| ABSENT  | Gary Starns   | Pontotoc County   |
| PRESENT | Brad Burgett  | Pushmataha County |
| ABSENT  | Dana Brown    | Seminole County   |
| ABSENT  | Dolan Sledge  | Texas County      |
| ABSENT  | Mitch Antle   | Washington County |

#### Guests (In-Person):

Ross Naylor – Plan Administrator  
Laura Fleet – Attorney  
Jim Duncan – Benchmark  
Jenny Vicent – Ellis County  
Rowena Erhman – OID  
Harold Nichols – ACCO  
Dett Jett – ACCO  
Leasa Furr – Bethany, City of  
Daniel Clements – CED 4  
Linsay Porter – OKMRF  
Jodi Cox – OKMRF  
Coby Nelson – Vici Public Schools

### Financial Position

#### REPORT: Reduction of the BlueCross Grace Period

BlueCross and BlueShield sent notification that their current 60-day grace period provision for claims payment will be reduced to 30-days, with the change to become effect 11/1/2026. Such a change without significant action being taken would be impossible for the OPEH&W Health Plan to make work.

#### REPORT: Loss of High Utilizing Groups

The loss of 17-groups, 11 of which were significantly high utilizers, who during the past 36-months resulted in claims costs \$18.4M more than the premium received. Therefore, the loss of the ongoing claims costs associated with these poor performing groups is extremely beneficial. However, the

effects of their claims are still being felt. Even though groups are responsible for their run-out claims, the OPEH&W Health Plan is still paying and floating those costs pending reimbursement from the group. For the month of July 2026, this amounted to approximately \$475k. With run-out claims costs potentially continuing for up to 12-months.

**REPORT: Reduction in Premium Income**

The loss of 17-groups has seen an approximate 20% reduction in monthly premium income, and with claim payments currently due and within the vendor grace period for the weeks prior to these groups terminating, money available for claims payments has been significantly squeezed, tightening the financial position.

**REPORT: Continued High Claims Costs**

Medical claims continue to be high. Part of this is due to the highest utilizing group on the plan, who is scheduled to terminate coverage 9/30/2026. This one group alone is responsible for \$6.1M of the \$18.4M over premium claims costs over the past 36-months. Additionally, run-out claims are still being received.

**Remedies for Financial Position**

**ACTION TAKEN: Termination of Medefy – Mobile App Service**

The Board of Trustees voted terminate the mobile app service provided by Medefy, if a review of the service contract allows. Currently the Mobile App Service from Medefy costs the Health Plan approximately \$25,000 per month.

|                |                             |                   |
|----------------|-----------------------------|-------------------|
| Moved By:      | Matt Jacobson               |                   |
| Seconded By:   | C.J. Rose                   |                   |
| Outcome:       | Motion Passes - Unanimously |                   |
| Voting Record: |                             |                   |
| YEA            | C.J. Rose                   | Beaver County     |
| YEA            | Amy Gonzalez                | Cimarron County   |
| YEA            | Tammy Malone                | Craig County      |
| YEA            | Lynn Smith                  | Ellis County      |
| YEA            | Steve Stinson               | Grant County      |
| YEA            | Gary Nielsen                | Harper County     |
| ABSENT         | Kathy Ross                  | Johnston County   |
| YEA            | Emily Lee                   | Kingfisher County |
| YEA            | Matt Jacobson               | OMAG              |
| YEA            | Kristy Moles                | Pawnee County     |
| ABSENT         | Gary Starns                 | Pontotoc County   |
| YEA            | Brad Burgett                | Pushmataha County |
| ABSENT         | Dana Brown                  | Seminole County   |
| ABSENT         | Dolan Sledge                | Texas County      |
| ABSENT         | Mitch Antle                 | Washington County |

**ACTION TAKEN: Rate Increase**

Accounting for the Actuary’s recommended rate adjustment and reacting to continued high health coverage utilization and increased claims costs, a situation all other health coverage providers are experiencing; the Board of Trustees voted to apply a mid-plan year increase. This rate increase is applied only to the employee health coverage tier, increasing it by 12.5% across on all plan options, and the change is made retroactive to 7/1/2026.

This means groups will receive additional invoices for the make-up premium balance for July, August, and September separately from the regular invoice, reflecting the difference in the increased rate from the amount initially invoiced. Regular invoices will begin reflecting the new increased employee tier rates from the October eligibility period onwards.

For further clarification, this rate increase does not affect spouse and child(ren) rates; additionally, it only effects the health coverage rate, and does not apply to dental, vision, life, or any other coverage type.

The new premium rates for the BlueAdvantage and BluePreferred network coverage options (if available) are as follows:

| TUNGSTEN | DIAMOND | PLATINUM | GOLD   | SILVER | BRONZE | COPPER |
|----------|---------|----------|--------|--------|--------|--------|
| 848.90   | 816.26  | 734.64   | 701.96 | 677.48 | 653.00 | 571.34 |

The new premium rate for Diamond BlueChoice network option is **960.30**

Moved By: **Steve Stinson**  
 Seconded By: **Matt Jacobson**  
 Outcome: **Motion Passes – By Majority 8 - 2**  
 Voting Record:

|               |               |                   |
|---------------|---------------|-------------------|
| <b>NAY</b>    | C.J. Rose     | Beaver County     |
| <b>YEA</b>    | Amy Gonzalez  | Cimarron County   |
| <b>YEA</b>    | Tammy Malone  | Craig County      |
| <b>YEA</b>    | Lynn Smith    | Ellis County      |
| <b>YEA</b>    | Steve Stinson | Grant County      |
| <b>NAY</b>    | Gary Nielsen  | Harper County     |
| <b>ABSENT</b> | Kathy Ross    | Johnston County   |
| <b>YEA</b>    | Emily Lee     | Kingfisher County |
| <b>YEA</b>    | Matt Jacobson | OMAG              |
| <b>YEA</b>    | Kristy Moles  | Pawnee County     |
| <b>ABSENT</b> | Gary Starns   | Pontotoc County   |
| <b>YEA</b>    | Brad Burgett  | Pushmataha County |
| <b>ABSENT</b> | Dana Brown    | Seminole County   |
| <b>ABSENT</b> | Dolan Sledge  | Texas County      |
| <b>ABSENT</b> | Mitch Antle   | Washington County |

## ACTION TAKEN: New Plan Governance Policies

With continuing shifts in the health coverage landscape, the current governance controls for the OPEH&W Health Plan have been found wanting, and contributed to the current position it finds itself in. Specifically, this is due to the concept of plan wide experience premium rating, plan wide risk sharing without ongoing analysis and risk adjustment action at the group level, and no policy, provision, or guidelines for the removal of a participating group.

As such, the Board of Trustees voted unanimously to develop the following new policies and procedures, the details of which will be drafted by the Plan Administrator and Plan Actuary, before being formally discussed, and approved during upcoming board meetings:

1. The creation of a policy and associated procedures for reviewing and reporting on the past performance and future risk stratification of each participating group; with such analysis to be performed twice a year, immediately following the completion of each plan year, and as a component of the annual actuarial process.

2. The creation of a policy and associated procedures allowing for a targeted group by group true-up assessments for over utilization at the end of each plan year. Whereby, under performing groups with significantly higher than expected utilization, outside the OPEH&W Health Plan's expected utilization threshold variance window, would, as a condition for continued participation, be individually assessed.
3. The creation of a policy and associated procedures to apply experience rated premiums for over-utilizing groups, whose utilization falls outside the OPEH&W Health Plan's expected utilization threshold variance window.
4. The creation of a policy and associated procedures allowing for the expulsion or non-renewal of a participating group who has been identified as a consistent high utilizer, with experience egregiously higher than the OPEH&W Health Plan's expected utilization threshold variance window, and whose continued participation is deemed to put the entire organization's survivability at risk.

Moved By: **Matt Jacobson**  
 Seconded By: **Emily Lee**  
 Outcome: **Motion Passes - Unanimously**  
 Voting Record:

|               |               |                   |
|---------------|---------------|-------------------|
| <b>YEA</b>    | C.J. Rose     | Beaver County     |
| <b>YEA</b>    | Amy Gonzalez  | Cimarron County   |
| <b>YEA</b>    | Tammy Malone  | Craig County      |
| <b>YEA</b>    | Lynn Smith    | Ellis County      |
| <b>YEA</b>    | Steve Stinson | Grant County      |
| <b>YEA</b>    | Gary Nielsen  | Harper County     |
| <b>ABSENT</b> | Kathy Ross    | Johnston County   |
| <b>YEA</b>    | Emily Lee     | Kingfisher County |
| <b>YEA</b>    | Matt Jacobson | OMAG              |
| <b>YEA</b>    | Kristy Moles  | Pawnee County     |
| <b>ABSENT</b> | Gary Starns   | Pontotoc County   |
| <b>YEA</b>    | Brad Burgett  | Pushmataha County |
| <b>ABSENT</b> | Dana Brown    | Seminole County   |
| <b>ABSENT</b> | Dolan Sledge  | Texas County      |
| <b>ABSENT</b> | Mitch Antle   | Washington County |

## **ACTION TAKEN: Financial Remedies Working Group Committee**

The Plan Administrator outlined for the Trustees the financial position and what was required to handle the reduction of the BlueCross grace period. At the time of the meeting, this is estimated to be \$13M. Much discussion was had on the topic, with no final action taken, rather, the Board of Trustees voted unanimously to form a Financial Remedies Working Group Committee, to be comprised of five individuals, and for the purpose of formulating additional and specific plans of action to remedy the Health Plan's financial position, and to present said plan of action for discussion and/or ratification by the full Board of Trustees at either the scheduled September 24<sup>th</sup>, 2026, Special Board Meeting, or at an emergency board meeting to be held prior to that date, should it be deemed necessary. The five individuals designated by the Board of Trustees to form this committee are as follows: Mitch Antle, Matt Jacobson, Tammy Malone, C.J. Rose, and Lynn Smith.

Moved By: **Steve Stinson**  
 Seconded By: **Brad Burgett**  
 Outcome: **Motion Passes - Unanimously**  
 Voting Record:

|            |              |                 |
|------------|--------------|-----------------|
| <b>YEA</b> | C.J. Rose    | Beaver County   |
| <b>YEA</b> | Amy Gonzalez | Cimarron County |
| <b>YEA</b> | Tammy Malone | Craig County    |

|        |               |                   |
|--------|---------------|-------------------|
| YEA    | Lynn Smith    | Ellis County      |
| YEA    | Steve Stinson | Grant County      |
| YEA    | Gary Nielsen  | Harper County     |
| ABSENT | Kathy Ross    | Johnston County   |
| YEA    | Emily Lee     | Kingfisher County |
| YEA    | Matt Jacobson | OMAG              |
| YEA    | Kristy Moles  | Pawnee County     |
| ABSENT | Gary Starns   | Pontotoc County   |
| YEA    | Brad Burgett  | Pushmataha County |
| ABSENT | Dana Brown    | Seminole County   |
| ABSENT | Dolan Sledge  | Texas County      |
| ABSENT | Mitch Antle   | Washington County |

## Adjournment

There being no other business before the Board of Trustees, Tammy Malone declared the meeting closed at 2:06pm.

Moved By: **Gary Nielson**  
 Seconded By: **Kristy Noles**  
 Outcome: **Motion Passes - Unanimously**  
 Voting Record:

|        |               |                   |
|--------|---------------|-------------------|
| YEA    | C.J. Rose     | Beaver County     |
| YEA    | Amy Gonzalez  | Cimarron County   |
| YEA    | Tammy Malone  | Craig County      |
| YEA    | Lynn Smith    | Ellis County      |
| YEA    | Steve Stinson | Grant County      |
| YEA    | Gary Nielsen  | Harper County     |
| ABSENT | Kathy Ross    | Johnston County   |
| YEA    | Emily Lee     | Kingfisher County |
| YEA    | Matt Jacobson | OMAG              |
| YEA    | Kristy Moles  | Pawnee County     |
| ABSENT | Gary Starns   | Pontotoc County   |
| YEA    | Brad Burgett  | Pushmataha County |
| ABSENT | Dana Brown    | Seminole County   |
| ABSENT | Dolan Sledge  | Texas County      |
| ABSENT | Mitch Antle   | Washington County |