



BENEFITS COMMITTEE MINUTES

A meeting of the Benefits Committee was held on Wednesday, October 7, 2009, at 3:00 p.m., in SU-18.

A. Call to Order

John Tortarolo called the meeting to order at 3:04 p.m. John asked everyone to introduce themselves as there are a number of new members.

B. Roll Call

Members Present: Sheila Atkins, Andrea Bell, Ken Burns, Jayne Conway, Dr. Bonnie Dowd, John Goldsworthy, Sherry Gordon, Lisa Hornsby, Phyllis Laderman, Cheryl McCarron, Becky McCluskey, Sandy Nanninga, Dr. Omar Scheidt, Josie Silva, John Tortarolo, Dr. Rocco Versaci

Ex-Officio Members Present: Lucy Nelson, Brian Vivian (JPA), Maggie Beauchamp (JPA), Tammy Reed (JPA)

Members Absent: Jim Bowen, Dave Forsyth, Mike Hill

Ex-Officio Members Absent: None

Guests: Ruth Barnaba, Jean Ruff

C. Minutes

Approval of the May 6, 2009 minutes is being tabled until the November meeting.

D. Old Business

None.

E. New Business

1. Brian Vivian reviewed the Rolling 12's with an explanation for the new members. Medical claims in August were up to 140% with an overall ratio of 106%. There are 19 claims over \$75,000 for the plan year ended September 30, 2009, and two of these have reached the second level of stop-loss, in excess of \$300,000. The dental plans are at 94% and 98%, and vision is at 92%.

A discussion followed about stop-losses and fund balances, and how these factors affect annual premiums. Brian presented the 2010 rate increases, and reviewed the methodology used in calculating the new rates. The PPO increase is 21%, Delta Premier is up 3%, Delta DPO 10%, and no increase for the vision plan.

Questions were asked regarding claims customer service and communication. John Tortarolo again reiterated that personal claim issues are not to be brought to the committee meetings, but rather discussed individually with the appropriate representative. A general discussion followed on these subjects and how larger claims, such as hospital bills, are audited for accuracy. Preventive care and wellness programs might also have a positive effect on future rate increases.

2. John Tortarolo introduced the subject of plan changes. The Fringe Benefits Consortium Executive Board has voted a change to the by-laws, effective January 1, 2010, requiring prescriptions for maintenance drugs to be filled through the mail order program rather than through local pharmacies. He explained that although the FBC has the right to make these plan design changes, he has written a letter of objection, stating that the District has not had an opportunity to negotiate such changes with the various constituency groups. The FBC has agreed to suspend implementation until March. Brian explained that making such a change would represent a cost savings to both members and the District.

The committee has requested that a list of maintenance drugs be provided as there are certain prescription drugs that may not fall into this category.

F. **Adjournment**

There being no further business, the meeting was adjourned at 4:00 p.m.

Next Meeting: Wednesday, November 4, 2009 (SU-18)