



BENEFITS COMMITTEE MINUTES

October 5, 2011

A meeting of the Benefits Committee was held on Wednesday, October 5, 2011, at 3:00 p.m., in MD-155C.

A. Call to Order

John Tortarolo called the meeting to order at 3:05 p.m.

B. Roll Call

Members Present: Cheryl Ashour, Sheila Atkins, Colleen Bixler, Jayne Conway, Lisa Hornsby, Phyllis Laderman, Becky McCluskey, Christine Moore, Joe Newmyer, Jean Ruff, John Tortarolo, Michelle Tucker

Ex-Officio Members Present: Lucy Nelson, Tammy Reed (FBC), Rossanne Wetzel (Keenan)

Members Absent: John Goldsworthy, Aaron Holmes, Dr. Omar Scheidt, Teresa Laughlin, Sandra Nanninga, F. Perry Snyder

Ex-Officio Members Absent: Jovita Juanillo (Keenan)

Guests: None

C. Minutes

The September 21, 2011 minutes were approved with one abstention.

D. Old Business

None.

E. New Business

1. The Rolling 12's were distributed and briefly discussed.

2. The Committee was informed of a change to our pharmacy benefit program due to Walgreens inability to reach an agreement with Express Scripts. As a result, Walgreens will no longer be a preferred provider as of January 1, 2012. This information was included in the Open Enrollment newsletter to all active employees, and in a hard copy mailing to all retirees. One employee has taken exception to this and their complaint was shared with the Committee. However, Express Scripts has now merged with Medco, resulting in very few large pharmacy benefit managers, and since only 8% of PPO participants are affected, the FBC is not planning to make any change.

3. A Medicare Part D issue was presented to the committee. The District has always been under the impression, based on information received from the FBC a number of years ago, that if a retiree wanted to use a Medicare Part D pharmacy plan, they would only be dropped from the Express Scripts prescription drug plan. Recently, the FBC reversed that opinion, saying that in such cases, the retiree would lose all health care benefits. The District subsequently received information from Keenan indicating that if our prescription drug plan was a total carve-out, then the retiree could use Medicare Part D for prescription drugs and still retain medical and behavioral health benefits through the PPO. The District confirmed with the FBC that our prescription drug plan was, in fact, a total carve-out. Tammy Reed said she would look into the matter and get back to the Committee at the next meeting.

4. At the last meeting, John asked the Committee members to discuss with their constituent groups a list of items from Keenan's "Benefit Plan Options and Alternatives" report that had been presented to the Governing Board in July. He reiterated that these items need to be negotiated in light of an average 11.5% rate increase per year for the last ten years. We have received preliminary rate increases of 17% for the PPO, and 3.5% for the Kaiser plan for 2012. He also stressed that these suggested changes will not affect current retirees.

A pharmacy market comparison will be brought to the November meeting. The FBC is to provide plan design modifications and Keenan will research sources in the market place. Behavioral health (including bundling our EAP program) and a new stop loss carrier are currently out for bid. Keenan is also working on a provider network comparison.

The Early Retiree Reinsurance Reimbursement Program (ERRP) requires certain wellness program features for retirees in the 55-65 age group. The wellness component is a significant requirement to receiving these funds from the federal government. Rossanne Wetzal from Keenan will discuss the wellness initiatives that will be used to reach out to this retiree age group. In addition, Tammy Reed and our Kaiser representative, Carol Davidson, will bring wellness program information for active employees and qualified retirees to future meetings.

5. The October 19, 2011 meeting is being cancelled due to a conflict for several members who will be at an off-site training institute.

F. Adjournment

There being no further business, the meeting was adjourned at 3:58 p.m.

Next Meeting: Wednesday, November 2, 2011 (MD-155C)