

**DYSART UNIFIED SCHOOL DISTRICT
EMPLOYEE BENEFIT TRUST BOARD MEETING
MINUTES OF THE MEETING**

2014-2015

August 13, 2014

Location:

Nathaniel Dysart Education Center
Dysart Unified School District

I. REGULAR MEETING - GENERAL FUNCTION

1. Ed Christy, Trustee, called the regular meeting to order at 4:02 p.m. Employee Benefit Trust Board members constituting a quorum were present: Edward Christy, Jean Poe, Michele Caruso, and Jack Eaton, Executive Director for Business Services for Dysart Unified School District for Dysart Unified School District. Mark Bagnall, from *the bagnall company*, and Cynthia Walter, from *the bagnall company*, were also in attendance.

2. Public Comment NONE

3. Approval of Agenda UNANIMOUS
Motion to approve made by Jean Poe, seconded by Michele Caruso. Motion carried.

ACTION ITEMS

1. Approval of Minutes of the April 2, 2014 Regular Meeting UNANIMOUS
Motion to approve made by Michele Caruso, seconded by Jean Poe. Motion carried.

2. Claims Appeal - None UNANIMOUS

DISCUSSION ITEMS

1. Trust Board Changes: Resignation and Appointment of Trust Board Members
 - Mr. Jim Dean is now Assistant Superintendent for Support Services for Dysart Unified School District and is no longer over the area that oversees the Employee Benefits Trust.
 - Per agreement with the Dysart Unified School District Superintendent, Mr. Jack Eaton has been appointed as the district's Trustee on the Board.

2. Presentation by the bagnall company – Presented by Cynthia Walter, *the bagnall company*
 - July 1, 2014 Benefit Plan Review
 - Milestones
 - District conducted a Medical Pharmacy Claim Audit. It was determined BlueCross BlueShield is properly processing claims.
 - A comprehensive Request for Proposal process for *all* the lines of coverage. For future years, the district will break up the bidding process.
 - The final medical rate increase was approximately 16.5%; The Trust Board covered the funding increase of approximately \$2.2M; no increase out of pocket for employees. There will be major changes for 2015-2016 and this was communicated to employees during the Open Enrollment process.
 - Benefit Wellness Fair was held and two (2) computer lab sessions for Open Enrollment
 - The district's contribution to employee Health Savings Accounts is now being made *after* the employee provides service to the district.
 - The district saved approximately \$50,000 in FICA taxes by employees participating in the Health Savings Account or the Flex Savings Account programs.
 - Dysart has a strong Wellness Program and participation is increasing.
 - Challenges – presented by Mark Bagnall, *the bagnall company*
 - Financial situation of \$3.7M net might be facing.
 - Tracking of per employee per month claims are; 2011 – claims increase, 2012 – claims increase; 2013 claims through April 30, 2014 – down approximately 3%. Wellness efforts aid in the district minimizing claims.
 - Teladoc – a program where an employee can call in over the phone or video conference with a licensed physician; prescription can be prescribed over the phone.
 - District would pay per employee fee to implement the Teladoc program, but the district has the potential to save in claims – at this time it may be a wash for the district.
 - Mandatory Disease Management – communicating to employees may increase participation in these programs.
 - Issues to consider as we move forward: continuity of HMO plan will be looked at; PPO plan – deductibles, co-pays, prescription drugs, etc; the district HSA contributions are very generous; maybe consider another HSA plan in place of the HMO.
 - Smoker vs. Non Smoker Rates - if we consider, we will need to start communicating to employees early.
 - Dependent eligibility audit
 - On site medical clinic – this would be a significant financial investment for the district to make.
 - Affordable Care Act - 2018 Cadillac Tax
 - Communicating district values – what does Dysart want to convey to their employees about the benefit program?
 - Goal: *Consistent and progressive* wellness processes can encourage health “security and safety” of staff.

3. 2014-2015 Benefit Plan and Timeline Review – presented by Cynthia Walter, *the bagnall company*

4. Wellness Return on Value for 2013-2014 – presented by Cynthia Walter, *the bagnall company*
5. Draft Wellness Program (2014-2015) – presented by Cynthia Walter, *the bagnall company*
Highlights of the proposed program presented.
6. Healthcare Reform Updates – presented by Cynthia Walter, *the bagnall company*
 - Just paid one of the new taxes the end of July 2014.
 - The district will need to register with a unique health plan ID number. Bagnall can assist the district in the registration process.
 - Watching the penalty phase. Not an issue for Dysart at this time.
 - Human Resource working on an Employee Counting Suggested Policy.
7. Financial Information – presented by Mark Bagnall, *the bagnall company*
 - Incurred But Not Reported Claim Reserve (IBNR) for 2014 reviewed. Estimate of claims that are out there, but have not been presented to BCBS yet for payment. Additional financial information presented by Jack Eaton.
 - Claim Experience Review - YTD Summary presented.
 - Trust Financial Information

ADJOURNMENT

A motion to adjourn the meeting was made by Michele Caruso, seconded by Jean Poe, and by a unanimous vote, the meeting ended at 4:59 p.m.