

Dickinson Public Schools – Self-Funded Insurance Committee

July 7, 2020, 2:00pm via ZOOM

A meeting of the Self-Funded Insurance Committee was held on July 7, 2020 at 2:09pm via a ZOOM meeting.

In Attendance: Meghan Ziegs, Naomi Obrigewitch, Kent Anderson, Jay Schobinger, Jeanette Wyckoff, Keith Harris, Shon Hocker and Hays Corporation with Kelly Gates, Randy Johnson and Stephanie Mace

Absent: Kim Schwartz

Meeting convened at 2:09pm, opened by Kelly Gates (Hays Corp)

Kelly Gates (Hays Corp) presented the committee with a slide presentation. Slides discussed were about Claims/Admin vs. Funding, Current Plan year expenses (currently we are at a 99% claim loss/ratio) and COVID-19.

Kent Anderson asked about the April 2020 expenses (lower). Kelly did note that the April expenses do reflect a BCBS credit but explained that from a self-funding standpoint it is important to note but from a claims standpoint it does not equate the same.

Benefit Plan Enrollment Dates were discussed. The District is looking at changing the current plan's enrollment dates effective 10/1/20 – 9/30/21. Because the District's plan is a Section 125 Plan and in order to be compliant with IRS regulations, the district will need to offer a 3-month "Passive Enrollment". Employees will need to be notified of this change and would have the right to make changes to their plan(s) if needed during that time. Dr. Hocker asked if separate deductibles will need to be met for the 3-month enrollment. No. The deductibles will stay the same for the 15-month deductible period. However, the district will see a slight increase in costs due to a 15-month coverage.

Both the district Dental and Vision insurance benefits will also be included in the transition.

Current renewal rates were discussed.

HSA Contributions were discussed. Kent Anderson provided additional documentation with the group on what the district plan currently looks like and what the Board sees from a cash basis. It was noted that the district works to achieve (at a minimum) at least a 3-4 month reserve. Kent added that the district is doing well and that even without a rate increase the district would continue to do well. Various rate increase percentages were discussed and a question was asked: what the rate increase was from the 2019-2020 plan year compared to the 2020-2021 year. Per Kent, the increase was 10%.

Given the current fund balance, Kent recommended a proposal for a 5% adjustment with no changes to the 90/80 with a 15-month renewal.

**Motion was made in favor of a 5% increase only with no changes to the 90/80.
Motion was seconded and carried.**

Kent asked Kelly (Hays Corp) to create a new proposal.
Committee will then present their recommendations to the Board.

Meeting adjourned at 3:20pm