

Everett School Employees Benefit Trust
Wednesday, August 27, 2014
Minutes

Attendance

Gregg Elder
Jared Kink
Susan Lindsey
Jeff Moore
Molly Ringo
Kelly Shepherd

Absent

Also Attending

Cris Bosket
Gail Buquicchio
Debbie Kovacs
Randi Seaberg
Darla Vanduren
Arlene Vollema-Rich
Sean White

Recorder

Kellee Newcomb

Call to Order

The meeting was called to order by Gregg Elder at 1:05 p.m. With the inclusion of employee group representatives in the audience, introductions were made. Attendees included:

Stephanie Metcalfe, SEIU Representative

Shawn Bishop, SEIU Bargaining Group President

Gayla Jenner, Financial Systems Supervisor/Technology Representative

Thea Anderson, ELNA President

Laura Rogers, EAP President

Maureen Morlock, Systems Support Analyst/Technology Representative

Adoption of Agenda

A motion was made by Jared Kink and seconded by Jeff Moore to approve the agenda as written. The motion passed unanimously.

Consultant Report

Gregg talked about what was discussed at the August 26, 2014 meeting and Sean presented an overview summary of the proposals for the audience.

The group discussed the WEA plan options and concerns over plan reserves and rate increases which are moderate considering those of the past. Staying with the WEA would offer no disruption in services; however, the district has experienced continual disruption with Aon. The WEA is not offering a cap year-to-year and there is no access to claims data. Overall, the Trustees felt it is better to have access to claims data to understand cost drivers and to plan and develop strategies to address them.

The Trustees discussed comparisons for each vendor that included expected provider disruption, Wellness program, plan design disruption and cost savings/increases to the Trust and to employees.

With a possible move to Group Health, there are preconceived notions regarding the ability of employees to choose their own physicians. The potential for disruption would not be much; however, there is a higher chance of disruption with them than the other vendors. In 2016 the Trust would have to be on Access which is a bit of a risk due to Obama care. The group talked about the rate increases with some up and some down. Sean said the rates are based on actuarial activity rather than what is currently in place. A positive for moving to GHC is the Redbrick Wellness program because it is a market gold standard.

With a possible move to Moda, there would be minimal provider disruption, wellness consulting services are offered but there is not a Wellness program, plan design disruption would be meaningful for Plan 3 and Plan 5 enrollees, there would be a savings of \$1.0 million, and employee costs would generally be cost neutral or reduced depending on the plan chosen. The Trustees expressed concerns about Moda establishing itself in Washington.

A possible move to United Health Care offers the least disruption. The plans are the most similar to the WEA plans. There is a two-year rate guarantee and a Wellness program component. PacifiCare was a program offered through the Trust before the move to the WEA. It was bought out by UHC and if UHC is similar to PacifiCare, employees have spoken very highly of them. UHC also offers virtually no plan design disruption as they have modeled their plans after the WEA medical plans. There would also be a savings of \$860,000 and a neutral or reduced cost to employees depending on the plan they choose.

The Trustees invited feedback from the audience. Comments included the fact that employees would not be happy with just a GHC option and that the GHC PPO is a new product that they are just getting going. This could have significant impact. While other districts are using GHC and there are staff who have maintained their GHC plans, staff have always appreciated having options. GHC also takes a more restrictive approach to prescriptions than the other vendors.

A motion was made by Jeff Moore and seconded by Kelly Shepherd for the 2015 plan year to carve-out of the WEA and replace the current WEA medical plans with United Health Care medical plans and continue the current Group Health medical plan partnership. The motion passed unanimously.

The group discussed the dental and vision benefit comparison. Sean said MetLife has agreed that employees could waive coverage if needed. VSP is what MetLife leverages. Sean noted a school district cannot contract directly with MetLife because they have exclusivity with the WEA.

The group reviewed and discussed the dental plans. Delta Dental is also connected with Aon and the district has not been able to access claims data and have not had the option to waive coverage. With a move to MetLife the district could access claims data and would have the option to waive coverage. Sean said there is potential for out-of-network dentists with MetLife but experiences from other school districts that use MetLife are positive with no service issues. A motion was made by Jared Kink and seconded by Susan Lindsey for the 2015 plan year to stay with Delta Dental and Willamette Dental. The motion passed unanimously; however, the Trustees agreed they would like to revisit the MetLife dental option next year and they asked Sean to let MetLife know that they are making a lot changes this year but may consider them next year.

The group reviewed the vision plans comparing MetLife and the WEA plan. The providers would be the same; there would be lower cost and better options with MetLife leveraging VSP. A motion was made by Kelly Shepherd and seconded by Molly Ringo for the 2015 plan year to switch vision plans to MetLife. The motion passed unanimously.

The group reviewed the Life and Disability plans. The benefits are identical between MetLife and the Standard. There are some significant differences on short-term and long-term disability. The group talked about current practices being factored into the MetLife rates. If the Trust chooses to cease current practice, MetLife would continue and reconsider in the future. The Trust discussed the use of sick banks, which Sean said in general are not common these days and are usually tied to collective bargaining agreements. The group talked about processing claims with MetLife and having very good experiences with them. There have been some concerns and issues with The Standard in the past such as processing life insurance policies. A motion was made by Kelly Shepherd and seconded by Jared Kink for the 2015 plan year to switch disability to MetLife. The motion passed unanimously.

The group discussed the importance of not communicating the changes to 2015 medical plans as much as possible to allow the Human Resources team to develop a communication plan and approach. The Trustees thanked the audience for their input. They also thanked Sean for his work in providing the information on 2015 plan changes.

End of Year Wellness Program Follow-up

Gail and the group wished Sean well in his move to Boise. Gail provided a recap of Wellness activities over the summer. She provided principals with a copy of the book, *Eat, Sleep, Move* and will keep track with them over the year. She is coordinating with Becky Ballbach for flu vaccine clinics that will include families and students this year. She is coordinating with the University of Washington and Bastyr University to put together a team of student interns to work with the wellness program next year.

In June Gail talked about how to change things up in the Wellness Program. She shared what she had in mind for upcoming meetings and talked about the possibility of comparing 2010 data with upcoming data with the move to UHC. The group talked about how they would measure the success of the wellness program and what would be most meaningful to all of them. Gail's monthly items will be included in the annual calendar. They are:

- September: Revisiting the mission and value statement for the wellness program
- October: Forming a Wellness Council and Establishing common belief/values for the wellness program
- November: Setting goals for the wellness program
- December: Key Performance Indicators for the wellness program
- January-April: Developing strategies to reach our goals and KPIs

Other

The Trustees agreed that with today's decision on 2015 medical plans, the meeting scheduled on September 17 can be cancelled.

Adjournment

The meeting was adjourned by Gregg Elder at 3:04 p.m.

Sincerely,



Kelly Shepherd
Secretary

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