

**Minutes of the Advisory Health Benefit
Committee Meeting of September 15, 2015 at the
District Office, Minden, Nevada**

Committee Members Present

Christine Cooley, DCPEA
Andrew Fromdahl, DCPEA
Debbie Haskins, DCSSO
Jim Mathews, DCPEA
Paula Henricks, DCSSO
Holly Luna, District Office
Shannon Brown, DCAA
Ted Bates, DCBDA

Absent

Tom Marshall of L/P Insurance Services was present, along with Cori Isherwood and Keith Lewis. Meeting began at approximately 4:35 p.m.

Call to Order: Committee member and attendee roll call was taken. Andrew Fromdahl moved to adopt the agenda, seconded by Jim Mathews; motion carried 8/0.

Public Comment: None

Committee Comment: Debbie Haskins had compiled additional information regarding a member's lab fees, and it was determined that she would work with Cori Isherwood to help solicit answers from Hometown Health for the member.

Consent Items: Shannon Brown moved to adopt the minutes of the meeting of August 25, 2015 which was seconded by Jim Mathews; motion passed, 8/0.

Claims Report: Tom Marshall of L/P Insurance Services reviewed claims data.

Exhibit 1

Net paid claims for the month of August \$797,428 is higher than the monthly average for the previous plan year \$486,380. On a composite basis the average monthly claims cost per employee for the current plan year to date is \$688.86 compared to \$618.35 for the previous plan year, or an increase of 11.40%. Employee only claims costs were higher, \$501.32 compared to the prior year average \$456.08, an increase of 9.92%. For dependent unit only claims, costs are up from the prior year monthly average of \$777.08 to current \$795.11, an increase of 2.32%. Additionally, the cost per member (employee or dependent) was up from \$442.16 to \$467.72, an increase of 5.78%.

Exhibit 3

Total net plan costs for August of \$859,719 are higher than the monthly average for the previous plan year of \$544,341. On a composite basis, the average total cost per employee per month for

the current plan year to date compared to the prior year average was higher at \$766.73 compared to \$692.03, or an increase of 10.79%. Employee only costs are up from the prior year average of \$512.67 to \$559.12, an increase of 9.06%. Dependent only costs are up from the prior year average of \$858.97 to \$883.73, an increase of 2.88%. Additionally, the cost per member (employee and dependent) was up from \$494.86 to \$553.58, an increase of 11.87%.

Exhibit 5

Outpatient Hospital and Outpatient Surgery appear anomalous due to reporting changes. Overall utilization of other various medical services coverage by the plan for the current plan year to date is within a five (5) percent variance to those of the previous plan year.

Exhibit 6

There are five (5) members whose claims have exceeded \$87,500 through August. The top portion of this exhibit illustrates claims once they have exceeded \$87,500 and shows the changes in total paid amounts from month to month. The bottom portion illustrates the amounts by which each of these claims has exceeded the specific stop-loss level of \$175,000 on a month to month basis; none of the 5 claims have pierced the stop-loss threshold.

Exhibit 7

Our calculations estimate the Incurred But Not Reported (IBNR) claims liability as of the end of August at \$838,894 or a decrease of 1.7% compared to the prior month.

Exhibit 8

Our calculations estimate the Incurred But Not Reported (IBNR) claims liability as of the end of the previous month at \$825,473.

Customer Service Report: Marilyn Stephens could not attend this meeting due to a mandatory meeting required by Hometown Health. Holly Luna passed out the standard reports that had provided to her in advance by Marilyn. No comment from Committee.

Self-Insurance Fund Projected Financials (Report): Holly Luna indicated that she had no new financials to report as the audit hadn't closed for FY14/15. She indicated that she would provide an estimated year end next month, as well as to provide insight into the new fiscal year for 2015-16.

DCSD Plan Review (Report): There was no new additional information provided to Committee members.

Correspondence (Report):

Several committee members voiced concern over the non-renewal with Barton. Holly Luna and Keith Lewis relayed information provided to them through a variety of sources, namely Hometown Health.

Future Agenda Items: none.

Next Meeting(s): The next regular Committee Meeting was set for **Tuesday, October 20th at 4:30 p.m. at the District Office.** An additional meeting was requested as a Special Meeting to ensure that if there were continuing questions, that the committee be allowed an additional week to make final recommendations to the Board for the November meeting. A Special Meeting was set for Tuesday, October 27th at 4:30 p.m. at the District Office.

The meeting adjourned at approximately 5:23 p.m.

Respectfully Submitted,
Holly Luna, CFO, Business Services
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