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**DATE:** November 4, 2015

**TO:** Glayn Worrell, Business Manager  
Joe Franklin, Director of Human Resources

**FROM:** Caty Campbell, Payroll/Accounting Coordinator

**RE:** MINUTES – INSURANCE COMMITTEE MEETING – 11/03/2015

The Insurance Committee met at 4:30 p.m. in the District conference room with the following present – Amy Lydic, Carrie Smith, Nicole Kurtovich, Cara Green, Joe Franklin, Glayn Worrell and Caty Campbell. Joe Lawrence from UHC and the District's brokers, Mark Schellenberg and Matt Schellenberg, were also present. Vickie Armbrust, Deb Edwards and Rich Root were absent.

- A. Minutes from the September 15, 2015 meeting were reviewed. There were no revisions needed, so the minutes as presented will be posted to the website.
- B. The committee has had discussions in the meetings prior about changing the open enrollment month to the month of May, rather than the month of June. The insurance year would still be effective July 1 to June 30. After a brief discussion, the committee voted to move the open enrollment to the month of May. This would be effective in 2016.
- C. Joe Lawrence presented the Health Benefit Analysis from United Healthcare (UHC) reflecting service dates of July 2014 through June 2015 paid through September 2015 as compared (+/-) to the same period of the prior year. The report combined the information of both plans (PPO-1 and PPO-2) into the one report unless otherwise noted.

Health Benefit Analysis Summary

- a. Total benefits payable +22.6%
  - b. Inpatient hospital costs +35.2%
  - c. Outpatient hospital costs +0.4%
  - d. Emergency room usage -0.7%
  - e. Prescription drug costs +15.1%
  - f. 97% choice of Generic over Brand Name drugs when available
  - g. Out of network usage for PPO1 (XWF0) Plan (former HMO Plan) 8.9%
  - h. Out of network usage for PPO2 (XPU5) Plan 16.5%
  - i. The provider contract discount 52.72%
  - j. The total savings/total charges 67.35%
  - k. Number of employees 248
  - l. Number of members 478
- D. Joe will bring a renewal workup sheet to the February meeting to start the renewal process. Our history of claims and usage will be a part of the renewal as well as general trends in the costs of providing care. The latest trends that Joe and Matt have seen have been around 9%, lower than in recent years.
  - E. The dental update from Lincoln National Life was presented by Matt Schellenberg. Paid Claims / Paid Premium = 76.85%.
  - F. Some discussion followed the dental update regarding claims not being paid due to the provider being in or out of network. If any claims are not being paid, employees are asked to send explanation of benefits to the Business Office so the claims can be researched.
  - G. The flu shot clinic was held Thursday, October 29, 2015 in the Washington School Cafeteria from 3:00 to 5:00 p.m. We had sixty employees and family members that came to get shots that afternoon. Of this number, fifty-six were on the District's insurance plan, and four were not. This was the third year that IWIRC provided their services for the clinic.
  - H. A brief summary of the United Healthcare Medical Loss Ratio reimbursement was given by Caty and Joe Lawrence of United Healthcare. The District received a rebate check and the rebates to be passed on to employees in the same percentage that

employees pay towards their monthly premiums. The rebate will reduce the employees' health insurance deduction on the next pay, November 10. This will increase their net take-home pay by the amount of the rebate less applicable taxes. Employees who participated in PPO-1 as of 9/1/2015 will receive the rebate this year. Last year, the rebate was for PPO-2.

- I. Caty distributed a worksheet showing the amount of the monthly premiums charged by UHC as well as the breakdown between the employer's portion and employee's portion. The breakdown is shown below:

	PPO-1			PPO-2		
	Monthly Premium	Employee Portion	District Portion	Monthly Premium	Employee Portion	District Portion
Employee Only	\$690.67	16%	84%	\$657.08	16%	84%
Employee plus Spouse	\$1,450.40	33%	67%	\$1,379.88	31%	69%
Employee plus Children	\$1,312.28	34%	66%	\$1,248.44	32%	68%
Family	\$2,002.95	30%	70%	\$1,905.52	30%	70%

- J. The next meeting will be held at 4:30 p.m. in the District Administrative Office meeting room on February 9, 2016.