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DATE: May 11, 2016
TO: Glayn Worrell, Business Manager
Joe Franklin, Director of Human Resources
FROM: Caty Campbell, Payroll/Accounting Coordinator
RE: MINUTES – INSURANCE COMMITTEE MEETING – 05/10/2016

The Insurance Committee met at 4:00 p.m. with the following present – Vickie Armbrust, Deb Edwards, Cara Green, Nicole Kurtovich, Amy Lydic, Carrie Smith, Joe Franklin, Glayn Worrell and Caty Campbell. Rich Root was absent. Joe Lawrence from UHC and the District’s brokers, Mark Schellenberg and Matt Schellenberg, were also present.

In lieu of a formal Insurance Committee Meeting, the Committee hosted an Informational Insurance Meeting for all staff eligible to participate in the District insurance plan. Approximately fifteen staff and spouses attended the meeting, which was held in the Washington Intermediate School Auditorium.

- A. Joe Franklin opened the meeting and thanked those in attendance. He turned the meeting over to Joe Lawrence, our United Healthcare representative.
- B. Joe began with an overview of the two plans the District offers. We have PPO-1 with no deductible and PPO-2 with a \$500 deductible. Both plans have an individual out-of-pocket maximum of \$1500. The family max out-of-pocket amount is \$3000. Just two family members would have to meet the individual max for the family max to be met. The schedules of benefits for both plans are included in the Employee Benefits Guide and the UHC packets that were passed out in April.
- C. Joe also stated that for the 2016-2017 school year the dental plan would be with United Healthcare once again. We have a passive PPO network, which was the same setup we had with Lincoln Financial. There are no significant changes to the schedule of benefits between our current Lincoln Financial plan and the new United Healthcare plan that will be effective July 1. Members will receive new cards in mid-June.
- D. United Healthcare has a new website rolling out July 1. Instead of using the www.uhcrivervalley.com, we will now be going to the “parent” platform of United Healthcare at www.myuhc.com. There was information regarding this change in the UHC packets that were sent to employees in April. There are many more tools and resources available to members through this new website including how to find a provider, estimating costs of treatments or procedures, and resources on improving your health. Members currently enrolled with the www.uhcrivervalley.com will have a 90-day look back period to get information off of the current website. The calendar year balances will rollover to the new website so deductibles and out-of-pocket expenses will carryforward. However, EOB documents processed under United Healthcare of the River Valley will not move to the new website. Members will have to re-enroll in the www.myuhc.com after July 1 to be able to see EOBs processed after that date.
- E. Due to the website change and some other internal changes within United Healthcare, members enrolled for the next school year will receive new medical insurance cards in mid-June. These will reference new policy numbers as well as new member identification numbers. New cards should be shared with your doctors’ offices and pharmacies.
- F. After the presentation, the meeting was opened to questions. The first question pertained to how to choose between the two plans. Joe and Matt expounded on some of the plan differences. The copays are different: PPO-1 has a \$25 primary care office visit copay and \$40 for specialists, and PPO-2 has a \$10 primary care office visit with \$25 for specialists. Also the coinsurance amounts are different. From the beginning, with PPO-1, since there is not a deductible, UHC pays 60% of allowable charges and the member pays 40%. With PPO-2, after the \$500 deductible is met, UHC pays 90% of allowable charges and the member pays 10%. Allowable charges are the amount charged by the medical provider after any discounts are calculated due to agreements between United Healthcare and the medical provider. Once the \$1500 max out-of-pocket limit is reached, the member would not have to pay any more for care during that calendar year. Pharmacy copays are included in the max out-of-pocket as well so members would not be charged for prescription medications, as long as they are filled by an in-network pharmacy.
- G. Matt Schellenberg also spoke to the decision to choose between plans. He stated that if your family is fairly healthy and most of your visits are preventive care related, he would choose PPO-2. He would also choose PPO-2 if you knew of one major procedure you were going to have during the year (where you expect to go over \$1500 and meet the out-of-pocket max), but you expect the

remainder of your year to be a healthy one. He might choose PPO-1 if you were going to have multiple smaller procedures done. If you expect the total of these small procedures to put you over \$1500, then either plan would work because your max-of-pocket is limited to \$1500 with both plans.

- H. There was some discussion next about qualifying events, which include marriage, divorce, birth, adoption, death and loss of coverage. Joe Lawrence explained that in the past there was consideration of whether it was a voluntary or involuntary loss of coverage, but this is not a factor any longer.
- I. There was also a question about the Section 125 election form included with the open enrollment packets and whether or not it was related to the flexible spending account form. These two forms are not related. The Section 125 form notifies the Business Office of your desire to have your insurance premiums deducted pre-tax as allowed by the IRS. The flexible spending account is a completely separate deduction.
- J. There was a question about health savings accounts. The District does not offer health savings accounts. In order to do so, we would have to offer a high deductible health insurance plan. Neither of our two plans qualify as a high deductible health plan. We do offer a flexible spending account and dependent care flex spending account. With the flex spending, we can withhold money, at an amount the employee has determined, from their pay, on a pre-tax basis. The employee can then use this money to pay eligible medical expenses. Employees also receive a benny card, or a benefits debit card, to pay for these expenses. With the dependent care account, you can put away money, pre-tax, to pay for daycare expenses for your dependent children. Group Plan Solutions (GPS) is the administrator for these accounts. They do charge a fee; the current year amount is \$51.00 per year. We can deduct this pre-tax as well. These deductions are taken out of employees pay from August 25 through June 10, 20 pays, each year.
- K. This was the last meeting of the Insurance Committee for the 2015-2016 school year. The next meeting will be held in the fall of 2016.