

March 20, 2024

1:00 – 4:00 p.m.

MEETING:

SUPERINTENDENT'S INSURANCE ADVISORY COMMITTEE (SIAC)

Location:
Superintendent's
Conference Room ESF

Meeting called by:	Amy Williams (BFT Chairperson)	Type of meeting:	Advisory
		Minutes by:	Annette Spiegel
SIAC Members Present:	Amy Norton Williams (Instructional Personnel/BFT); Anthony Colucci (Instructional Personnel/BFT); Kyle Savage (Instructional Personnel/BFT); Lisa Schmidt (Employee Benefits); Dimarcus Simmons (Support Services/Local 1010); Allison Markey (Support Services/Local 1010);		
Staff:	Katy Campbell (Board Member); Cindy Lesinski (Chief Financial Officer); Antonia Scipio (Director, Employee Benefits & Risk Management); Joseph Strohfus (BPS); Annette Spiegel (Risk Management)		
Absent:	Dr. Neleffra Marshall (School Administrators); Dr. Mark Rendell (Superintendent); Ryan Dufrain (Assistant Superintendent Human Resources); Rosemary Browning (BPS); Kristy Rodriguez (BPS); Sharon Carter (Marathon)		
Guests:	Debbie Poole (Lockton); Rachael Friedman (Lockton); Dennis Dulaney (Lockton-virtual); Gabe Kramer (Marathon); Matt Susin (Board Member)		

MINUTES

Welcome and Introductions: Amy Williams called the meeting to order and introduced new SIAC member Allison Markey representing Support Services/Local 1010.

Approval of the February 28, 2024, minutes: No discussion. Minutes approved.

BPS Financial Updates, Forecasts & Vendor Information : (Joe, Debbie, Dennis)

- Joe presented financials for Jan 2024, the first month that includes the \$600K increase in revenue (from the increase to Board's portion of total premium). Total operating revenue for Jan 2024 = \$7.5M and Jan 2023 was \$6.8M. Jan 2024 plan operations ended with a \$127K balance compared to Jan 2023's \$1.9M balance, attributed to Jan 2023 having abnormally low claims. On the January Financial Statement, under Operating Expenses, Joe clarified that "Clinic Fees" were relabeled as "Management Fees" to eliminate confusion.
- Debbie presented claims data through Jan 2024. Compared to last year, membership is down 2.1%, the current loss ratio is running "hot" at 99.5% (71.3% in Jan 2023), RX claims are 22.9% of total cost and gross claims are up nearly 53% from last year on a PEPM basis. There are zero large claims in Jan 2024. Total Plan Cost (\$7.2 mil) vs. budget has a small surplus of \$39K. Total budget is up 7.9%, total claims up 51.9% (mainly medical claims), stop loss reimbursements show a little runout and admin fees are up (\$230K) due to a CIGNA premium holiday in Jan 2023. Both the Gold and Silver plans are running high with loss ratios in Jan of 99.9% and 98.8% compared to 79.7% and 58.8%, respectively, due to higher claim activity within the \$50-\$200K range. It is not attributable to large claims. Debbie noted increased plan use during winter break contributing to the fluctuations in Jan and Feb reporting. February financials can be reassessed at the end of March.
- Per SIAC's request, Debbie presented 2023 dental experience data and Dennis provided related financial information. Dental loss ratio for all plans ran 99.5%, 82% of employees were enrolled in the DPPO plans which had the highest loss ratio at 102% compared to the DHMO plans at 61%. Based on claims data from 2023, it is financially favorable to remain *fully insured* for the PPO plans as opposed to them becoming self-insured (*DHMO* plans cannot be self-insured). Self-insurance requires a 112.08 filing and is estimated to cost \$3M, including a mandatory, \$463K 60-day reserve. There is a projected rate increase of 11.7% going self-insured on the PPO plans. SIAC members discussed strong dissatisfaction with the local Humana providers. Katy stated that those are vendor issues and do not affect BPS being fully insured vs. self-insured. BPS is in year 3 of the 5-year Humana contract (dental RFP in process).
- Dennis presented forecasts for 2025. He reviewed historical data, 2021 through 2024, to include the Lockton forecast, the BPS actual rate action and additional infusions for the 112.08 annual filing. Lockton is projecting a \$4.9M infusion needed before 6/30/24 for the 2024 112.08 filing. The projection was based on data through January 2024. Anthony questioned a discrepancy in actual plan spend. Dennis stated that the data reflects medical claims pulled directly from CIGNA before they hit the BPS account. For 2025, the projection shows a shortfall of \$3.5M, a 7% claims trend increase and suggested infusion of 8% (\$3.2 mil). 2024 claims **actually** trended higher, creating the need for the \$4.9 mil infusion by June 30th for the 112.08 filing deadline. Based on 2024 data, Lockton is suggesting a \$7.8 mil infusion for FY 2025. The infusions include the 112.08 requirement for 60 days of claims and stop loss premium. Katy asked Cindy if millage funds might be available. Cindy will look at that. The increase in employer rate contributions of \$600K / month is included in Lockton's forecast. Anthony asked

for clarification about the discrepancy in projections necessitating the 112.08 infusion. Dennis concluded that it's due to claims trending at 18%, not 7%. Lockton will provide information about the number of claims and claim costs to better illustrate the increased trend. SIAC will reevaluate the potential need to send the 112.08 letter once there is more financial data available from March forward.

- Debbie presented Surgery Plus information (SP). Savings YTD through Dec 2024=\$3.2M. The SP program has great utilization. SIAC members provided very positive feedback. Anthony questioned the increase in costs with all the positive components like SP in place. Debbie explained increased preventive care screenings cost up front, but long term, reduce costs of potential catastrophic claims, disability, and life insurance claims. She will bring SIAC more detailed information for a closer look.
- At SIAC's request, Debbie presented data on cancer care. Paid amount of \$10M =20.2% percent of paid claims (1595 members). At 30%, BPS runs below the norm of 35% for identifiable cancers through preventive screenings. Further, there is a favorable BPS trend in screening rates for early identifiable cancers (exceeding 50th percentile of Lockton's book of business norm.). Strategies for cancer care include providing members with high quality care, navigation support and education. Employer Direct Healthcare (parent company of Surgery Plus) and Carrum Health programs were reviewed. Information provided regarding GRAIL, a multi-cancer early detection test (finger stick). Carrum & GRAIL are supportive, concierge programs. SIAC requested additional information about Carrum and Surgery Plus. Debbie will provide costs, etc. based on the BPS cancer population. Debbie then engaged SIAC with a discussion about healthcare financing options for members. She will bring back all requested information to the April 2024 SIAC meeting as well as inviting Carrum Health to present to SIAC.

Marathon Health: (Gabe)

- Gabe reviewed follow up items from the SIAC meeting, January 17, 2024. Member engagement has increased (+20%) with the incentives that BPS is offering employees. Marathon's engagement plan for BPS members includes working on an annual editorial calendar and digital engagement.
- Gabe provided utilization updates. He recapped clinic hours/number of providers:

LOCATION	MON	TUE	WED	TH	FRI	SAT	SUN	Providers
Titusville	7:00-6	7:00-7	7:00-7	7:00-6	7:00-7	8:00-1:30	X	2 (1 MD)
Viera	6:30-5	6:30-5	6:30-7	6:30-7	7:00-7	8:00-1:30	X	2
South	9:00-6	6:30-5:30	9:00-6	6:30-5:30	10:00-2	X	X	1

- SIAC members offered feedback that included dissatisfaction with the Marathon app /appointment availability and questioned historical usage data by appointment time slots. Gabe commented that due to annual physicals, some appointments now take 45 minutes. Kyle questioned high clinic costs vs. utilization/savings. Anthony cited the need for more urgent care-like appointments. Lisa explained that during the previous director's administration, the centers morphed into well care centers with a long-term goal of getting people healthy. Gabe reviewed participation based on distance to clinics and emphasized the availability of virtual appointments, particularly for clients who have established relationships with their providers. He also offered SIAC options for moving providers around during busier hours and changing/adding clinic hours. Gabe stated that BPS utilization trends mirror other school districts' and thinks BPS has the right spread of hours and engagement strategies. He agrees with the SIAC that the South location should have an additional provider.
- The Marathon current RX dispensing process was reviewed, and a "Home Delivery" option was presented. Home delivery would increase the current Marathon formulary from 50 to 150 medications. Cost would continue to be a passthrough to BPS but with a \$1.50 mail fee via AS Meds. If SIAC is interested, Gabe will work with Lockton on a program.
- The last BPS member satisfaction survey was sent out in June 2021. Marathon is working with Antonia and planning another survey before summer of 2024. SIAC offered suggestions for the "New Customized Survey for BPS Members."

Additional Discussion: (SIAC Members)

- Amy reviewed Dr. Rendell's request to assemble a team to visit Osceola County and observe the PeopleOne concierge medical provider model. It was decided that April 10th (A.M.), 17th and 18th (preference) are potential dates for Dr. Rendell to review. The team will include Amy, Anthony, Katye, Debbie (Lockton), Dimarcus and a representative from Benefits.
- Kyle asked if cost information from PeopleOne is available. Antonia stated that Dr. Rendell is still working on it.
- **Next SIAC Meeting: Wednesday, April 24, 2024, 1:00 p.m. - 4:00 p.m. in the ESF Board Room.**
- Meeting adjourned.