

June 10, 2024

9:00 a.m. – 12:30 p.m.

**MEETING:**

**SUPERINTENDENT'S INSURANCE ADVISORY  
COMMITTEE (SIAC)**

**Location:**  
ESF Board Room

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**Meeting called by:** Amy Williams (BFT Chairperson)

**Type of meeting:** Advisory

**Minutes by:** Annette Spiegel

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**SIAC  
Members  
Present:**

Amy Norton Williams (Instructional personnel/BFT); Anthony Colucci (Instructional personnel/BFT); Kyle Savage (Instructional Personnel/BFT); Dr. Neleffra Marshall (School Administrators)

**Staff:**

Katy Campbell (Board Member); Dr. Mark Rendell (Superintendent); Ryan Dufrain (Assistant Superintendent-HR); Antonia Scipio (Director, Employee Benefits & Risk Management); Joseph Strohfus (BPS-Staff)

**Absent:**

Lisa Schmidt (Employee Benefits-Member); Dimarcus Simmons (Local 1010-Member); Cindy Lesinski (Chief Financial Officer-Staff); Rosemary Browning (Director, Labor Relations-Staff); Annette Spiegel (BPS-Staff)

**Guests:**

Matt Susin (Board Member); Debbie Poole (Lockton); Eric Toerge (Lockton); Dennis Dulaney (Lockton-remote); CIGNA TEAM: Renee Carey, Mina Aiad, Dani Guy, Beth Smith (VP Gov't & Education), Laricia Eason, Joni Deblecourt-Whelen, Dr. Angela Persaud-Reddy (remote), John Kura (remote)

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**MINUTES**

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**Welcome and Introductions:** Amy Williams called the meeting to order.

**Approval of the May 15, 2024, minutes:** No discussion. Minutes approved.

**CIGNA PRESENTATION (2025 Plan Enhancements and Care/Case Management Programs): CIGNA Team**

- **Renee Carey, Senior Client Manager:** Introduced the CIGNA presentation (The Member's Journey) and introduced CIGNA team members.
- **Dr. Angela Reddy, Senior Medical Director:** Cited cancer related care is a top spend at BPS. 563 members were diagnosed with cancer at a cost of \$12M. The top three cancers include skin cancer, breast cancer and neoplastic cancers (blood cancers). Multiple cancers, particularly breast cancer and colon cancer, are closely correlated with obesity. While CIGNA provides preventive therapies (mammogram and colon health campaigns and screenings) CIGNA also provides healthy lifestyle/healthy weight programs including telephonic coaching and member events and challenges delivered by the on-site CIGNA team. Members engage in activities supporting physical activity, healthy eating, stress management and optimal sleep habits. Dr. Reddy reviewed the holistic program for CIGNA members with a cancer diagnosis. CIGNA's cancer support team provides "hand-held" navigation through the entire process including accessible, high quality treatment options (CIGNA Pathwell), second medical opinions, mental/behavioral health services and caregivers who support family, benefits, financial, employment and nutritional aspects of the member's case management plan. CIGNA replies to SIAC questions: Dr. Reddy clarified member "engagement." Renee confirmed that cancer care is currently part of our CIGNA program.
- **John Kura, Client Service Executive:** Presented information on *One Guide* and *My Personal Champion* programs. These are "24/7 - 365" programs CIGNA offers members through its on-line platform. Advocates (including RN's) are available for members to consult with regarding current health situations/recent diagnoses. 25% of the utilization happens after hours and ER visits have been reduced by 23%. Members are guided and coached resulting in higher engagement in their medical case management programs. Personal Champions are dedicated advocates that help members through their illnesses from understanding the illness, to coordinating resources and appointments and billing management.
- **Mina Aiad, Pharmacist/Clinical Consultant:** Presented CIGNA Pharmacy statistics from 2023. 35% of BPS members have diabetes, hypertension or obesity resulting in 2.3 x higher costs for members. 41% of the plan spend is driven by 5% of the members using specialty drugs. 46% of the RX spend is used for diabetes and anti-inflammatory treatments. 58% of medical specialty spend is used to treat cancer. CIGNA mitigates high spend trends by addressing access/affordability, specialty drug marketplace coupon options, drug management, formulary and pharmacy network management and providing members with digital tools to explore RX costs. CIGNA'S pharmacy utilization program saved \$2.4M in 2023. GLP-1 drugs for obesity are currently not available on the BPS plan. CIGNA does have solutions in the future if BPS decides to utilize the drugs for weight management.

## BOARD MEMBER ATTENDANCE AT SIAC: *Antonia Scipio, Matt Susin*

- Moving forward, Matt Susin requested to be present at every SIAC meeting. Acknowledged by Antonia Scipio.

## FINANCIAL REVIEW: *Joe Strohfus, Debbie Poole*

- Joe reviewed financials for April 2024. April closed with a surplus of \$280K, ending 4 consecutive months with positive monthly outcomes. CYTD=\$3.9M. Tentatively, May should close with a \$3.7M CYTD operational surplus. Clinics remain stable operating at \$270K in April.
- Debbie presented claims through April. Enrollment and membership are down (-0.50% and -1.9%, respectively). The loss ratio is running at 92%, RX claims=25% of total cost and gross claims are up on a PEPM basis by 6.6%. Through April, there is one claimant above the individual \$500K ISL and 1 claimant above half the ISL. Total plan costs compared to YTD 2023 are up 8.7%, total claims are up 6.1%, stop loss reimbursements are 77% lower and RX rebates are up 29.8%. The loss ratio for April increased to 102.5% with both the Gold and Silver plan loss ratios increasing from the previous 3 months. Large claims have not reached the aggregate specific threshold warranting stop loss reimbursements.
- Dennis reviewed the 2024, 60-day self-insured reserve requirement noting that a projected budget infusion of \$533K is needed before June 30, 2024. Claims have been running well YTD, so the suggested infusion is much lower than previously anticipated. To meet the 2025, 60-day reserve requirement Lockton suggests a 13.3% EE/ER rate increase. Dennis explained projections will change monthly based on actual claims.

## PLAN DESIGN / MODEL OPTIONS: *Debbie Poole*

- At SIAC's request, Debbie presented Lockton's three Medical Plan Design Alternatives that all include a new Silver plan consisting of only Cigna's *Local Plus*. Models include 6.8%, 6.7% and 6.1% overall increases. CIGNA's Local Plus is a narrow network of existing providers. It includes major provider groups and major hospitals including Health First. Some members already use providers that are in the Local Plus network ("a network within a network"). The Local Plus plan alternative is the HMO solution requested by SIAC. It could help mitigate the impact of the 13% projected increase. Renee stated CIGNA is working on a disruption analysis.
- During a group discussion with SIAC, Debbie and Renee, topics included considering Local Plus as a third, stand-alone plan, ensuring that Local Plus providers are accepting patients and have enough capacity to provide services, examining why the better performing Silver plan is being modified instead of the Gold plan and clarification that Lockton is presenting these alternatives to "test the appetite" of SIAC, not to decide at this time.
- Debbie reviewed contribution options and their impacts to BPS. She will correct some of the modeling figures and provide them to SIAC. SIAC members discussed and conceptualized plan options. Debbie questioned SIAC's overall impression of the modeling. Antonia clarified that SIAC must make a recommendation to the Superintendent by the end of June in order to review the plan and systems in July, test in August and be ready for open enrollment in October. Renee will provide updated information to SIAC by the week of June 17<sup>th</sup>.
- A motion was passed to eliminate the ½ Wellness incentive from the Gold and Silver plans if employees can be granted an additional 30 days to complete the requirement. Antonia will look at the system feasibility of providing the extra 30-day window (through the end of September) and return the information to SIAC. She noted additional costs may be incurred.
- SIAC reviewed the 20% copay modeling for specialty drugs and how much it could impact a 13% EE/ER rate increase. Debbie stated that the biggest impact in reducing the 13% recommended rate increase will still be derived from changing deductibles and out of pocket maximums. SIAC expressed hesitancy to decide on plan design changes without having information from Lockton that identifies *specific dollar impacts for each plan design change*. Debbie indicated calculating that information would not be doable in the two-week time frame until the next meeting. Additional discussion: Ryan and Kyle recommended increasing rates on only the Gold plan with Kyle stating a 10 – 15% increase. Anthony asked about the impact of putting all members back on the Gold plan. Kyle questioned the "split out board contribution" vs. a flat-rate board contribution. Debbie summarized that the current plan design/ deductibles/ copays have been in place for the past 4 years.

## ADDITIONAL DISCUSSION:

- SIAC agreed to a second June 2024 SIAC meeting so that Lockton can provide newly-requested information. Antonia recapped SIAC's requests: **a)** Lockton's calculated savings from eliminating ½ Wellness on both plans, **b)** CIGNA's Local Plus disruption report, **c)** send updated calculator (provided today), **d)** number of EEs who met deductible and OOP maximums (med and Rx) last year, **e)** dollar impacts from using the calculator, **f)** estimated dollar amounts for every single plan design change reviewed today (which Lockton previously indicated would not be doable in two weeks) and **g)** a one plan only option. Ryan clarified that a decision would have to be made at the next meeting; confirmed by Antonia.
- Kyle and Debbie discussed plan migration with no additional request made to Lockton for related information.
- Dr. Marshall requested a current list of CIGNA providers. Antonia will make sure it's provided.
- Anthony asked for a People One update. Antonia replied that they're reviewing information with Dr. Rendell, but plan design is currently taking precedence to meet deadlines.
- Meeting adjourned.
- **Next SIAC Meeting:** Wednesday, June 26, 2024, 1:00 pm – 4:00 p.m. in the ESF Board Room.