

**FRANKLIN-ESSEX-HAMILTON SCHOOL DISTRICTS'
HEALTH INSURANCE CONSORTIUM**

JOINT GOVERNING BOARD MEETING

- DATE:** February 7, 2012
- LOCATION:** Adirondack Educational Center
- KIND OF MEETING:** Regular
- MEMBERS PRESENT:** Dale Breault, Daniel Bower, Angela DeBeer, Thomas Dodd, Nicole Dumas, Patricia Godreau-Sexton (left at 2:20 PM), Keith Hazen, Paul Jadlos, Garry Lanthier, Beverly Ouderkirk, Gilbert Patenaude (entered 11:30 AM), Nick Pepe, Leonard Sauers, Pamela Savard, Stephen Shafer, Dan Tusa, Timothy Whipple
- MEMBERS ABSENT:** Jane Collins
- OTHERS PRESENT:** Stephanie Bannon, Secretary
Patrick Calnon, Plan Coordinator
Michael Cocco, NYSUT Representative
Laura Coughlin, Caremark Representative (Via Telephone)
Patrick Cowburn, KBM Account Representative
Loren Fountaine, NYSUT Representative
Joanne Heredia, FEH BOCES Representative
James Jock, Labor Relations Representative
Natascha Jock – Salmon River
Megan O'Brien, NYSUT Representative
Rachel Risseto, Labor Relations Representative
Lisa Spangler, Tupper Lake
Barbara Talarico, Excellus BC/BS
Theresa Thoryk, Excellus BC/BS
- CALL TO ORDER:** Chairperson Shafer called the meeting to order at 9:05 A.M.
- EXCELLUS BC/BS REPORT:** *6 or 9 Month Report Quarterly Report*
Theresa Thoryk reviewed the Health Plan Management Report for the January 1, 2011 through September 30, 2011. Ms. Thoryk indicated that the plan cost per member per month increased by 7%. She also indicated that the Emergency Room utilization continues to be higher than book of business. She also recommended that the Consortium take advantage of Excellus BC/BS Health and Wellness initiatives as a value-add service.
- Barabara Talarico indicated we could invite Pat Salzer to discuss the Health and Wellness Initiatives at the next meeting.

Information Regarding Classic Blue VS PPO J in Retirement

Barbara Talarico indicated that there was not really an answer regarding which plan is preferable as it would depend on each retiree's situation. She indicated that both plans are available at retirement and retirees' can change Plans at open enrollment each year.

Dental Plan (Summary of Benefits/Re-Quote)

Barb indicated there are two quotes for the Dental Plan. Both offer a high/low option. Co Chair Shafer indicated that the understanding was we would get the quotes from Excellus BC/BS. The Consortium needs to decide if we are going to offer the Dental Plan option to our members of the Consortium. Barb indicated we would need 50% participation from each District in order to buy into the Plan. Dale Breault requested a listing of participating providers located in the North Country. A request for the In Network fee schedule was also requested. Information will be sent to Steve Shafer and will be included on the next Agenda.

**EMERGENCY ROOM
USAGE REPORT:**

Mr. Calnon used the information to develop a more concise report. Each District was given a copy of the Emergency Room Usage Report for their District.

CAREMARK REPORT:

Laura Coughlin presented the Prescription Benefit Review for the 2011 Plan Year. Ms. Coughlin indicated the greatest performance success was that the generic dispensing rate increased 4.3% to 69.7%.

Information on Prior Authorization Process

Ms. Coughlin reviewed the guidelines used for when information is required for prior authorization. She reviewed the standard drugs that would require prior authorization. She also indicated that all standard routine requests concerning Prior Authorization general information will be responded to within 24 business hours for Urgent request and 72 business hours for Non Urgent requests. Following discussion, the Consortium did not move forward with the prior authorization process.

Update on the Pharmacy Advisor Program

Ms. Coughlin reviewed the Pharmacy Advisor Client Dashboard for Diabetes. She indicated 414 members received the intervention. Dale Breault stated he had some questions regarding the program. If the employee switched to a generic, they would get a free refill and he had an employee who did not receive any information on this. A follow-up letter was sent to her stating she may need high blood pressure and high cholesterol medicine. Mr. Breault asked if she would get a free prescription for these as well. She was also not made aware that there were generics available. Ms. Coughlin indicated this would fall more into the Evidence Based Plan Design. Most calls from Pharmacy Advisor were for members not filling their prescriptions.

Evidence Based Plan Design Report

Ms. Coughlin indicated that letters were not sent out for the Evidence Based Plan Design but could be sent out to members if requested. Co Chair Shafer indicated that his understanding was that these letters should have been sent out last July. Laura indicated she would make sure these letters would be sent out upon approval. Tom Dodd asked for a listing of the drugs that would be included on the letters be sent to Co Chair Shafer. Laura indicated there would be a fee of \$1.00 per letter for this mailing. Discussion ensued as to why these letters had not been sent out previously as authorized at a previous Board Meeting.

Beverly Ouderick moved, seconded by Patricia Godreau-Sexton that the Consortium move forward with the letter to be sent out regarding the Evidence Based Plan Design Report for Diabetes. Patrick Calnon will contact Caremark and seek a waiver of the \$1.00 per letter fee. However, the Consortium wishes to move forward regardless of the outcome of this discussion.

Yes - 16
No - 0, motion carried

Specialty Preferred Drug Step Therapy Program

The Specialty Preferred Drug Step Therapy program encourages the use of the preferred drug prior to the utilization of the non-preferred drug. Simply put, Step Therapy Preferred Drug strategy enhances the use of safe, equally effective and less expensive drugs before “stepping up” to a more expensive therapeutic alternative. This program has potential savings of \$35,000 to \$70,000 over three years. Present members would be Grandfathered and this would be mandated for new members only. Patrick Calnon will ask more questions regarding this program and bring back the information to the next JGB Meeting.

Use of Mail Order by Age Bracket

Laura indicated that the highest age range for utilization is 60-79 at 44%.

KBM REPORT:

Quarterly Report

Pat Cowburn reviewed the 2011-12 Six-Month Management Report. He indicated that overall, the Plan is doing well and this is where he expected us to be.

Medicare COB

Patrick Cowburn indicated there was a fundamental change regarding the coordination of benefits (COB) with Medicare primary claims under the Classic Blue benefit platform. With the change to Classic Blue, a Supplemental Plan was no longer offered and we moved to a “Carve-Out” Plan. A memo was given to each member regarding this matter. In order to keep benefits the same, the Consortium needed to move to the “Carve-Out” Plan.

Incurred Claim Comparison Summary

Patrick Cowburn reviewed the At a Glance report reviewing enrollment, plan costs, utilization measures, etc.

Premium Recommendations for 2012-13

Co-Chair Shafer indicated that a two-person family premium would be included on the sheet that Patrick Cowburn will be distributing. This is for informational purposes only as we are not planning on making any changes for the 2012-13 school year. Three reasons why this may be advantageous for the future are as follows: 1. Long Lake had an interest in joining the Consortium at one time, but we did not offer the two-person coverage which they had 2. Increase District movement towards employee cost share; 3. Savings on same-sex marriage where they are paying taxes for federal income tax. This will be brought up for the 2013-14 school year.

Pat Cowburn reviewed the 2011-12 Premium Calculation including a Two-Person Plan. Patrick Calnon indicated that if we were to create the Two-Person Coverage, it would need to be brought back to the JGB for approval early next Fall. Information was requested to Pat Cowburn to create a breakdown on the scenario of the Two Person Coverage so each District could review with their members with the pros and cons. Co Chair Dodd requested information as if the single premium rates are subsidizing the family premium or vice versa. He indicated he knows we are subsidizing the medicare. Co Chair Shafer request a history report for the last 5 years for this information.

Patrick Cowburn reviewed the Projected 2011/12 –2012/13 Budget Worksheet. ERRP money must be used to offset premiums. Blue option uses \$500,000 of the ERRP money. Purple option uses some of the surplus fund balance as well as the \$500,000 from ERRP.

Dale Breault indicated he needed to get the lowest rate he could get due to the tough budget year.

Employer Group requested a caucus requested 2:00 PM. Returned 2:10 PM

A motion was made by Dan Bower, seconded by Beverly Ouderick to choose the Tan Option that shows a 5.5% Premium Rate increase with a 2.5% Premium Dollar Increase for the 2012-13 school year. Rates would be as follows: Traditional Non-Medicare: Single – \$652; Family - \$1,714; Super Family – \$857; Single Over 65 - \$257; Family Over 65 – \$514. PPO J Plan – Single - \$595; Family - \$1,560; Super Family - \$780

A request was made to include the Budget Worksheet that includes the two additional columns with the JGB Minutes.

Employee Group requested a caucus 2:20 PM. Returned 2:23 PM

Thomas Dodd proposed the motion to be amended and Dale Breault amended the vote amended the motion to vote on the Medicare and Non-Medicare Traditional Plan only and not to include the PPOJ or HAS 4 Plans. Dan Bower amended the motion 5.50% for the rates for the 2012-13 school year. Vote on the Medicare and Non-Medicare Traditional Plan not the PPOJ or HAS 4

Yes – 17

No – 0, motion carried

A request was made to send the rate sheet to the JGB members as well.

**DISCUSSION OF FEH
CONSORTIUM JOINING
OTHER CONSORTIUMS:**

Co Chair Shafer indicated that Thomas Dodd, Patrick Cowburn and himself had attended several meetings regarding the joining of other Consortiums. He indicated that in his perspective, he has a better idea of how the other JGB Plans operate. However, he did not feel that any of the Consortiums were ready to move into a Joint Consortium. They will continue to meet twice a year as they feel it is beneficial for information sharing.

**JGB MEMBER SERVING
TWO OR MORE
DISTRICTS:**

Beverly Ouderkirk shares the Superintendent role for both Brushton-Moira and the St. Regis Falls Central School. She is taking direction from two Boards. She is asking if she would be able to exercise two independent votes. She does have two votes on the Board of Directors. Discussion ensued.

Following discussion, Timothy Whipple made a motion, seconded by Paul Jadlos that we acknowledge that the MOU allows for a representative to vote independently for more than one District.

Yes – 15

No – 0, motion carried

ADDITIONAL MATTERS:

Dan Tusa indicated that Malone Central School employees were having issues with SilverScript. Stephanie Bannon indicated there had been a number of issues that have been and continue to be addressed. It was stated that any questions or problems could be directed to Stephanie and her Office will take care of them.

Thomas Dodd requested a report from Caremark regarding the switch over to Silverscript for the next meeting.

Dale Breault would like to have the health insurance put out to bid when the Excellus BC/BS and Caremark terms are up.

Agenda items for the next meeting scheduled for May 23, 2012 at 9:00 AM at the Adirondack Educational Center are as follows:

- Excellus BC/BS Report
 - Wellness Report
- Caremark Report
 - SilverScript Report (Transition Report; Issues)

- KBM Report
- Experience Rating Two Person VS Family
- Dental Plan
- Two Person Coverage
- Ideas from locals Wellness Programs (Employee/Employer)

ADJOURNMENT:

Dan Bower, moved, seconded by Dale Breault that the meeting be adjourned.

Yes – 15

No - 0, motion carried

Meeting ended at 2:55 P.M.

These minutes approved 5/23/2012

Stephanie P. Bannon
Stephanie P. Bannon, Secretary