

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

**JOINT GOVERNING BOARD MEETING**

- DATE:** October 20, 2009
- LOCATION:** Adirondack Educational Center
- KIND OF MEETING:** Regular
- MEMBERS PRESENT:** Dale Breault, Mary Carr, Thomas Dodd, Patricia Dovi, Andrew Draper, Keith Hazen, Paul Jadlos (entered 11:15 AM), Robin Jones, Garry Lanthier, Michael Kilroy, Mary Moore, Christopher Nye, Nick Pepe, Pamela Savard, Stephen Shafer, Karen Swanston, Timothy Whipple
- MEMBERS ABSENT:** Leonard Sauers
- OTHERS PRESENT:** Nancy Allen, Excellus BC/BS Representative  
Stephanie Bannon, Secretary  
Patrick Calnon, Plan Coordinator  
Patrick Cowburn, KBM Account Representative  
Kelly Hardison, Caremark Account Representative  
Karen Sullivan, NYSUT Representative  
Lynne Williams, Excellus BC/BS Representative  
Ernest Witkowski, Interim Superintendent, Lake Placid Central School
- CALL TO ORDER:** Chairperson Shafer called the meeting to order at 9:30A.M.
- APPROVAL OF MINUTES:** Chairperson Shafer asked for a motion to accept the minutes of the February 25, 2009 meeting. Patricia Dovi moved, seconded by Mary Moore that the minutes be approved after an amendment to add "for Family" on Page 3; Paragraph 2 in regards to the amount of \$597.84 regarding the Dental Blue Classic Plan.
- Yes - 17  
No - 0, motion carried
- CAREMARK REPORT:** Kelly Hardison presented the Prescription Benefit Review for the period of January through June 2009. She also presented several progressive plan design changes that could be offered for the Consortium.

**EXCELLUS BC/BS  
REPORT:**

Nancy Allen advised the Board that it would be required that the Consortium move out of the Indemnity Plan and move to a Classic Blue Plan by July 1, 2011. The target date for a voluntary move would be January 1, 2011. If an agreement is not made by the July 1, 2011 date, Excellus would move the Group to a plan of their choosing that best matches the current plan. Ms. Allen then presented and reviewed a comparison of the Indemnity and Classic Blue benefits with the many options that could be provided. Discussion ensued regarding the requirement to change to this Plan and how much this would cost the Consortium. Patrick Calnon and Patrick Cowburn will be working directly with Mrs. Allen to provide the Board with more accurate figures regarding the cost to the Consortium for the move to the Classic Blue Plan.

A question arose regarding certain contraceptive devices and coverage under the Classic Blue Plan. This will be added to the Comparison Grid. A request regarding the Comparison Grid was also made to add Cardiac Rehab and Air Ambulance. Mrs. Allen will research these areas and get back to the Board with her findings.

Mrs. Allen reviewed information regarding changes to the federal mental health law mandate and how the comparison grid illustrated this for the current plan and the proposed plan.

Mrs. Allen advised the Board that the H1N1 flu shot would be covered in full under our current Plan for all covered members. However, this would need to be administered in the Doctor's office and not in a health clinic.

Mrs. Allen informed the Board of the new changes in regards to dependent coverage that would take effect upon our next renewal which is on July 1, 2010. Dependents can now be covered until age 29 as long as they are not married, live in New York State, and are not eligible for any other health insurance options. There are two options available for this new regulation. One would be to make a rider available to the plan to include all eligible dependents to Age 29. However, this would cost the Consortium and new rates would need to be established. The second option would be to allow the dependents coverage through Age 29 in a similar fashion to COBRA. However, the Districts would not be able to add the 2% charge for this.

Patrick Cowburn noted that COBRA for all employees is now 36 months and not 18 months as previously established.

**KBM REPORT:**

Patrick Cowburn reviewed the 2008/09 Year-End Management Report as well as the September 2009 Claim Watch. He indicated that overall the Plan year ended within 2% of projected performance.

Mr. Cowburn then reviewed the Prescription Benefit Manager Request for Proposal Analysis. He indicated that he had submitted RFP's to ten Prescription Benefit Managers and received nine proposals back. After

further discussion, Dale Breault moved, seconded by Patricia Dovi that Patrick Cowburn be authorized to work directly with Caremark to seek more favorable terms for certain items for which other vendors offered superior quotes.

Yes - 17  
No - 0, motion carried

Chairperson Shafer stated that in order to move ahead with the Classic Blue Plan, the JGB would need more definite figures. He indicated that we may also need to consider some of the Caremark item incentives that were discussed in order to get neutral costs.

A request was also made to Excellus BC/BS to prepare a report with different scenarios comparing benefits paid from a Classic Blue Plan versus the Indemnity Plan and to report the information at the next meeting.

A request was made by Patricia Dovi for a report that could be put in simplistic terms and distributed at each JGB Meeting. Following discussion, it was stated that Ms. Dovi would work with Patrick Calnon on obtaining the information requested.

**DATE AND AGENDA FOR  
NEXT MEETING:**

Agenda items for the next meeting scheduled for December 8, 2009 at the North Franklin Educational Center are as follows:

- KBM Report
- Excellus BC/BS Report  
*Utilization Report and Example of Claims Processed Under Current Plan Versus Classic Blue*
- Cost Analysis for the Classic Blue Plan
- Caremark Report (Negotiations Update on new Contract)

**ADJOURNMENT:**

Robin Jones moved, seconded by Christopher Nye that the meeting be adjourned.

Yes - 17  
No - 0, motion carried

Meeting ended at 2:00 P.M.

These minutes approved 12/08/09

Stephanie P. Bannon  
Stephanie P. Bannon, Secretary