

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

JOINT GOVERNING BOARD MEETING

- DATE:** December 8, 2009
- LOCATION:** North Franklin Educational Center
- KIND OF MEETING:** Regular
- MEMBERS PRESENT:** Dale Breault, Mary Carr, Thomas Dodd, Andrew Draper, Keith Hazen, Paul Jadlo, Robin Jones, Garry Lanthier, Michael Kilroy, Mary Moore, Nick Pepe, Leonard Sauers, Pamela Savard, Stephen Shafer, Karen Swanston
- MEMBERS ABSENT:** Patricia Dovi, Christopher Nye, Timothy Whipple (entered 10:05 AM)
- OTHERS PRESENT:** Nancy Allen, Excellus BC/BS Representative
Stephanie Bannon, Secretary
Patrick Calnon, Plan Coordinator
Michael Cocco, NYSUT Representative
Arlington Collins, St. Regis Falls Representative
Jane Collins, Salmon River Central School Representative
Patrick Cowburn, KBM Account Representative
Loren Fontaine, NYSUT Representative
Celeste Norman, NYSUT Representative
Theresa Thoryk, Excellus BC/BS Representative
- CALL TO ORDER:** Chairperson Shafer called the meeting to order at 9:10 A.M.
- APPROVAL OF MINUTES:** Chairperson Shafer asked for a motion to accept the minutes of the October 20, 2009 meeting. Pamela Savard moved, seconded by Dale Breault that the minutes be approved
Yes - 15
No - 0, motion carried
- EXCELLUS BC/BS REPORT:** Theresa Thoryk reviewed the Health Plan Management Review for the period of July 1, 2008 through June 30, 2009. It was suggested by the Board for Excellus BC/BS to use the Indemnity Plan rather than the PPO Plan when doing comparison charts.
- Nancy Allen reviewed the comparison of costs between the current Indemnity Plan and the Classic Blue Plan. She noted that there were many instances where there would be more cost for the Consortium under the Classic Blue Plan but the system was set up for more streamlined claims processing. Nancy also reviewed the Indemnity/Classic Blue Plan Comparison Sheet.

Patrick Calnon presented a power point regarding the Classic Blue Plan. He indicated that in his role as Plan Coordinator, he wanted to bring accurate information to the Board in order for them to make the best decisions. He indicated 3 decisions would need to be made in regards to the Classic Blue Plan including Deductibles, Maximum Coinsurance and Hospital In-patient co-pays. He gave the Board the 18 possible options and showed how each of these changes would affect the total cost for the Consortium. Discussion ensued regarding what the actual additional cost would be to the Consortium according to Excellus BC/BS. Lynne Williams stated that there are not a lot of changes that can be made to the Classic Blue Plan except for the deductibles, co-insurance and hospital co-pays. She indicated that under the Classic Blue Plan, Emergency Room visits are covered in full. Chairperson Shafer asked Ms. Williams if the JGB could bring in an independent group to verify the numbers given at no cost to the Consortium. Ms. Williams indicated they have already completed this utilizing the Milliman Firm. She will check and see what information can be released to the JGB from the work that Milliman has done for Excellus BC/BS. She noted that the work was not specific to our possible change to Classic Blue. Tim Whipple suggested that the Emergency Room Visits should have a co-pay as that would encourage subscribers to use a Doctor's Office or Clinic whenever available. Ms. Williams stated that a rider could be included to add a co-pay for Emergency Room visits if requested. Ms. Williams will see if there is any information she can provide as to how Excellus BC/BC came up with the figures given. Mary Carr asked if air ambulance service would be covered for private flights as well as from the flights in Burlington. Nancy said she would research this and get back to Mary.

Patrick Calnon stated he has been working with Kelly Hardison and reviewed the Plan Design Changes discussed in October: (1) reduced generic co-pay, (2) one-time incentive for either a 90-day mail generic conversion or three 30-day retail generic conversions, (3) evidence based plan design for five conditions; asthma, diabetes, heart failure, hypercholesterolemia, and hypertension that would eliminate the generic co-pays. He explained that these could also be done for all five conditions or an individual basis. Mr. Calnon will update this information and send to Stephanie Bannon who will forward to the JGB members.

KBM REPORT:

Patrick Cowburn distributed information and an update on the Caremark Renewal Negotiations. He stated that with the revised proposal, he felt they were in line or better with the other proposals given and inasmuch as the Board has been satisfied with their service, he would recommend the JGB stay with Caremark. An Agreement for the period of 1/1/10 through 12/31/12 has been signed with Caremark based on the authorization at the October JGB Meeting.

Mr. Cowburn reviewed the 2009/10 Three-Month Management Report as well as the October 2009 Claim Watch Report. He indicated that based on accounts receivable and projected costs, the Plan remains fully funded through the four-month period.

Mr. Cowburn provided the Board with Plan Historical Data, which provided statistical information from the school years 1999-00 through 2009-10.

Mr. Cowburn indicated that overall, the Plan is doing well for the first four months. However, it should also be noted that this could change at any time.

CAREMARK:

Patrick Calnon addressed several questions that were asked at the previous Board Meeting regarding the number of brands specific to FEH RX that do not have a generic equivalent; the answer is 36.3%. Also, in regards to the Evidence based design, all drugs in the same class are included in the one group. Caremark cannot provide book of business comparisons by region. Mr. Calnon provided follow-up information to a question raised at the October meeting. He indicated that Thalomid, a drug used to treat diseases related to abnormalities in the immune system and multiple myeloma, has many severe side effects. For that reason, all patients must agree to comply with strict guidelines.

INTEREST IN ESTABLISHING A CONSORTIUM WEBSITE:

Co Chair Shafer asked if there would be an interest in establishing a Consortium Website that could be used for all members. The Board agreed that this would be a good idea and for the BOCES to implement the website. Patrick Cowburn will send Stephanie Bannon some information on other Consortiums that have a website available. Once information is established, this will be provided to the Joint Governing Board for review before making this available to employees. A prototype will be sent to the JGB members for review and put on the Agenda for the next meeting. Stephanie Bannon will be responsible for the implementation.

ESTABLISHING WRITTEN DOCUMENT OUTLINING DUTIES OF THE JGB CO-CHAIRS:

Co Chair Shafer stated a request was made from Thomas Dodd seeking a written document outlining the duties of the JGB Co-Chairs. No current document currently exists. A suggestion was made to have a sub-committee meet and draft the duties. A motion was made by Thomas Dodd, seconded by Robin Jones that a sub-committee meet to present a document to the Board.

Yes – 14

No – 0,

Abstain – 2 (Pam Savard & Mary Moore), motion carried

Tom Dodd and Stephen Shafer will serve on the sub-committee and bring back a document for the Board to review.

Co Chair Shafer suggested we should schedule the next two meetings with the one held in January to focus primarily on the Excellus BC/BS Classic Blue issue.

- Mary Carr questioned the new mandate allowing dependents health insurance coverage through Age 29 which will become effective on July, 1, 2010. Following discussion, it was stated that Patrick Cowburn would provide more information at the next JGB meeting. Stephanie Bannon stated that Healthy New York, which is a state plan, is also available to individuals who need health insurance coverage but at a much lower cost than the COBRA. She indicated that she will send an e-mail to the JGB members providing the contact information for this coverage.

DATE AND AGENDA FOR NEXT MEETING:

Agenda items for the next meeting scheduled for Friday, January 22, 2010 at the Adirondack Educational Center are as follows:

- Excellus BC/BS Classic Blue Plan
- Dependent Coverage Through Age 29
- Co Chair Duties Update
- Consortium Website

The February meeting was scheduled for February 25, 2010 at the North Franklin Educational Center.

A request was made by Thomas Dodd for the Board President's to meet for one day regarding the proposed change to the Excellus BC/BS Classic Blue Plan. Chairperson Shafer stated he would poll the Superintendents regarding this request. Both Robin Jones and Dale Breault indicated that they felt a half-day would be enough time to meet regarding this issue.

ADJOURNMENT:

Robin Jones moved, seconded by Michael Kilroy that the meeting be adjourned.

Yes – 16

No - 0, motion carried

Meeting ended at 1:50 P.M.

These minutes approved 1/21/10

Stephanie P. Bannon
Stephanie P. Bannon, Secretary