

MINUTES OF THE HEALTH BENEFITS COMMITTEE MEETING

HELENA SCHOOL DISTRICT NO. 1, LEWIS AND CLARK COUNTY

October 27, 2022

3:50 PM

The regular meeting of the Health Benefits Committee meeting was called to order in the Lincoln Center Board Room and online via TEAMS at 3:50 PM.

ATTENDANCE - Present unless otherwise noted.

Shannon McNamee – Chair	Janelle Mickelson - Absent	Emily Rodway
XX – Vice Chair	Terri Norman	Betsy Allen
Rich Franco	John McEwen	Bridget Butler
Marti Kuntz	Kay Satre	John Burke - Absent
Beth Heiser	Elizabeth Grev	

INTRODUCTIONS – (Rich) Welcome to the Health Benefits Meeting 10/27/22. We will be recording our meeting. We will call for public comment, this is the time to make a comment on any items that are not on the Agenda that is not related to Personnel or any staff member. Is there anyone online that wishes to make a public comment?

Alright, I don't see any public in the meeting so we will go ahead and begin going through our Agenda.

GUESTS – Roger Cowan – Allegiance
Heather Williams & Cindy Marmolejo – Alliant

ACTION ITEMS: -

John Burke for New Chair for 22-23 PY

1st – Bridget Butler
2nd – Terri Norman
All in Favor

Shannon McNamee for New Vice-Chair for 22-23 PY

1st – Bridget Butler
2nd – Terri Norman
All in Favor

FINANCIAL REPORT

Year End Overview: You know, I was looking at the Utilization reports and we talked about this when John McEwen was here, and he didn't feel they were 100% useful and they are and sometimes aren't. I should be getting them soon and I will blast them out to you guys. For now though, there is about a \$274,000 discrepancy but I think we found it in March's financials. However, this comparison will show basically where we are and highlighted the main things in yellow. You will see the \$2,375,000 more in expenses this year, the main culprits is the claims at \$1.8 million more and Stop Loss at \$509k more. Those Stop Loss premiums, as you remember we had some anticipated SL hits and we had a 49% premium increase and that's why we see such a big number. You add those 2 big expense increases that basically adds to the almost \$2.4 million expense increase. As you can see, we also did increase revenue about \$881k and part of that is the 7% increase in premiums we did. Everything was pretty much projected as we thought...however when we projected the 18% increase and we only went with 7% and now we see the hard numbers and see why the big difference between the Revenues and Expenses. I do congratulate you guys for doing the hard 15% for this year especially because we couldn't do that again. So, good job. As you see our Unreserves/Unrestricted we went down about

\$1,047,000. This is pretty close to final minus some lag claims and so forth. As you remember back in April/May I projected we would be around \$2.3 million in Unreserves at the end of the year and this is basically about there, so none of it is a big surprise, painful but it is what it is. We did get some good news on the Rx programs so that makes me happy. We did get a couple more high cost claims and other than that I feel like we can't predict some things, but we have done well and ran pretty good. That does make me feel good even though the disaster side of the high cost claims and so forth, but I am satisfied with our overall claims. Any questions? Shannon – In the Spring how many high-cost claims did we have? Rich – We were running around 6 or 7 but I think we had a couple more over the summer. As a reminder, the high-cost claims are \$25k or high. The ones that hit us the hardest are the ones that hit Stop Loss. This obviously hurts the SL renewal numbers, and we saw that this year. There should be 2 coming off this year, I think 1 did and the other should sometime this year. Unfortunately we don't know the unknown such as a NICU baby or what not, so we are just trying to do the right things as a Committee and programs to save us money. Other than that, I don't have anything else as far as finances, does anyone else have any questions? Ok, onto the Subcommittees.

SUBCOMMITTEE REPORTS

✚ Finance/Benefit Sub-committee: – Need to Set a Meeting, potentially look into doing an RFP

✚ Wellness – Need to Set a Meeting

✚ Appeals – None

✚ Communications – None

OTHER:

- Allegiance (Roger) Compliance Updates: I wanted to update you on the Transparency and Coverage Act and the No Surprises Act. You've already complied with a lot of things back in June so I won't go over that. Regardless of your Plan Year, these must be in place by 1/1/23 and 1/1/24. The Section 204 reporting act requires that you report a whole bunch of medical and pharmacy information and premium information to the Federal Government for Plan Years 20 and 21. After a lot of review, what we've determined is that we can do the reporting for you except for Pharmacy. So, you won't really have to do anything, we'll do it for you. There will be a fee for it because it's costing Allegiance a lot of money. These require a whole bunch of programming and creation of documents to send to the Feds, you don't have a choice to do it and we don't either. The fee for the Section 204 reporting will be a \$1 pepm because it's ongoing from now and undetermined in the future. These are based on calendar years regardless of your Plan Year. We can't simply do it for free, these are just pass through charges. That's one component of it, the other component of it is what's called the "Shoppable files and transparency rule". What that requires is that you have to have in place for 1/1/23 the 500 most "shoppable files", as determined by the Government, which is the top 500 claims. We have to have in place a computer program where people can call in and compare what the charges will be for, let's say a tonsillectomy, and what each doctor would charge. It's a very very complicated program, and it's something we have to partner with a couple outside sources to even put this all together with computer programming. The other part of that is that it must be available to them instantly. If they want a fax or email, then they get it that day, or request a letter then it has to be within 2 days. It's basically kind of a pre-advanced EOB on what Doctor x, y and z will charge and what the plan will pay and how much they've met for their deductible and max oop. Or they can just ask on the phone as well. That's coming up 1/1/23, again that's a mandate. We're still working on what the pass through fee will be for that. In addition, on 1/1/24 the same programming has to be in place for every procedure code in the book, no matter what it is. A nose job, tonsillectomy, hip replacement everyone of those has to be instantaneously available with the information. Those are the 2 things coming up in the next 2 months and we're in place to have it all way before that. Shannon M – Can I ask a couple of questions? Roger – Sure. Shannon M – The

2nd component of transparency rule, the 500 most shoppable claims, when does that have to be in place? Rich – 1/1/23. Shannon M – When is the due date for all procedures? Rich – 1/1/24 Shannon – What are the estimated costs for these two programming? Roger – We’re still working on that because we’re not clear on what that will be, but should know in the next couple weeks. Rich – This is just a pass-through cost because of the other vendors you need to use right? Roger – Right, we are not making any money on this. Betsy – Are the Doctor’s office receiving this? They’re probably impacted too. Roger – There’s another piece of this that the guidance won’t come out until 2023, it will require a real advanced EOB and it will include the Doc’s offices. If a member goes to the Doctor, then they are required to give a good faith estimate of what the cost for the service will be and then send that estimate to Allegiance. Based on that estimated, then we give the member an advanced EOB. We don’t know when that will be effective, as you can imagine that has some complicated moving parts to it as well. Rich – Sounds fun! Any other questions? Well Roger, thank you for your time and thanks for the awesome news, have a good one! Roger – Alright, thanks everyone! Shannon – Are we contemplating the fees for Allegiance will come out of Plan cost? Rich – Yes, they have to, \$1 pepm is about \$22k - \$24k a year that the 204 will cost which isn’t too much. I am concerned about the other one with all claims, it will be interesting to see what that is.

- Alliant Updates (Heather): Please see attached presentation
- New Chair and Vice Chair (see Action Items)
- Terri Norman – For people that do PIR, we put through a request for HB Committee meetings to count for PIR Renewal and they approved it up to 11 hours. Rich and I were talking about possible Sub-Committees, but they aren’t set dates so I had a nice conversation with Barb and she asked how it’s professional development. I can see what she means, we can keep the proposal for this year and know moving forward that we probably won’t be able to apply and be approved for this meeting because there’s no direct development. Shannon – So not even something more abstract like leadership? Terri – I don’t know, the technology is doing it and it’s based on technology curriculum, she wanted us to brainstorm on what they’re approving. Rich – Thank you for doing it. I think as the year goes on we can give Barb what we do and I’m sure there’s pieces that would apply. Terri – So, those who haven’t signed up through My Learning Plan, you need to. You will also need to sign up at the meetings.

Next meeting: 12/01/22 – Lincoln Center Board Room

Meeting adjourned: 4:39 PM