

LMBC Meeting Minutes - Draft
 May 8, 2018
 8th Floor Conference Room, 111 SW Columbia Ave
 Attendance

<i>LMBC Members present</i>	<i>Staff</i>
Tara Anderson	Cathy Bless
Tom Armstrong	Anne Hogan
Jamie Burrows	
Alan Ferschweiler	<i>Presenters</i>
Mark Gipson	Anne Thompson (Aon)
Leslie Goodlow	Kourosh Ghaemmaghami
Ashlie Grundy	
Jeannette Hopson	<i>Other attendees</i>
Claire Houston	Paul Cone (PTE 17)
Craig Morgan	
Rachel Whiteside	
<i>LMBC Members absent</i>	
Jay Guo	

1. **Meeting Called to Order** - Co-Chair Alan Ferschweiler called the meeting to order at 1:35 PM.

2. Meeting Minutes Discussion - Alan requested the committee review and discuss any required changes needing to be made to the latest meeting minutes. Claire Houston pointed out that Mark Gipson’s name was incorrectly listed as “Mike” Gipson in a section of the minutes. With no other changes, Alan requested a motion to approve, Claire made the motion and Craig seconded the motion. Committee voted to accept the change

3. **Discussion and Review of YTD and Status of Self-Funded Plan Experience as of 4/30/18 (Cathy Bless and Kourosh Ghaemmaghami)**

Kourosh Ghaemmaghami began the discussion by reviewing the wire transfers handout. As discussed in previous meetings, there has been an 16% increase of medical claims, 4% decrease in prescription claims because of the Express Scripts rebates and a 9% increase in dental claims all from the previous year. Most of this double-digit increase has occurred after November 30th, 2017.

Mark Gipson asked why the dental claims had increased and Cathy Bless responded that it was likely a combination of high dental utilization coupled with an increase in the cost of these services. She added that since the City adopted the self-insurance model, dental claims have historically been level. The City can absorb the costs but Aon will continue to monitor this trend. The Delta Dental Basic

plan coverage is also a capped benefit (maximum plan year benefit is \$2,000 per person age 19 and over).

Alan Ferschweiler asked if this increase also occurred from Delta Dental Buy-Up participant claims? Cathy replied that employees who purchase this buy-up plan pay more in premiums but these same participants also reach the cap more frequently (maximum plan year benefit is \$2,500 per person age 19 and over). Steve Caulk at Aon will have to review these numbers; Anne Thompson added that the final year end claims will reveal more information. The Committee can be provided additional information during the plan year review.

Alan asked about the increase in medical claims and Cathy agreed that it was disappointing the City hadn't experienced any relief during the 3rd quarter, but there are ample reserves to cover these claims. During the Spring Bump, Kourosh transferred an additional \$3 million from City's reserves. Cathy also added that the plan was to intentionally use reserves during the next coverage year because of the committee's vote to decrease the out-of-pocket maximum for CityCore participants and to keep the premiums lower. Unfortunately, the medical claims experience can be volatile and unpredictable.

Mark added that the switch in vendors from Kroger Prescription Plan to Express Scripts had been a positive and successful change. He thanked Cathy for steering the committee in that direction. Cathy replied that this change had been a better way to control costs but she also acknowledged that this change had resulted from good collaboration between committee members.

Claire asked about the "Total Bi-weekly" number of \$48,038,668.00 listed on the handout. This number includes all the bi-weekly claims that the City had received from Moda for this coverage year as of 4/30/2018. Cathy explained that Moda's current billing cycle is bi-weekly and they pay providers every Friday. However, there are some wires that include three weeks' worth of claims.

Tara Anderson asked whether there was a way for City bureaus to estimate self-insured plan coverage costs per City employee for hiring purposes? Cathy replied that there is composite rate (blended number) derived from the cost of health care divided by the population but it doesn't include dental, vision or Kaiser costs. The City uses the employees' cost from the prior year and moves it forward. For new employees, Bureau's may use a composite based upon its demographics for project costs for a new employee.

Kourosh also suggested that if bureaus are concerned with estimating these costs that they should check with to the City Budget office to see if better methodology exists. Jamie Burrows asked about future trends and the increase in medical claims costs—are there more employees using services or are costs increasing? Cathy responded that new employees can mean more revenue (unless they choose the Kaiser plan) but if they have unmet health needs they'll be using more services. Aon can request that Moda review claims history for demographic profile of users (who they are and length of employment). Alan wanted to confirm that the increase in claims costs could be a result of the increase in hiring and the addition of new employees to the plan but Cathy responded that in general, older employees seek medical services more often. Jamie added that an overall demographic review

would be useful information for the committee to have especially when discussions about reformulating and reviewing plans for the future take place. Cathy agreed and added that the survey questions and answers could help members obtain this information.

4. Annual Enrollment Update and Discussion (Cathy Bless)

Cathy began the discussion by letting members know the Ordinances related to the health plan had been on the agenda for the last Wednesday's City Council meeting but was bumped. As a result, it's on tomorrow's council meeting's regular agenda (presented at 10:30 to 11:00 am) and the plan document should be approved.

One of the ordinances deals with the approval of a new contract with Flexible Spending Account vendor WageWorks. The current contract with vendor BenefitHelp Solutions is ending on June 30th of this year. Cathy's experience with WageWorks has been positive and the transition has been going smoothly. She mentioned that she believed employees will be happy with this vendor change because WageWorks has the same debit card option but there are also additional tools such as being able to set up automatic payments to a particular provider or a phone app allowing users to upload pictures of receipts directly to their WageWorks account. Employees can also sign up for an automatic payment option that allows them to be automatically reimbursed for medical expenses after Moda/VSP/Express Scripts forwards the claims documents to WageWorks. Participants will still have to keep and provide documentation for services but WageWorks will offer a more robust online presence, improved customer service and better employee tools..

During the transition to the new vendor, claim reimbursement requests for this current coverage year ending on June 30th will still have to be submitted to BenefitHelp Solutions. After September 30th (the claims submission deadline for 2017-18 coverage year), BenefitHelp Solutions will provide a rollover report to WageWorks that lists employees who have between \$50 and \$500 left in their accounts. Alan asked what happens to employees who have more than \$500 left to spend and Cathy answered that these funds are no longer available to them (they lose it) and it is returned to the City's healthcare fund. Jamie asked if employees will have to create new FSA online accounts for themselves and Cathy confirmed that new accounts would have to be created because WageWorks is a different vendor with a different website, etc. And if there is a claims dispute or appeal, employees could work with the Benefits Office to get it resolved with BenefitHelp Solutions after the September deadline has passed.

Cathy discussed the Preventive Care Initiative final compliance rates and the results were extremely positive: a 98% compliance rate for Moda participants and a 99% rate for Kaiser participants. For employees who are Kaiser participants, they can still turn in their HIPAA authorization if they have not done so and if they believe they've had a preventive exam. Moda is mailing out letters to employees who have not met the requirement and it includes offers of help in finding providers. Employees also have the option of enrolling in the City High Deductible plan and avoid both the Preventive Care Initiative requirements and premium payments.

Jamie asked what the new FSA medical contribution amount maximum is for the upcoming coverage year: \$2,650.00.

5. Discussion and Review of the Employee Draft Survey (Cathy Bless, Anne Thompson)

Cathy asked that committee members review the draft survey handout; Aon's Jane Kwon has made comments regarding question content and wording. She added that committee feedback would have to be e-mailed to her to make the June 10th deadline.

In reviewing the handout, the "disagree to agree" scale listed under question #2 (Benefit Understanding) was pointed out by Aon as being awkward. Both Cathy and other members agreed that it should be changed to varying levels of understanding.

Craig Morgan also suggested that the "disagree to agree" scale in question #3 (How Well Benefits Meet Your Needs) should also be changed to the new scale found in question #2.

The committee moved on to question #4 (Benefit Competitiveness) and Cathy asked members whether they agreed with the scale "how do benefits compare with other employers: well below, above, etc.". Claire and Craig both agreed that it worked and was decipherable. Jamie suggested the following sentence change: "Based on your perceptions, how do your benefits compare?". But Mark added that he doubted that most employees could really make an educated comparison. Jamie responded that a comment section could be added.

Cathy asked committee members about question #5 (Health Care Plans) and whether the number of choices seemed reasonable and relevant. Members thought that there were too many selections and Jamie suggest reducing the number to less than five choices.

Craig liked questions #6 (Health Care Plans) and #7 (Health Care Plans) and thought that they both served different but important purposes. Other members agreed and Craig added that the words "copay" in option a) and "deductible" should be included in option b) under question #7. Jamie suggested adding an alternative care option (chiropractor, acupuncture, etc.) to this question as well.

In question #8 (How important are each of the following to you), Claire suggested adding additional information about the plans, including avoiding acronyms and spelling out the CityHD plan as the City High Deductible plan.

In the committee's review of question #9 (Health Care Plans), Claire thought that adding a mental health care option would be important and Cathy agreed. However, in further discussion of this question, members agreed that it was too similar to question #3 and that the number of overall questions needed to be pared down.

Question #10 (Health Care Plans) was more detailed in asking employees about making plan design decisions due to rising costs and what they would be most concerned about. Cathy asked if there were other topics to add to these options and

Jamie responded that adding an option for out of pocket maximum would be important. She thought that rewording it to “amount that I pay for all the services I receive” may be more understandable to employees. Rachel Whiteside suggested adding an option to 13. (Moda Health Advocate)—include “unaware” or “haven’t heard” as a possible selection.

Tara Anderson wondered whether potential answers from question #18 (attended an on-site or pop-up clinic) would be effective in really understanding the outcomes of the Preventive Care Initiative. She would like to better understand whether a carrot or stick approach had a stronger effect on employees. Tara also wanted to know if employees made appointments to see their doctor after attending a pop-up clinic. She’s gotten lots of pushback from members about this initiative and it would help to have definitive results that she could talk to employees about.

Jamie thought that question #18 was too open-ended and she wanted it rephrased to something like the following question: “Did you find that the Preventive Care Initiative helped you establish a better relationship your doctor? If yes, then how?” Cathy agreed that this question could be tweaked or added.

Cathy asked about question #19 and whether the scope should be broadened. Jeannette Hopson thought that this question should not be included in survey if pop-up or on-sight clinics would not be offered to employees during this upcoming coverage year. Cathy agreed that it could be eliminated.

Cathy referred to questions 21 and 22 on page and asked the committee whether they wanted to ask questions about the employee assistance plan (EAP) even though there have been no changes to this program—would it add value? Claire Houston added that she thought that including them could help employees better understand the program itself and increase awareness, but maybe this survey is not the right place? Mark added that he thought fewer questions would result in greater participation. Tom Armstrong asked members whether having two surveys made sense and Cathy added that if the City ended up conducting two per year, one would have to be in-house because of the costs involved. Jeannette Hopson responded that the survey overall needed to be to be shorter because most employees are too busy to be concerned about answering these questions. Jamie thought that combining multiple questions into one would help achieve a more concise survey.

Alan announced to the committee that the meeting had gone over the 3:00 pm end time. Cathy asked that members please e-mail their comments to her with any remaining suggestions for questions or additional comments. She would need these e-mails by end of this week and she would forward them on to Aon for review. This committee will still have more time to review and give feedback but it would have to be via e-mail and not during another meeting.

12. Public Comment: None

13. Next Meeting: Tuesday, June 12th, 2018, 8th Floor Columbia Square Building. The meeting will begin at 1:30 pm.

14. The meeting was adjourned at 3:05 pm.