

The Rockbridge County School Board held a special meeting on Monday, February 24, 2020 at the Maury River Middle School.

Present: Chairman Wendy Lovell; Trustees Heather Hostetter, Neil Whitmore; Superintendent Phillip Thompson; Clerk Rhonda Humphries. Absent: Trustee Corey Berkstresser, Kathy Burant.

CALL TO ORDER

Chairman Lovell called the meeting to order at 4:35 p.m.

HEALTH INSURANCE UPDATE

Superintendent Thompson stated that Jim Gordon, Principal, OneDigital Health and Benefits, continues to work on behalf of Rockbridge County Schools in obtaining the best rate for the division.

Mr. Gordon stated that Rockbridge County Public Schools has had a few very high claimants that are over \$25,000, which influences the cost of premiums for the division. He noted that other employees who have been on our insurance are becoming better consumers of their health insurance options. He expressed his hope that this trend will continue and the division will continue to see a relatively small or flat increase over the next few years. He stated that the Anthem rate began at 28%, lowered to 8.5%, and is now at 5% but he will continue working towards a lower rate.

Mr. Gordon provided an overview of the last three years in regards to claim history. He provided data that represent the calendar year (CY) and the Plan Year which is July - June for RCPS, noting the Loss Ratio of 101.6% for the months of July 2019 - November 2019. He stated that this is high compared to the other full plan year loss ratios, but feels this will come down as the year progresses. The intent is to soon pull other months beyond November 2019 and provide tracking data.

Mr. Gordon provided the following insurance plan options for consideration by the Rockbridge County School Board:

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| ➤ <u>Current</u> (Anthem): | HSA / Keycare 30 / Keycare 25 |
| ➤ Option A (Anthem Renewal): | HSA / Keycare 30 / Keycare 25 |
| ➤ Option B (Anthem) with contribution change: | HSA / Keycare 30 / Keycare 25 |
| ➤ Option C (Anthem) eliminate KC500: | HSA / Keycare 30 |
| ➤ Option D (Anthem) eliminate KC500 with contribution change: | HSA / Keycare 30 |

Mr. Gordon stated that there are 153 employees in the high deductible plan; 66 employees in the \$1,000 plan; and 119 employees in the richest plan.

- Chairman Lovell inquired if there was a fiscal reason to keep the Keycare 25 / \$500 plan. She expressed her sentiment that in keeping the Keycare 25 plan is a morale booster for those employees who are still utilizing the plan.
 - Mr. Gordon responded that the consumer drive model indicates that there is not a reason to maintain the Keycare 25 plan, while noting that \$1,000 is the average plan. He noted that if the Keycare 25 plan is eliminated, there could be a savings of approximately \$851 per employee.
 - Superintendent Thompson stated that it will take due diligence to educate employees if the Keycare 25 plan is eliminated and would like for Mr. Gordon to provide data to reflect savings to employees. He also stated that the employees currently in the HSA plan are in the "ask"; employees who move to the HSA plan will be additional funding.
 - Chairman Lovell referenced that the HSA contribution was given last year to employees who took the high deductible plan and that figure was part of the budget.
 - Mr. Jason Kirby, Director of Personnel and Technology, stated that approximately 75% of employees participating in the Early Retirement Incentive Program utilize the Keycare 25 plan. He noted that the HSA plan has encouraged employee conversations about their healthcare plans. He referenced that research reflects that it is common for school divisions with the HSA contribution to lower the amount after year one or two, possibly to \$100 - \$150.
 - Superintendent Thompson expressed his sentiment that there are employees who changed their plan and is hopeful that the success will initiate conversation.
- Chairman Lovell inquired what the length of time is estimated for an employee to successfully build an HSA.
 - Mr. Gordon replied that if employees are diligent and not using a lot of services and are comfortable to let the fund grow, allowing two years, it may cover the deductible.

Chairman Lovell expressed her sentiment that the School Board has no taxing authority and health insurance in the one thing in which the School Board has some options in which to help put money back into the employee's pockets each year.

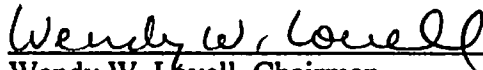
- Superintendent Thompson stated that the high-deductible Health Savings Account (HSA) plan was added two years ago as an option. The cost of the HSA plan was lowered last year and focused on making family plans much more affordable, which was a huge morale boost for employees and continues to be so.

Mr. Gordon stated that the meetings at school locations was beneficial to help educate employees and would like to be able to set up specific times to meet with individuals.

- Superintendent Thompson requested that Mr. Kirby possibly generate a sign-up list in Google Docs to make it easy for employees to sign up. He also requested that the five-question preview, which guided employees to look at a specific, be utilized again this year.
 - o Mr. Kirby reiterated that the questionnaire was a conversation starter and wants to see it utilized again this year.
- Chairman Lovell requested that Mr. Gordon model a couple of scenarios so that employee may see the possible savings of plans. She correlated this request to her desire to make all possible tools available to employees to help them to make their best decision.

ADJOURNMENT

Upon motion by Trustee Whitmore, seconded by Trustee Hostetter, and passed by 3-0 vote, the meeting was adjourned at 5:52 p.m.


Wendy W. Lovell, Chairman


Rhonda B. Humphries, Clerk of the Board