

WASHINGTON COUNTIES INSURANCE FUND
BOARD MEETING MINUTES
Thursday, March 6, 2014
TRAC Center
Pasco, WA

BOARD MEMBERS PRESENT:

Dwight Robanske, Columbia County Commissioner
Brad Miller, Ferry County Commissioner
Dean Burton, Garfield County Commissioner
Helen Price Johnson, Island County Commissioner, WCIF Executive Chair
Obie O'Brien, Kittitas County Commissioner, WCIF Vice Chair
Bill Schulte, Lewis County Commissioner
Lisa Ayers, Pacific County Commissioner
Jim Johnson, Walla Walla County Commissioner
Marilyn Neumiller, North Central Regional Library, WCIF Chair
Greg Knight, Rural Resources Community Action Council
Randy Rollins, Spokane Housing Authority
Don Dashiell, Stevens County Commissioner
Jim Fields, Vera Water and Power
Blair Brady, Wahkiakum County Commissioner
Karlyn Shannon, Washington State Association of Counties

ABSENT:

Shon Small, Benton County Commissioner
Melina Wenner, Benton County Alternate
Mike Karnofski, Cowlitz County Commissioner
Karen Skoog, Pend Oreille County Commissioner
Rich Park, Timberland Regional Library
Michael Largent, Whitman County Commissioner

OTHERS PRESENT:

Lisa Ronnberg, Columbia County Alternate
Stephanie Dunn, Cowlitz County Alternate
Melanie Bacon, Island County Alternate
Larry Grove, Lewis County Alternate
Mike Manus, Pend Oreille County Alternate
Rich Homchick, Timberland Regional Library Alternate
Kelli Campbell, Whitman County Alternate
Jon Kaino, WCIF Executive Director
Terri Luther, WCIF Director of Benefits and Sales
Kathi Rauch, WCIF Finance Director
Kimberly Beahler, WCIF Senior Account Executive
Janée Knigge, WCIF Wellness Coordinator
Natalie Bell, DiMartino & Associates
Nicole Horgan, Vivacity

I. OPENING OF MEETING

WCIF Chair Marilyn Neumiller opened the WCIF (Washington Counties Insurance Fund) Board meeting at 8:09 a.m. and everyone present introduced themselves.

Board Member and Staff Introductions

Jon Kaino introduced the new WCIF board members Karlyn Shannon from WSAC, Jim Fields from Vera Water and Power, Kelli Campbell (Michael Largent's alternate for Whitman County), and Mike Manus (Karen Skoog's alternate for Pend Oreille County). Janée Knigge from WCIF was introduced as the new Wellness Coordinator, and Rochelle Tolliver (not present) was introduced as the new WCIF Account Specialist.

II. CHANGES OR ADDITIONS TO AGENDA

There were no changes or additions to the agenda.

III. APPROVAL OF WCIF MINUTES FOR NOVEMBER 7, 2013

Motion made by Blair Brady and seconded by Brad Miller that the WCIF minutes for November 7, 2013 be approved. No further discussion. Motion carried unanimously.

IV. EXECUTIVE DIRECTOR REPORT

Updated Trustee Manual on Website

Jon Kaino reminded the Board that they can access the 2014 updates to the Trustee Manual on the WCIF website under the Board Login section. Jon also confirmed that all sections had been updated but many of the updates were minor language clarifications or corrections to typos. Trustee Manual binders were then distributed to the new board members and alternates.

Census Data Update

Jon Kaino reported that the census report was unavailable at this time as the accuracy of the report is still pending verification. However, Jon confirmed for the Board that seven new groups were brought on in 2014, while three medical groups left WCIF. Medical enrollment is up by over 100 employees, plus dependents, and plans are now pushing 7,000 medical members. However, dental, vision, and life enrollment are down slightly as some non-medical groups also left WCIF at the end of 2013.

Wellness Coordinator/Account Specialist – Staffing Update

This was covered during introductions.

Meal Reimbursement Requirements – Itemized Receipt

Jon Kaino reminded the Board to submit meal reimbursement with an itemized receipt. Also, alcohol is not a reimbursable expense and must be paid for by the individual.

OIC Rate Filing Q&A

Jon Kaino reported that the Board's decision to move to a rate banding model for 2014 has allowed WCIF to bring on new business. However, in early February, the Office of the Insurance Commissioner (OIC) issued a Q&A which indicated that associations must offer one rate and that all plans offered by an association must be offered to all employees in all employer groups. Jon explained to the Board that while the board approves renewal rates in August, the carriers do not file rates until February of the following year. In light of the Q&A issued by the OIC, WCIF and DiMartino Associates spoke with Premera and Group Health and both carriers agreed to file the rate bands as approved by the Board for the 2014.

Jon has been meeting with DiMartino (the WCIF consultant), WCIF medical carriers, other associations, political contacts, and WCIF's attorney to gather information regarding the Q&A document from the OIC.

The OIC approved the parameters for WCIF rate bands in November and WCIF is hopeful that the OIC will approve the rates as filed by the carriers. To date, the OIC has not rejected the rates filed for WCIF and until that happens, no further action can be taken. Jon notified the Board that if the rates are rejected, then WCIF can anticipate increased attorney costs as we would be forced to challenge the decision.

V. MARKETING UPDATE

Terri Luther reported that WCIF brought on seven new groups for January 1, 2014. WCIF continues to market and three proposals are currently pending – one of which is close to closing. In addition to marketing efforts, WCIF is also receiving phone calls from groups requesting quotes.

WCIF Account Executives began service calls this week and in addition to the onsite training, WCIF is working to recruit wellness committee volunteers for the Live Well at WCIF wellness program.

VI. FINANCIAL REPORTS

WCIP Form 990 – Filed February 15, 2014

The Form 990 Returns were previously provided to the Board for their review. As no negative comments were received from the board members, the WCIP Form 990 was filed on February 15, 2014 as was required due to the closing of the Pool.

2013 Year End Financial Statements / 2013 Year End Budget Report

Jon Kaino and Kathi Rauch provided a brief summary of the WCIF financial reports to the Board. Overall, 2013 was a good year financially and there was an increase in equity for WCIF despite reconciliation adjustments with BSI and a reduction in the rate stabilization reserve with Delta Dental.

Jon Kaino reminded the Board that the WCIF budget, unlike a county budget, is adopted as more of a guideline, and revenue and expenditure changes based on enrollment should be expected. Unbudgeted items anticipated to exceed the budget appropriation are brought to the Board for approval. Several items in the 2013 budget were reviewed and the Board was reminded of prior spending approval actions authorized at previous Board meetings.

LGIP Resolution

Jon Kaino gave a recap of the WCIF Local Government Investment Pool (LGIP) Resolution 2014-01. The State Treasurer requires the resolution in order to continue WCIF's existing investment policy with the LGIP.

Motion made by Brad Miller and seconded by Dean Burton to approve WCIF LGIP Resolution 2014-01. No further discussion. Motion carried unanimously.

VII. HEALTH CARE REFORM UPDATE

Natalie Bell of DiMartino Associates provided a power point presentation which reviewed 2014 Health Care Reform requirements. The presentation included information on the individual mandate and the Health Care Exchange; the 2015 Health Care Reform / Affordable Care Act Provisions and the employer shared responsibility rules; and future Health Care Reform mandates including the Cadillac Tax.

VIII. 2014 WELLNESS PROGRAM PRESENTATION AND DISCUSSION

Nicole Horgan from Vivacity compared the 2012 wellness program results to the 2013 program, reviewed the lessons learned in 2013, and presented the 2014 proposed program. Janée Knigge then reviewed the new wellness strategies outside of the incentive program. These strategies included wellness grants, Wellbeing

campaigns, establishment of a wellness committee, and some additional ideas to create a more robust, year round wellness program.

Nicole Horgan then presented a sample Advanced Analytics report to the board. Advanced Analytics would create a de-identified report that compares the results not only of the wellness program, but also includes analysis of actual medical and prescription claims information. Analytics are provided in such a way that no individual or group could be identified, but shows the group as a whole (both wellness participants and non-participants information are included). The benefit of this information is the ability to evaluate more specific risk to cost ratios which can assist the wellness program in focusing efforts in areas where the program could realize the best overall return on investment.

Jon Kaino provided the Board with an estimated budget for the 2014 wellness program proposal. Jon indicated that Vivacity had agreed to lower the portal costs and also that 2014 program communications would be done "in house" by WCIF. It was also noted that the budget provided did not include the wellness grants and that if approved, the grants may cause expenditures to exceed the currently approved budget, but that reserves were more than adequate to absorb the difference.

Motion made by Helen Price-Johnson and seconded by Obie O'Brien to approve the 2014 wellness plan as presented including the approval of wellness grants and the addition of Advanced Analytics. Some discussion occurred. Motion carried unanimously.

IX. NEW BUSINESS AND ANNOUNCEMENTS

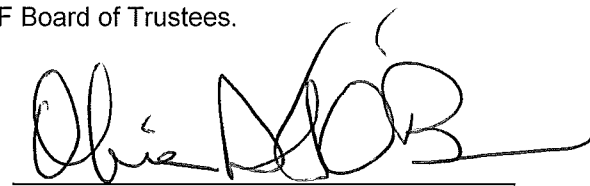
The next scheduled Board Pre-Meeting Workshop will be held on June 12, 2014 at the Cedarbrook Lodge in SeaTac from 3:00 p.m. – 5:00 p.m. The next regular scheduled Board meeting will be held on June 13, 2014 at the Cedarbrook Lodge in SeaTac from 8:00 a.m. to 2:00 p.m.

X. ADJOURNMENT

Marilyn Neumiller adjourned the meeting at 12:05 p.m.

MINUTES APPROVED June 13, 2014 by the WCIF Board of Trustees.


Marilyn Neumiller, WCIF Chair


Obie O'Brien, WCIF Vice Chair