

WASHINGTON COUNTIES INSURANCE FUND
BOARD MEETING MINUTES
Friday, August 15, 2014
Cedarbrook Center
SeaTac, WA

BOARD MEMBERS PRESENT:

Mike Karnofski, Cowlitz 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
Karen Skoog, Pend Oreille County Commissioner
Marilyn Neumiller, North Central Regional Library, WCIF Chair
Lisa Ayers, Pacific County Commissioner
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
Lexi Wingfield, Benton County Alternate
Dwight Robanske, Columbia County Commissioner
Rich Park, Timberland Regional Library
Jim Johnson, Walla Walla County Commissioner
Michael Largent, Whitman County Commissioner

OTHERS PRESENT:

Lisa Ronnberg, Columbia County Alternate
Melanie Bacon, Island County Alternate
Larry Grove, Lewis County Alternate
Rachel Patrick, Pacific County Alternate
Rick Homchick, Timberland Regional Library Alternate
Lucy Schwallie, Walla Walla County 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
Rochelle Tolliver, WCIF Account Specialist
Greg DiMartino, DiMartino Associates
John Wallen, DiMartino Associates
Molly McHugh, DiMartino Associates
Nicole Horgan, Vivacity
Dave Young, Vivacity

I. OPENING OF MEETING

WCIF Chair Marilyn Neumiller opened the WCIF (Washington Counties Insurance Fund) Board meeting at 8:06 a.m. and everyone present introduced themselves.

II. CHANGES OR ADDITIONS TO THE AGENDA

There were no changes or additions to the agenda.

III. APPROVAL OF WCIF MEETING MINUTES FROM JUNE 13, 2014

Motion made by and Obie O'Brien and seconded by Dean Burton that the WCIF minutes for June 13, 2014 be approved. No further discussion. Motion carried unanimously.

IV. EXECUTIVE DIRECTOR REPORT

Jon Kaino introduced Rochelle Tolliver, WCIF Account Specialist and Dave Young, CEO at Vivacity. Jon also introduced Lucy Schwallie as the Walla Walla County alternate sitting in for Commissioner Jim Johnson.

New Group Approval Process

According to the WCIF Bylaws, a group becomes a member when the WCIF Board approves the new group. However, the general practice is that the WCIF Executive Director acts on behalf of the Board to approve new groups. Jon Kaino asked that the Board make a formal motion to empower the Executive Director to approve new group membership in WCIF.

Motion made by Helen Price Johnson and seconded by Brad Miller that the WCIF Executive Director be empowered by the Board to accept new groups on behalf of WCIF. Some discussion. Motion carried unanimously.

Following this motion, Helen Price Johnson asked the WCIF Chair if the Board would consider a motion to appoint a review committee to update the WCIF Bylaws.

Motion made by Helen Price Johnson and seconded by Dean Burton that the WCIF Board appoint a review committee to review the WCIF Bylaws. No further discussion. Motion carried unanimously.

After the motion was made, it was determined that the Board Executive Committee will serve as the WCIF Bylaws Review Committee. Jon Kaino offered to provide the Executive Committee with a list of recommendations. No objections were raised to these recommendations.

Rate Filing Update

Jon Kaino reported that rates are still not formally approved, but WCIF has received positive feedback from both contacts at the Office of the Insurance Commissioner (OIC) and from other contacts. There is nothing in writing yet that the 2014 rate filing has been approved, but WCIF hopes to receive formal approval by the end of September.

2015 Meeting Schedule

The Board was presented with a copy of the 2015 WCIF meeting schedule. For the most part the meetings have been finalized with the exception of the IAC Meeting in September which is currently scheduled for the 3rd, but may be on the 10th of September. Also, the Davenport in Spokane will not book out more than one year in

advance. All indications are that the ACE meeting on September 24, 2015 will work, but the meeting cannot be confirmed until September 24, 2014. All Board meeting times and locations have been confirmed for 2015.

V. MARKETING UPDATE

Report on July 23rd Health Care Forum

Terri Luther reported that we received very positive responses from attendees of the Health Care Reform Seminar hosted by WCIF on July 23, 2014 in Yakima, WA. Carriers helped to sponsor this event and WCIF hopes to be able to host this type of event annually.

Marketing Report

10 new groups were added to WCIF in 2014. There are currently eight outstanding proposals. Since October 1, 2013 – August 1, 2014, WCIF received inquiries from 41 groups expressing interest in joining WCIF.

In response to the increased interest in WCIF and to increase marketing opportunities, Jon Kaino mentioned that internal discussions at WCIF have centered on a website overhaul. Current staff would not be able to take on this process, so the Board can expect to receive a request from WCIF for approval to move forward on sending out an RFP in the near future.

VI. WELLNESS PROGRAM UPDATE

Participation Report

Janee Knigge reported that based on the bi-weekly reports, there are three groups who have achieved 40% or more participation in 2014, and five groups who are well on their way to 40%. The expectation is that these numbers will rise in the coming months as the November 15, 2014 deadline approaches.

There are seven more onsite biometric clinics remaining in 2014. In 2013 there were 20 clinics and in 2014 a total of 21 clinics will be hosted by WCIF employer groups. Biometric screening events can still be scheduled through the end of August and require a minimum of 25 participants.

The focus for the remainder of 2014 will be to communicate to members that in addition to submitting their biometric information, they are also required to earn additional points by completing the health assessment, declaring their tobacco use status, and earning one additional point through participation in 2013 or by reading a health article on the Vivacity portal.

The Board can expect a full proposal for the 2016 program at the March 2015 meeting. This proposal will reflect the effectiveness of the wellness grants, overall participation in 2014, and the Vivacity analytics data.

VII. WCIF FINANCIAL REPORTS

The Board reviewed the 2nd quarter financial statements. Overall, finances are running as expected.

Motion made by Blair Brady and seconded by Lisa Ayers to approve the WCIF 2 nd quarter financial reports. No further discussion. Motion carried unanimously.

VIII. VIVACITY ANALYTICS PRESENTATION

Nicole Horgan presented the Vivacity Analytics report which evaluated information gathered from Live Well participants in 2013 (biometric and health assessment data) as well as by evaluating actual claims data (both medical and prescription) from Premera and Group Health. The report findings showed three major trends for WCIF to be aware of when evaluating where best to focus resources for future wellness campaigns: 1) there are a small number of individuals with high claims that are significantly impacting the overall performance of the plans,

2) the data shows that active individuals, regardless of their BMI, cost the plan less and increasing overall activity may dramatically decrease cost to the plan and, 3) there are a number of members in high risk categories for glucose, cholesterol, and blood pressure who would benefit from being on maintenance medications who are not currently taking these medications.

IX. 2015 RENEWAL PRESENTATION

John Wallen of DiMartino Associates and Jon Kaino presented the 2015 Renewal Presentation. A brief summary was presented for each line of coverage along with a recommendation supported by the WCIF Executive Committee. The Board took the following actions:

The Magellan Employee Assistance Plan is currently in a rate guarantee until 1/1/2016. No action is required by the board.

Motion made by Blair Brady and seconded by Bill Schulte to authorize the WCIF Executive Director to negotiate the final renewal package for the Medicare Supplemental plans for 2015. No further discussion. Motion carried unanimously.

Motion made by Blair Brady and seconded by Randy Rollins to approve a rate pass for Benefits Solutions, Inc. for TPA functions and HSA/FSA administration for 2015. No further discussion. Motion carried unanimously.

Motion made by Bill Schulte and seconded by Blair Brady to approve a rate pass for Delta Dental active plans and a rate decrease of 1.3% for the retiree plan, and to authorize the Executive Director to negotiate the final renewal of the Delta Care plan which could see up to a 3% increase, and to approve the Willamette Dental active and retiree plans for 2015 with a rate pass. No further discussion. Motion carried unanimously.

Motion made by Dean Burton and seconded by Helen Price Johnson to approve the VSP 2015 vision renewal moving all plans to the Choice Platform and to re-balance the administrative charges across all plans and tiers. Also, to approve all plan enhancements as recommended for 2015. Some discussion to clarify rates and the provider network. Motion carried unanimously.

Motion made by Blair Brady and seconded by Bill Schulte to allow WCIF, DiMartino, and VSP to develop a voluntary vision product to be offered to new WCIF vision members only beginning in 2015. Some discussion to clarify a group's eligibility to offer voluntary vision. Motion carried unanimously.

Motion made by Brad Miller and seconded by Blair Brady to approve The Standard 2015 long term disability contract changes removing National Economy and Limited Conditions language with no rate increase for 2015. No further discussion. Motion carried unanimously.

Motion made by Bill Schulte and seconded by Brad Miller to approve the Premera 2015 medical renewal 6.9% increase with no filing in Clark County and to include the recommended Rx enhancements of \$5/\$20/\$50 with copays applying toward the annual out-of-pocket maximum. No further discussion. Motion carried unanimously. It was noted that Premera will continue the non-legacy groups at their current rate band for 2015.

Motion made by Blair Brady and seconded by Randy Rollins to approve the Group Health 2015 medical renewal with an approximate 3.0% increase across all Active plans with the recommended Rx enhancements of \$5/\$25/\$50 and approve 2015 retiree medical renewal at a 21.5% increase with the

same Rx enhancements. Also to approve the limiting of rate band movement for non-legacy groups to no more than two rate bands per year. Some discussion about rate bands. Motion carried unanimously.

X. NEW BUSINESS ANNOUNCEMENTS

The IAC meeting is scheduled for September 4 at DoubleTree Suites at Southcenter. The next scheduled Board meeting will be held November 5 and 6, 2014 at the TRAC Center in Pasco.

XI. ADJOURNMENT

Motion made by Bill Schulte and seconded by Helen Price Johnson to adjourn the meeting.

Marilyn Neumiller adjourned the meeting at 11:06 a.m.

MINUTES APPROVED November 6, 2014 by the WCIF Board of Trustees.


Marilyn Neumiller, WCIF Chair


Obie O'Brien, WCIF Vice Chair