

**ILLINOIS EDUCATORS RISK MANAGEMENT PROGRAM ASSOCIATION
EXECUTIVE BOARD OF DIRECTORS
MEETING MINUTES
DECEMBER 11, 2018**

Call to Order: Vic Zimmerman called the meeting to order at 12:08 pm

Roll Call:

Executive Board Members Present:

| | |
|---------------|--|
| Andy Larson | Community Unit School District #7 |
| Brian Brooks | St. Joseph-Ogden CHSD #305 |
| Cliff McClure | Paxton-Buckley-Loda Community Unit School District #10 |
| Todd Pence | St. Joseph CCSD #169 |
| Tom M. Davis | Heritage Community Unit School District #8 |
| Vic Zimmerman | Monticello CUSD #25 |
| Rod Grimsley | Gifford Community School District #188 |

Executive Board Members Absent:

None

Board Members Present:

| | |
|----------------------|--|
| Barbara Thompson | Fisher CUSD 1 |
| Bonne McArthur | Thomasboro Community Consolidated School District #130 |
| Dan Hylbert | Cissna Park Community Unit School District 6 |
| Guy Gradert | Iroquois County CUSD #9 |
| Jean Neal | Georgetown-Ridge Farm Community Unit School District 4 |
| Jeremy Darnell | GCMS Community Unit School District #5 |
| Michele Ramage | Rantoul City Schools #137 |
| Michelle Lindenmeyer | Stewardson-Strasburg 5A |
| Phil Cox | Salt Fork CUSD #512 |
| Scott Watson | Bismark-Henning CUSD #1 |
| Susan Wilson | Blue Ridge Community Unit School District #18 |
| Tom Mulligan | Arcola School District #306 |
| Vic White | Prairieview-Ogden District #197 |
| Zack Werkheiser | Shiloh CUSD 1 |

Administrative Individuals Present:

| | |
|---------------|--------------------------------|
| Brian Loman | Loman-Ray Insurance Group, Inc |
| Lori Warnes | Loman-Ray Insurance Group, Inc |
| Gail Heaton | Health Alliance |
| Gordon Salm | Health Alliance |
| Josh Frerichs | Health Alliance |
| Steve Calhoun | Health Alliance |
| Jason Jared | USI Insurance Services |

Approval of November Executive Board meeting minutes:

Community Unit School District #7 moved and Paxton-Buckley-Loda Community Unit School District #10 seconded the motion to approve November Executive Board meeting minutes

Approved by unanimous vote

Approval of Paid Bills:

Paxton-Buckley-Loda Community Unit School District #10 moved and Community Unit School District #7 seconded the motion to approve the following bills:

| | | |
|--------------|-----------------|---|
| \$128,943.41 | Health Alliance | Rx claims for 11/1-11/15/18 |
| \$ 71,276.17 | Health Alliance | Medical claims for week ending 11/30/18 |

Approved by roll call vote 7-0

Approval of Unpaid Bills:

St. Joseph-Ogden CHSD #305 moved and Paxton-Buckley-Loda Community Unit School District #10 seconded the motion to Approve the following unpaid bills:

| | | |
|--------------|-----------------|---|
| \$304,389.73 | Health Alliance | Medical claims for week ending 11/23/18 less October Refunds and September Cotiviti |
| \$472,362.57 | Health Alliance | Medical claims for week ending 12/7/18 and Rx claims for 11/16-11/30/18 |

\$ 9,990.00 Healthiest You
\$ 1,625.14 BPC

December Invoice
December COBRA Invoice

Approved by roll call vote 7-0

Financials:

Community Unit School District #7 moved and Heritage Community Unit School District #8 seconded the motion to approve financials thru December 11, 2018. The financials show income thru December 11, 2018 as \$1,528,592.52 and total expenses totaling \$1,263,157.91 for a net income for the month of \$265,434.61. Balance in the trust account is \$427,739.58.

Approved by unanimous vote

Discuss 2018 Claims and Financials:

Gordon Salm gave an overview on 2018 claims and financials. In 2018, the group received a double digit renewal – in comparison to Health Alliance’s book of business for the State of Illinois which received a 5% increase and their overall Group book of business which received a 6.7% increase. Medical loss ratio should be around 88-90% and the group’s medical loss ratio was 102% for 2018. In 2018, Specialty Drugs usage increased 20% which was a big driver in the rate increase. Spouses and dependents had higher increase in claims than employees.

Discuss 2019 Trust Modifications:

Vic Zimmerman discussed the following modifications which have been discussed and possibly be implemented in 2019:

- Rate Increase
- Blended Rate – 12% increase for employees and 15% increase for employees and dependents for an overall 13% increase for the group
- Healthiest You App -
- Aggregate Stop Loss – this is an insurance policy which protects the group if actual claims go over 110% of projected claims
- Office visit co-pays – possibly increasing them from \$25/50 to \$30/60
- Plan changes – 2018 the trust added the POS 2500 and multiple schools moved to the new plan. This caused reduced premiums causing less premium money coming in.
- Reg Stop Loss - 12 members hit the Stop Loss (\$150,000) and there are 2 more members who are close to hitting it.
- Commission Changes – Brian Loman is lowering his commission from \$21.50 to \$18.50 per employee
- New PBM contract – Health Alliance renegotiated a new Pharmacy contract with Optium
- BCBS-networks
- HAMP \$200,000 Contribution

To be discussed further:

- Multi-Tier Network
- Self funding dental, vision & life
- Termination Clause
- Outside Consultant
- Be healthier – wellness

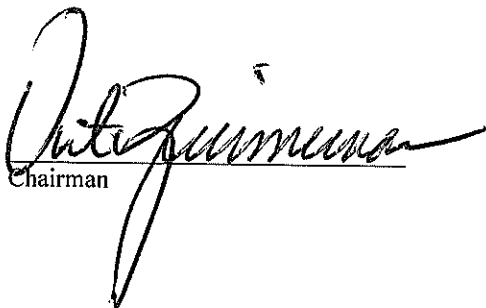
Healthiest You Report:

Brian Loman went over October’s Healthiest You Report since November’s was not available

Adjournment:

At 1:35 pm Community Unit School District #7 moved and Gifford Community School District #188 seconded the motion to adjourn the Meeting.

Approved by unanimous vote.


Chairman


Secretary