

**ILLINOIS EDUCATORS RISK MANAGEMENT PROGRAM ASSOCIATION
EXECUTIVE BOARD OF DIRECTORS
SPECIAL MEETING MINUTES
AUGUST 1, 2019**

Call to Order: Vic Zimmerman called the meeting to order at 2:01 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
Jeremy Darnell	GCMS Community Unit School District #5
Tom M. Davis	Heritage Community Unit School District #8
Vic Zimmerman	Monticello CUSD #25

Executive Board Members Absent :

Scott Watson	Bismark-Henning CUSD #1
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Board Members Present:

None

Administrative Individuals Present:

Brian Loman	Loman-Ray Insurance Group, Inc
Julie Buesing	Loman-Ray Insurance Group, Inc
Lori Warnes	Loman-Ray Insurance Group, Inc – via conference call
Rick Rhodes	C F & H Insurance

Guests Present:

Kelly Grebinsky	Actuaries Northwest-via conference call
David Schellenberg	Elias, Meginnes & Seghetti – via conference call

Approve July Executive Board Minutes and closed meeting minutes:

St. Joseph-Ogden CHSD #305 moved and Heritage Community Unit School District #8 seconded the motion to approve the July Executive Board Minutes and closed meeting minutes.

Approved by unanimous vote 6-0

Discussion of the actuary's, Kelly Grebinsky, findings:

Actuarial values of benefit plans do not match current pricing values. The POS 2500 is significantly underpriced. Underpriced plans are projected to reduce overall premiums by almost 10%. Pricing needs to be fixed for 2020. Methodology for calculating the renewal rates are too simple/outdated- the calculation needs to be a more complex formula.

Discussion of 2020 renewal:

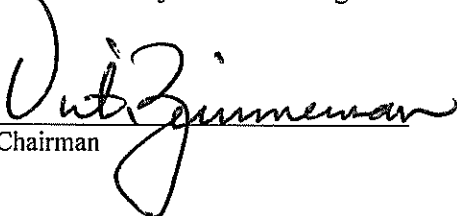
Preliminary 2020 rate increase is estimated at +29.2% - this is to get premiums inline with paying claims. Opportunities to reduce plan costs include: 1) possibly changing Pharmacy Benefit Manager (PBM) 2) reduce specific stop loss premium by increasing deductible from \$150,000 to \$200,000 or \$250,000 3) negotiate HA admin fees and HY fees for 2020. Other opportunities to reduce the renewal increase – negotiate a new aggregate stop loss policy with HA with capping the rate renewal at 15%. HA is interested in helping the trust get back on its feet. It was suggested that the trust should negotiate a 3 year plan with Health Alliance.

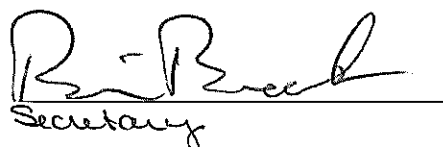
Discussion of presentation for the annual meeting:

The full report will be completed later this week, which should allow all board members time to review before the meeting. HA will receive a copy of the report before the meeting so they have time to look the report over. At the annual meeting, Kelly is planning to give an overview of the troubles of the trust and that the trust is in hard negotiations with HA to control the renewal. Brian Loman is planning on meeting with Gordon when the reports comes out and let him know where the trust is currently at and what the Executive Board is thinking in regards to the 2020 renewal. It was decided to move the annual meeting back to Thursday, August 29th and keep the Executive Board meeting on Thursday August, 22nd.

Adjournment:

At 3:51pm Community Unit School District #7 moved and Heritage Community Unit School District #8 seconded the motion to adjourn the meeting.


Chairman


Secretary