

**ILLINOIS EDUCATORS RISK MANAGEMENT PROGRAM ASSOCIATION  
EXECUTIVE BOARD OF DIRECTORS  
BOARD MEETING MINUTES  
SEPTEMBER 19, 2019**

**Call to Order:** Vic Zimmerman called the meeting to order at 1:04 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
Scott Watson	Bismark-Henning CUSD #1
Tom M. Davis	Heritage Community Unit School District #8
Vic Zimmerman	Monticello CUSD #25

**Executive Board Members Absent :**

None

**Board Members Present:**

Dan Hilbert	Cissna Park Community Unit School District
Michelle Ramage	Rantoul City Schools #137
Pam Ely	Iroquois County CUSD #9
Phil Cox	Salt Fork CUSD #512
Vic White	Prairieview Ogden CUSD #197

**Administrative Individuals Present:**

Brian Loman	Loman-Ray Insurance Group, Inc
Julie Buesing	Loman-Ray Insurance Group, Inc
Lori Warnes	Loman-Ray Insurance Group, Inc
Jason Jared	USI Insurance Services
Rick Rhodes	C F & H Insurance Agency
Josh Frerichs	Health Alliance
Gail Heaton	Health Alliance

**Guests Present:**

Tara Minon	Rantoul City Schools #137
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**Approve Annual Board Meeting Minutes:**

Community Unit School District #7 moved and Bismark-Henning CUSD #1 seconded the motion to approve the Annual Board Minutes.

Approved by unanimous vote 7-0

**Approve Paid Bills:**

Community Unit School District #7 moved and St. Joseph-Ogden CHSD#305 seconded the motion to approve the following paid bills:

\$342,052.66	Health Alliance	Medical claims for week ending 8/30/19, Multiplan for July 2019, Zelis for July 2019, and Cotiviti for August 2019
\$508,078.90	Health Alliance	Medical claims for week ending 9/6/19 and Rx claims for 8/16-8/31/19
\$236,563.63	Health Alliance	Medical claims for week ending 9/13/19

Approved by roll call vote 7-0

**Approve Unpaid Bills:**

Heritage Community Unit #8 moved and Bismark-Henning CUSD#1 seconded the motion to approve the following unpaid bills:

\$178,446.00	Health Alliance	October ASO, Stop-loss and Admin fees
\$ 1,646.72	BPC	October COBRA Invoice
\$ 9,855.00	Healthiest You	September Invoice
\$ 200.00	Russell Leigh & Associates	Preparation of June 30, 2019 financial statement for D&O Insurance
\$ 1,680.00	Elias, Meginnes & Seghetti, P.C.	August legal invoice
\$ 140.00	PAQ	½ website hosting and updates

Approved by roll call vote 7-0

**Approve D & O (Director & Officer's) insurance policy and invoice:**

Bismark-Henning CUSD #1 moved and Paxton-Buckley-Loda Community Unit School District #10 seconded the motion to approve the D&O insurance policy and invoice. Per the request of the Executive Board, they would like Loman-Ray Insurance Group to quote out a separate E&O policy and Fiduciary Bond.

**Financials:**

St. Joseph-Ogden CHSD#305 moved and Paxton-Buckley-Loda Community Unit School District #10 seconded the motion to approve financials through September 16, 2019. The financials show income as \$1,538,600.03 and total expenses totaling \$1,538,600 for an actual net monthly income of -\$31,466.36. Balance in the trust account is \$99,336.40. Unpaid claims total

\$319,693.47, total claims for the month total \$1,187,764.60. True trust balance is - \$31,466.39.

Approved by unanimous vote

**Speaker Kelly Grebinsky, Actuaries Northwest, to discuss proposals for the IERMP 2020 renewal:**

Kelly Grebinsky presented to the Executive Board 3 different renewal options. Option 1 – fully fund IBNR reserve, no funding advance from Health Alliance, target net income of 2% and 3% of contributions for 2021 and 2022, required rate increases of 22.5% in 2020, 8.2% in 2021 and 8.3% in 2022 – end of 2022 the Trust will have a fully funded IBNR plus and additional \$493,387 in surplus. Option 2 – fully fund IBNR, use funding advance from Health Alliance (\$1M) to be repaid in 2021 (20%) and 2022 (80%), target net income of 1% and 2% of contributions for 2021 and 2022, required rate increases of 17% in 2020, 14.3% in 2021 and 10.7 in 2022 – end of 2022, the Trust will have a fully funded IBNR plus an additional \$493,000 in surplus. Option 3 – partially (50%) fund IBNR reserve in 2020, remaining funding split between 2021 and 2022, funding advance (\$1M) to be repaid in 2021 (20%) and 2022 (80%), target net income of 1% and 2% of contributions for 2021 and 2022, required rate increases of 10.7% in 2020, 23.7% in 2021 and 10.3% in 2022, by the end of the 2022, the Trust will have a fully funded IBNR plus an additional \$493,000 in surplus.

**Discuss and vote on changing the Rx copays from \$7/35/70/140/210/50% to \$10/40/80/50%/50%/50% on all plans except for the HMO 80 Rx:**

GCMS Community Unit School District #5 moved and Paxton-Buckley-Loda Community Unit School District #10 seconded the motion to change the Rx copays from \$7/35/70/140/210/50% to \$10/40/80/50%/50%/50%.

Approve by roll call vote: 7-0

**Discuss and vote on changing the Office Visit Copays from \$25 to \$30 and Specialty Visits Copays from \$50 to \$60:**

No motion was made.

**Discuss and vote on eliminating the PPO 2500 80% plan and PPO 2500 100%:**

Bismark-Henning CUSD #1 moved and Heritage Community Unit School District #8 seconded the motion to eliminate the PPO 2500 80% plan and PPO 2500 100% for 2020.

Approved by unanimous vote 7-0.

**Discuss and vote on eliminating more plans:**

Paxton-Buckley-Loda Community Unit School District #10 moved and Bismark-Henning CUSD #1 seconded to eliminating the remainder PPO plans: PPO 500 & PPO 1000.

Approved by unanimous vote 7-0.

**Discuss and vote on adding the POSC+1000, POSC+2000, POS 2500 80% and HMO 80% (3K OOP):**

St. Joseph-Ogden CHSD #305 moved and Paxton-Buckley-Loda Community Unit School District #10 seconded the motion to adding the POSC+1000, POSC+2000, POS 2500 80% and HMO 80% (3K OOP).

Approved by unanimous vote 7-0

**Discuss and vote on the 2020 renewal rates:**

After much decision – option 3 was not a viable option, and the Executive Board was torn between Option 1 & Option 2. Monticello CUSD #25 moved and Paxton-Buckley-Loda Community Unit School District #10 seconded the motion to approve Option 1.5 – which is to set rates to correspond with taking a \$500,000 loan if needed and fully fund IBNR reserve – which will keep the aggregate rate renewal just under 20%(19.9%). No schools will be moving a tier and the trust will move from having 5 Tiers to 13.

Approved by roll call vote: 6 Yes 1 No. Districts voted yes were: Bismark-Henning, GCMS, Heritage, Monticello, PBL, St. Joseph-Ogden. District voted no: Community Unit School District #7.

**Healthiest You Report:**

Brian Loman got Healthiest You to lower their monthly rate from \$5.00 to \$4.25 starting October 1<sup>st</sup>.

**Approve Schools eligible to join the IERMP:**

None

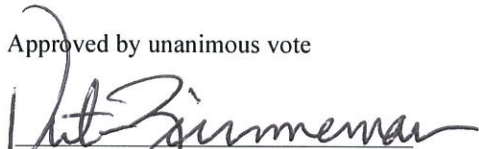
**Discussion Items:**

IASA dinner – on Wednesday, September 25<sup>th</sup> at 6:00 at Saputo's.

**Adjournment:**

At 3:02 pm Bismark-Henning CUSD #1 moved and Paxton-Buckley-Loda Community Unit School District #10 second the motion to adjourn the meeting

Approved by unanimous vote

  
Chairman

  
Secretary