

**CCOGA Insurance Pool**  
**ADVISORY COMMITTEE MEETING**

July 22, 2019  
SWWC Service Cooperative  
Marshall, MN

**MINUTES**

**Present:** Darin Balken, Chair, Prairie Lakes Youth Programs  
Rollie Nissen, Vice Chair, Kandiyohi County  
Crystal Johnson, City of Granite Falls  
Stacy Knott, Renville County Employees  
Susan Skattum, Rock County

**Absent:** Sharon Hanson, City of Marshall

**Staff:** Doug Deragisch, Senior Director of Administrative Services  
Kari Bailey, Live Well Specialist  
Mari Wagner, Insurance Specialist  
Bobbie Carmody, Administrative Assistant

**Guest:** Geoff Martinson, BCBS Client Executive

**Item 1:** **Call to Order**  
Darin Balken, Chair, called the CCOGA Advisory Committee meeting to order at 9:05 am at the SWWC Service Cooperative, Marshall, MN.

**Item 2:** **Agenda Approval**  
Motion by Rollie Nissen, seconded by Sue Skattum, to approve the agenda as presented. Motion passed unanimously.

**Item 3:** **Approval of 4/18/19 Minutes**  
Motion by Crystal Johnson, seconded by Rollie Nissen, to approve the minutes from the April 18, 2019 CCOGA Advisory Committee meeting. Motion passed unanimously.

**Item 4:** **Financial Report**  
**4.1 2018 Settlement**  
A review of the 2018 CCOGA settlement was provided. The final buy down totaled \$104,784 and 2018 manufacturer rebates totaled \$1,078,873. An explanation of the settlement process was also provided with IBNR and RSR funds needing to be reconciled. Due to excess funds in the IBNR account, options were considered regarding what to do with the excess funds. Discussion followed on excess funds remaining in the IBNR account, transfer excess funds to RSR and receive a refund in excess of 150% of target amount, or do a combination of both options. Settlement refunds to qualified groups were also reviewed. A total of 8 groups qualify for refunds totaling \$40,102.47. Motion by Stacy Knott, seconded by Rollie Nissen to keep excess settlement funds

received in the IBNR account and to approve the payment of 2018 excess premium refunds to eligible groups as presented. Crystal Johnson abstained. Motion passed unanimously.

**4.2 Board Target Reserves**

The CCOGA Insurance Pool RSR Board target report was reviewed. The estimated RSR as of 5/31/19 (held by MHC) totaled \$4,274,233, the restricted reserve/drug rebates/interest totaled \$8,881,339 (which includes a 2020 renewal commitment of \$800,828 and no plan changes upon approval) for total reserve funds equaling \$13,155,572 which falls within the reserve target established by the SWWC Board of Directors.

**Item 5: 2020 CCOGA Renewal**

Doug Deragisch provided a presentation on the 2020 CCOGA Pool Renewal which included information on expectations of increased statewide collaboration and rating methodologies; 2017 needed increases prior to MHC; 2018 needed increases Year 1 of MHC; 2019 needed increases Year 2 of MHC; 2020 needed increases Year 3 of MHC; CCOGA Pool by Number of Groups; CCOGA Pool by Number of Contracts; Spread of Needed Increase; 2020 Proposed Min-Max; 2019 Proposed Min-Max; Proposed Formula; Formula History; and Pool Finances. The proposed formula was reviewed. The formula is a four-tiered formula with a min/max by group size. Also reviewed was pool finances and included current income; calculated income needed; proposed formula income; MHC allowance; and pool subsidy. Motion by Rollie Nissen, seconded by Crystal Johnson, to approve the renewal formula of 100+ contracts at a minimum of -7.5% and maximum of 8.5%; 51-99 contracts at a minimum of -5% and maximum of 9.5%; 11-50 contracts at a minimum of 0% and maximum of 13.5%; 2-10 contracts at a minimum of 3.5% and maximum of 17%; with an overall pool increase of 4.4%, use \$800,828 of pool assets to fund the renewal, and give SWWC management the authority to deviate from the formula as needed with pool resources, not to exceed a total of \$950,000, effective 1/1/20. Motion passed unanimously.

**Item 6: BCBS Report**

Geoff Martinson reported Gene Thul is no longer with BCBS. Geoff has been assigned as the Client Executive for those groups.

**6.1 2020 CDHP Plans**

2020 CDHP Plans and Plan changes were reviewed. Changes include deductible increases due to new IRS regulations and the addition of the Key Rx formulary and Classic Retail Network Rx formulary.

**6.2 IRS Notice for 2020 Deductible & Out of Pocket Limits**

This item was covered under Item 6.1.

A draft copy of the renewal bulletin was distributed. Main changes are contribution and out-of-pocket limits for health savings accounts and high deductible plans and embedded vs. non-embedded out of pocket maximum. Additional preventive items will also be covered by HSAs.

**Item 7: SWWC Report**

**7.1 Live Well Update & 2020 Recommendation**

Effective January 1, 2020, Sharecare incentives will be moving to Marketplace instead of the Target gift card. Members will be able to choose from 100+ retail stores and restaurants.

The Live Well Program currently has 17 groups enrolled. Groups receive \$30.00/contract for program activities and \$40.00/contract for screenings. For 2018, 15 groups participated with a total of \$55,895 being reimbursed.

The Live Well Incentive Program currently has 17 groups participating; 5 groups being new. Members receive a \$500.00 incentive for participation in two activities and a biometric screening. In 2018, 481 participants received an incentive totaling \$120,250.00.

Discussion was held regarding reimbursement amounts for program activities and screenings and 2019 incentive amounts. Motion by Crystal Johnson, seconded by Sue Skattum, to continue the funding level for the Live Well Program at \$30.00 for program activities, \$40.00 for screenings, and \$500.00 for incentives. Motion passed unanimously.

**7.2 Omada Type II Program**

As of July 2, 2019 150 individuals from the SWWC CCOGA pool are enrolled in Omada and 802 pounds have been lost. Effective January 1, 2020 an Omada Type II Diabetes program will be offered which will consist of a professional health coach, T2D curriculum, health maintenance, medication management, home monitoring, and a peer group. Individuals diagnosed with type 2 diabetes will now be eligible to participate. The pre-diabetes Omada program will still be available as well.

**7.3 MN Healthcare Consortium Update**

A team structure has been put into place utilizing expertise of Service Cooperative staff, after the retirement of Genie Newville, statewide consultant. Teams consist of Finance, Underwriting, Sales & Marketing, and Business Development. Team leads for each area have also been assigned. Doug Deragisch is the lead for Business Development. Mari Wagner serves on the Sales & Marketing & Underwriting Teams, Kari Bailey serves on the Wellness Team, and Randy Erdman serves on the Finance Team. Discussions have also taken place regarding hiring an individual for CCOGA programs and services.

**7.4 Small Group Rating**

Statewide discussions are taking place regarding having a statewide increase for groups under 50. SWWC is looking for feedback regarding this concept.

**7.5 IRS Notice 2019-45 – Expanded Definition of Preventive Care for HSA Plans**

Additional preventive care expenses will now be eligible to go towards deductibles. MHC is looking into this and seeing if it is something we will move ahead with. More information will be shared in the group renewal bulletin if the decision is made to offer this at renewal.

**Item 8: Meeting Dates**

Medium and Large Group renewal rates will be released to groups on Monday, August 5 by email. Individual meetings will be scheduled with Geoff Martinson and Mari Wagner to review the renewal. A Small Group (less than 50 contracts) Renewal Meeting is scheduled on August 7 at the SWWC Office in Marshall.

**Item 9: Other/Adjournment**

Motion by Crystal Johnson, seconded by Stacy Knott, to adjourn the meeting. The meeting adjourned at 11:20 am.