

School Insurance Pool ADVISORY COMMITTEE MEETING

December 15, 2020 - Virtual

MINUTES

Present: Keith Kottke, Chair - Springfield
Wayne Wormstadt, Vice Chair – Windom
Todd Holthaus, Superintendent – Hills/Beaver Creek
Charlotte Lindberg, Payroll/HR Director – Murray County Central
Liz Windingstad, HR Director - Willmar
Ryan Nielsen, Superintendent – Canby
Adam Spray, Chief School Business Official - Montevideo

Absent: Katie Foley, Director of Finance – Benson

Staff: Cliff Carmody, Executive Director
Doug Deragisch, Senior Director of Administrative Solutions
Randy Erdman, Director of Finance
Mari Wagner, Insurance Specialist
Bobbie Carmody, Administrative Assistant

Guest: Brittani Daniel – Resource Training & Solutions

Item 1: **Call to Order**

Wayne Wormstadt, Vice-Chair, called the School Pool Advisory Committee meeting to order at 11:03 am virtually over Cisco Meeting Spaces. Mari Wagner introduced and welcomed guest Brittani Daniel from Resource Training & Solutions to the meeting.

Item 2: **Agenda Approval**

Motion by Todd Holthaus, seconded by Adam Spray, to approve the agenda as presented. A roll call vote was taken with Wormstadt, Holthaus, Windingstad, Lindberg, Nielsen, and Spray voting in favor. Motion passed unanimously.

Item 3: **Approval of Minutes – October 6, 2020**

Motion by Todd Holthaus, seconded by Ryan Nielsen, to approve the minutes from the October 6, 2020 meeting. A roll call vote was taken with Wormstadt, Holthaus, Windingstad, Lindberg, Nielsen, and Spray voting in favor. Motion passed unanimously.

Item 4: **Financial Report**

4.1 Pool Reserves Update

Insurance Pool reserve targets were reviewed with the Target Reserve (RSR) at \$4,258,087 or 133% as of 10/31/20, current pool reserves totaled \$14,393,274 (45% of target), which satisfies reserve policy of 25-35% of total pool premium, and the IBNR (claims runout) audited reserve account balance totaled \$3,514,631. Percentage balances by month of this account was also shared. Discussion followed regarding possible uses of excess reserves for the upcoming 20-21 renewal.

Keith Kottke joined the meeting at 11:10 am.

4.2 2019-20 School Pool MHC Settlement

A review of the 2019-20 School Pool Settlement was provided. The IBNR fund balance as of 6/30/20 was \$3,514,631 (\$810,208 over minimum funding level required) with management recommending retaining excess funds in the account. The final RSR fund balance totals \$6,437,738 (\$1,142,258) over maximum target RSR funding) and according to MHC policy, any excess funds will be returned to SWWC as a Pool refund. Excess premium refunds were also reviewed with two groups eligible for refunds – Jackson County Central and Lake Benton. Motion by Wayne Wormstadt, seconded by Todd Holthaus, to approve the 2019-20 School Pool Settlement with excess funds to remain in the IBNR account, excess RSR funds be returned to the Coop as a Pool refund, and approve the payout of excess premium refunds to Jackson County Central and Lake Benton as presented. A roll call vote was taken with Wormstadt, Holthaus, Windingstad, Lindberg, Nielsen, Spray, and Kottke voting in favor. Motion passed unanimously.

4.3 2011-12 Settlement Update

An update was provided on the status of the 2011-12 settlement error. A response has been provided to BCBS on SWWCs position not to pay back the \$2 million error due to statute of limitations. To date, no response has been received in return from BCBS.

Item 5: Minnesota Healthcare Consortium Update

5.1 Carrier RFP Update

MHC is currently in the process of a carrier RFP. The existing carrier contract with BCBS expires on December 31, 2021. Bids were due on December 11 with a total of five bid responses received. Carrier presentations are currently being conducted with a tentative selection date slated for late February, early March.

5.2 Small Group Plan Portfolio

Effective 7/1/21, there will be a set of new plans available called, “Small Group Plan Portfolio” to choose from. These are voluntary plans which will have a unique set of benefits with competitive rates. To date, there are 15 options to choose from. Mari Wagner will be providing education and trainings on these plans to groups and brokers.

Item 6: SWWC/Pool Updates

6.1 2021-22 Mandatory Bid Important Dates

The 2021-22 mandatory bid timeline was reviewed. Level of engagement and date requests were sent out to large groups only on December 4; mandatory bid information and templates were sent to members on December 14; Individual small group and large group meetings will be held virtually; level of engagement and data requests are due on January 6 from large groups; newspaper ad deadlines of February 1; bids specs to PEIP/MHC/BCBS due February 1; bid opening window from March 22-April 1; with an official decision due 5/3/21.

6.2 2020-21 Live Well/Incentives

The 20-21 Live Well program had 29 out of 35 groups participating or 83% with 63% of budgeted reimbursements paid which totaled \$228,830. The incentive program experienced a 58% budgeted payout of incentives totaling \$1,549,500. It was noted, an additional screening provider (Advantage Health – Bloomington) was made available to groups. A thank you was extended to Charlotte Lindberg for finding this new option which has been very well received.

Item 7: Meeting Dates (Virtual)

The next meeting of the School Pool Advisory Committee is scheduled on February 22, 2021, beginning at 10:00 am and will be held virtually. Formula options will be reviewed and discussed. Information on options and potential buy down amounts will be sent out prior to the meeting. Discussion followed regarding the impact COVID-19 will have on rates and also on statewide vs. regional wellness programs.

Item 8: Adjournment

Motion by Wayne Wormstadt, seconded by Liz Windingstad to adjourn the meeting. The meeting adjourned at 12:06 pm.