



Glenbrook HSD 225

Northbrook/Glenview

“Nationally Recognized for Cost Containment
and Health Promotion”

Insurance Overview

Dr. Craig A. Schilling, CEO, SBM PROS, LLC

Insurance – A Historical Perspective

- General Overview
 - Rationale for Self-Insurance
 - SSCRMP
 - Worker's Compensation
 - Health/Dental/Life
- Health Insurance
 - Philosophy
 - Cost Containment
 - Retirement
 - Health Promotion
 - Relationship with Employee Groups

High school notes

Chicago Tribune (1963-Current file); Jul 22, 1985;
ProQuest Historical Newspapers Chicago Tribune (1849 - 1988)
pg. C10

High school notes

No insurance, no games for 2 Glenbrooks

Before the Summer League baseball tournament opened Thursday, 84 teams had hopes of winning the state championship July 31 at St. Charles. Two teams had those hopes dashed before the first pitch was thrown. Glenbrook North and Glenbrook South forfeited their opening-round regional games because the school's liability insurance for interscholastic and intramural sports was not renewed when it expired July 1. James Wisner, business manager for the two schools, said the school district has searched for months for a replacement policy. Administrators are working frantically to save the fall sports season. Practice in those sports may begin as early as Aug. 12. The Titans and Spartans, although disappointed, took the news in stride. "My first reaction when they told me was 'Who's to blame? Who screwed up?'" said Glenbrook South coach Jeff Aaron. "But now that I'm thinking clearly, I realize that nobody is."

Evanston Orange [18-1] and Hinsdale South [14-10] became the first sectional qualifiers with regional victories Saturday. Junior Damien Vega pitched three innings of sparkling relief and Marty Freeman drove in the winning run with a fifth-inning triple as Evanston Orange edged New Trier 3-2 at New Trier. Vega, who played for Evanston's Blue squad during the regular season, relieved starter Tony Curd with the bases loaded and nobody out in the fifth and got



Tribune photo by Ed Wagner Jr.

Pat Kolpak puts the tag on Crete-Monee's Shawn Meyers during St. Laurence's 2-1 victory Friday.

High school losing insurance game

R Bruce Dold

Chicago Tribune (1963-Current file); Jan 25, 1986;

ProQuest Historical Newspapers Chicago Tribune (1849 - 1988)

pg. 1

High school losing insurance game

By R. Bruce Dold

New Trier High School, one of the top academic and athletic schools in the Chicago area, plans to shut down all sports programs on Feb. 1 unless it finds new liability insurance coverage, school officials said Friday.

The prospect that the North Shore school may become the latest casualty in a nationwide insurance crisis has students anxiously waiting as insurance agents scramble to find a company that will insure the district's sports programs.

A five-month search for sports-

liability coverage has been fruitless, said business manager Robert Larsen. The school's current carrier has declined to renew its policy.

Meanwhile, officials at Joliet High School in Joliet said their insurance coverage for athletics has expired, but the school does not plan to cancel its sports programs.

At New Trier, the decision would have an immediate impact on intramural and interscholastic sports programs on the school's Winnetka and Northfield campuses. A Feb. 1 boys' varsity basketball game against Prospect High School and the

school fencing team's matches in the Midwest high school championship in Indiana would be among the first events canceled.

Intramural basketball, field hockey, volleyball, weightlifting, indoor track and bowling would be postponed indefinitely. Also affected would be interscholastic boys' and girls' basketball, swimming, wrestling, fencing and girls' gymnastics.

"The kids are scared; they're just wondering what will happen," said New Trier athletic director Robert Naughton.

"I keep thinking it's going to

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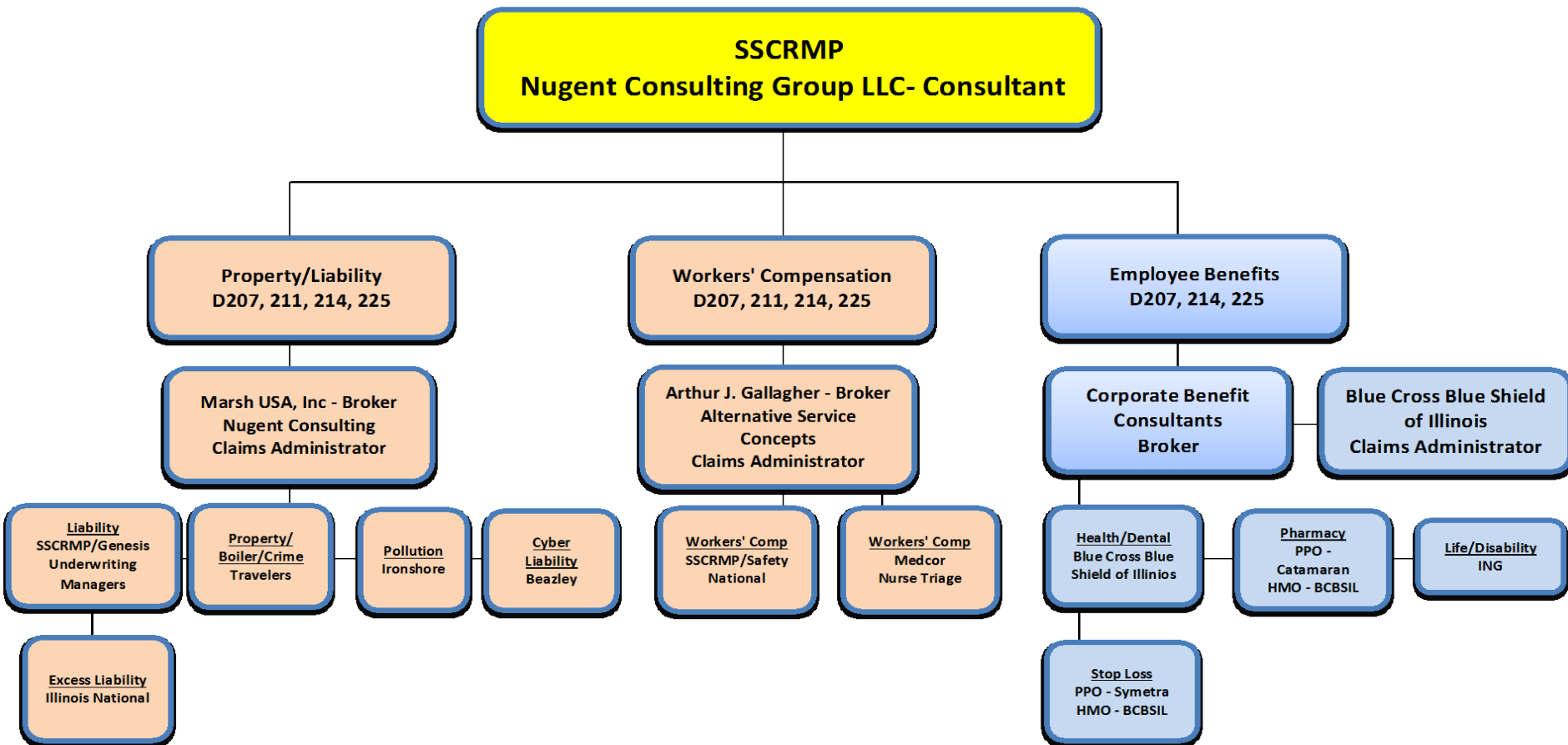
SSCRMP

- Formed in 1989
- One of the most successful public school insurance pools
- Initially a property and liability pool
- Worker's Compensation & Health Insurance added in 2007
- Life insurance added in 2009

Rationale for SSCRMP

- Districts have same business objectives
- Streamline district oversight of all insurance lines
- Reduced cost by elimination of broker commission and insurance company profit and overhead in self-insurance layer
- Improvement of purchasing power and ability to negotiate with vendors
- Provide protection against future legislative changes
- Competitive edge in negotiation ancillary lines of coverage such as life insurance

Secondary School Cooperative Risk Management Program - SSCRMP



Worker's Compensation

- Prior to 2007 the District participated in the SELF Worker's Compensation Pool
- In SELF, Glenbrook was one of the larger districts which resulted in higher administrative costs (small districts benefited)
- Glenbrook moved to SSCRMP to:
 - Gain a competitive advantage – the smallest of the districts, and
 - Join districts that had similar concerns and challenges (high schools) where it could benefit from a consolidated prevention program.
 - Share cutting edge WC cost cutting tools (Nurse Triage/Low case load adjusting model)

Health Insurance

- In 1992, the district had a TPA, 3rd party network and plan design that neither served the district nor its employees well.
 - No out-of-pocket maximum
 - No forgiveness on differences on “usual and customary and actual charges”
- An RFP was issued shortly thereafter. Gallagher-Basset became the broker and Blue Cross-Blue Shield became the vendor

Health Insurance

- An RFP was issued again in 2006. CBC became the broker.
- In 2007 Glenbrook joined other districts within SSCRMP in creating an health insurance pool. As the smallest district in the pool, Glenbrook benefited from:
 - Reduced access, administrative and reinsurance fees.
 - Self-insuring HMOI claims
 - “No Risk Sharing”
 - Renegotiating the prescription drug plan
- Blue Cross-Blue Shield issues “Cooperative Eligibility and Pricing Policy” to discourage similar cooperatives like SSCRMP forming health insurance pools.

Ancillary Lines

- Pooled group for life/disability
- Dental Plan



Health Insurance

ON THE CUTTING EDGE

HEALTH MANAGEMENT PHILOSOPHY

Goals:

- ▶ Work cooperatively with employee groups to manage health care costs.
- ▶ Educate and communicate health care information.
- ▶ Work towards lower health risk and cost through health promotion.
- ▶ Seek out innovative programs and services.
- ▶ Evaluate programs and services based on data driven results.

HEALTH INSURANCE ACTION COMMITTEE

What is it?

- ▶ The HIAC met pre-negotiations for about three months. It's composition included all employee groups – union, non-union, and administrative.
- ▶ It's mission: Review all healthcare information including participation, plans, and costs. Review alternatives such as new plans, benefit changes, wellness, etc.
- ▶ The HIAC meets as a *Medical Insurance Cost Containment Committee*, post negotiations.

HEALTH INSURANCE ACTION COMMITTEE

What does it do?

- ▶ Review prescription drug plan
- ▶ Review procedures for setting premiums
- ▶ Review benefit costs and utilization
- ▶ Identify potential areas for savings and enhancements
- ▶ Review deductibles and co-pays

HEALTH INSURANCE ACTION COMMITTEE

Results –

- ▶ The district negotiated the same benefit package with all employee groups!
- ▶ Each employee group agreed to increase their health insurance contributions over the next five years!
- ▶ Each employee group agreed to contribute towards single medical insurance for the first time – past practice had existed 50 years.
- ▶ PPO deductibles, out-of-pocket, and prescription drug plan contributions were raised.
- ▶ HMO co-pays and prescription drug plan contributions were raised.
- ▶ Negotiations established a health promotion program implementation committee.
- ▶ Retiree medical contributions restructured for professional staff.

A TOTAL SOLUTION



Newsletters



Web Site & 24/7 Tools



Trainings, Books & Health Decision Tools



Fitness Classes



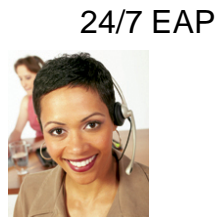
Health Care Solution



Wellness Screenings



Incentive Programs



24/7 EAP

Health Coaching



Flu Shots

Benefit Plans

Data Analysis

- Utilization reports
- Deductible and out-of-pockets analysis
- Prescription drug claim review
 - Generic drug utilization
 - Line item review
- Health Promotion data

HOW HAS THIS HAPPENED

- ▶ Board Support
- ▶ Management Strategy
- ▶ Employee Support and Participation
- ▶ Health Promotion
- ▶ Partnerships
- ▶ Data Driven Results



Illustration of Health Care Costs

