

GLENBROOK HIGH SCHOOLS
Assistant Superintendent for Business Affairs
Regular Meeting – Tuesday, November 12, 2013

TO: Dr. Michael Riggle
FROM: Hillarie Siena
DATE: November 12, 2013
RE: Discussion/Action: Insurance Cost Containment Discussion

AUGUST

- Board of Education information packet. March 1st through June 30th quarterly claims report will be placed in the information packet.

NOVEMBER

- Finance Committee regularly scheduled meeting. Review plan year actual claims for full plan year ending August 31st. Review plan enrollment data for new plan year beginning September 1st. Discuss topics for first Cost Containment Committee meeting in December.
- **Board of Education regularly scheduled meeting. Discuss items from November Finance Committee meeting. Discuss topics for first Cost Containment Committee meeting in December.**

FEBRUARY

- Finance Committee regularly scheduled meeting. Review September 1st through November 30th quarterly claims report. Discuss items from December Cost Containment Committee meeting. Present review of benefits consulting services.
- Board of Education regularly scheduled meeting. Discuss items from February Finance Committee meeting. Present review of benefits consulting services.

MARCH/APRIL

- Meet with CBC to review claims, trend data and plan design, and obtain recommendation for calculated premium increases. Review of SSCRMP pool performance.

APRIL

- Board of Education regularly scheduled meeting. Present renewal information (includes claims data through February) with recommendations for plan changes. Review SSCRMP pool performance.
- Present renewal information and recommended plan changes to the Cost Containment Committee.

MAY

- Present renewal information and recommended plan changes to all staff.
- Begin open enrollment period.

It is important to note differing time periods for insurance renewals and/or implementation of regulatory mandates.

SSCRMP – Key Dates

- The SSCRMP pool benefit period runs from July 1 – June 30.
- SSCRMP shared cost items renewal is July 1st.
- All requests for quotes must be provided to the broker by the preceding January.

D225 – Key Dates

- The District 225 benefit year runs from September 1 – August 31.
- Open enrollment runs May-August. All SSCRMP plan changes impacting D225 begin on September 1st.

HEALTH CARE REFORM – Key Dates

- The Affordable Care Act plan year runs from January 1 – December 31.
- All mandatory plan changes beginning January 1st impact D225 the following September 1st.
- Grandfathered status for all District 225 plans expires on August 31, 2014, although mandates have recently been deferred by the Federal Government.

Enrollment and Claims Analysis
 Plan Year September 1 - August 31

	Plan Year 8/31/2012	Change	% Change	Plan Year 8/31/2013	Change	% Change	Plan Year 8/31/2014*
ENROLLMENT							
PPO \$300	507.00	5.00	1%	512.00	(19.00)	-4%	493.00
HDPPO \$2,500	-	-	-	-	21.00	-	21.00
HMO-IL	286.00	(6.00)	-2%	280.00	(13.00)	-5%	267.00
BAHMO-IL	26.00	1.00	4%	27.00	4.00	15%	31.00
Total Enrollment	819.00	-	-	819.00	(7.00)	-1%	812.00

	Plan Year 8/31/2012	Change	% Change	Plan Year 8/31/2013	Change	% Change	Plan Year 8/31/2014*
CLAIMS							
PPO \$300	6,322,488	38,711	1%	6,361,199	(1,310,927)	-21%	5,050,272
HDPPO \$2,500	-	-	-	-	11,460	-	11,460
HMO-IL	3,583,605	(249,153)	-7%	3,334,452	260,700	8%	3,595,152
BAHMO-IL	206,498	43,437	21%	249,935	16,429	7%	266,364
Total Claims	10,112,591	(167,005)	-2%	9,945,586	(1,022,338)	-10%	8,923,248

	Plan Year 8/31/2012	Change	% Change	Plan Year 8/31/2013	Change	% Change	Plan Year 8/31/2014*
DENTAL							
Total Claims	707,363	1,294	0%	708,657	145,155	20%	853,812

*September 2013 data x 12 months

Cost Containment Committee - April 3, 2013

Plan Year 9/1/2013-8/31/2014

Tentative Agreement on Plan Design Changes for Plan Year 9/1/13

- 1) Offer an Embedded High Deductible PPO with an attached Health Savings Account (HSA)
\$2,500/\$5,000 Deductible / \$2,500 Out-of-pocket maximum / 100%/80% Level of coverage
Reduction to plan rates based on shift from existing PPO/HMO plans
No new Board contribution to the HSA, but will convert eligible Board paid Flex
- 2) Increase HMO Copayment Levels for Primary/Specialty Care
\$10 to \$30 Primary / \$40 Specialist / Same Wellness
- 3) Increase HMO Copayment for Emergency Room (ER) Visit
\$50 to \$150 for non-emergency (waived if admitted)
- 4) Keep 3-Tier Drug Card Adjusting Tiers from \$10/\$20/\$35 to \$5/\$35/\$50
Reduction to plan rates based on utilization
Targeted shift toward generics

Items Requiring Further Study

Offer \$\$ incentive for wellness screening participation/mandatory participation
Need facility study & partnership options

Expand from 2-tier to 4-tier PPO/HMOIL Plans

Need projected shift in enrollment, impact on family premium and % of spouses potentially leaving plan
Spousal carve-out/spousal surcharge

Contribution Amounts in Proportion to Base Salary

Explore compensation bands

Greater Employee Participation in Premium Cost Sharing

Establish cap on total claims, with shared cost on excess over cap
Establish cap on % increase, with shared cost on excess over cap