

ROCHESTER AREA SCHOOL HEALTH PLAN II

March 28, 2018

2:30 pm. – NYSUT

MINUTES

The following were present:

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| Brockport | Jill Reichhart |
| Churchville-Chili | Frank Nardone |
| Gates Chili | James Fichera |
| Wheatland-Chili | Jessica Jackson |
| Monroe #2 BOCES | Steve Roland |
| East Irondequoit | John Abbott |
| East Rochester | David Green |
| Honeoye Falls-Lima | Bruce Capron |
| Penfield | Mark Sansouci |
| Pittsford | Darrin Kenney |
| Rush-Henrietta | Andy Whitmore |
| Webster | Brian Freeman |
| West Irondequoit | James Brennan |
| Monroe #1 BOCES | Scott Covell |
| Gallagher | Mike Martone, Brian Thomas, Kara Burden, Sharon Brognia, Charles McLaughlin |
| Union Reps | Kathy Occhioni, Scott Steinberg, Bill Gregory, Dwayne Carbone, Charlotte Kimberly-Haag |
| Superintendents | Lori Orologio |
| Other Present | Tom Hurley (Harter Secrest & Emery) |

The meeting was called to order by Scott Covell.

Scott began the meeting by introducing Tom Hurley from Harter Secrest & Emery and Jessica Jackson from Wheatland-Chili. He also acknowledged Tom Gillett's (not present) retirement and thanked him for his years of service and support.

I. Self-Funding Organizational Planning

A. Financial Reporting Requirements – Scott gave an overview of the self-funding process. The Plan has purchased Stop Loss for 2018; with an attachment point of \$1,000,000. He reviewed the new financial reporting requirements under Article 47; although this will create additional work, the Plan will benefit from the additional data.

- B. Cyber Security Plan** - Scott said that we received notice from DFS regarding a Cyber Security Plan. Tom Hurley reported that he is working with DFS to get further guidance. A subcommittee will work on getting us compliant.
- C. HIPAA Privacy** - Tom reported out on how HIPAA applies to the Plan now that it is a self-insured HIPAA-covered entity.
- D. Website** - Scott reported that districts are receiving spam e-mails; directing them to pay health insurance invoices. The name of the e-mail sender is someone who appears to be from Gallagher but they are not legitimate e-mail addresses. Do not respond to these e-mails.

Scott said that a website for the Plan might be able to be combined with the electronic enrollment system.
- E. Affordable Care Act (ACA) Data Update** - Districts will continue to prepare the 1094-C Forms; Gallagher is working with Excellus on how to transition the 1094-B Form. The data from 1094-B Form will go on the bottom of the 1094-C Form.

II. Action Items

- A. Minutes- December 13, 2017** – John Abbott moved, Scott Steinberg seconded, that the minutes of the December 13, 2017 meeting be approved.

Vote: All in favor

- B. Treasurer's Report** - Steve Roland presented the Treasurer's report for the period ending December 31, 2017. Steve stated the trial balance reflects audited numbers. The Plan has total assets of \$78.7mm and had a 2017 surplus of \$14.5mm. The Plan's cumulative fund balance is \$61mm.

Mark Sansouci moved, Bruce Capron seconded, that the Treasurer's Report for the period ending December 31, 2017 be approved.

Vote: All in favor

- C. Gallagher Management Report** – Charles McLauchlin reported on Gallagher's quarterly Management Report for the period ending December 31, 2017 (there is a difference of \$570k between the trial balance and the quarterly report due to an IBNR adjustment as a result of the external audit).

Charles said that claims were \$9.8mm better than anticipated. Plan migration does continue to have a negative impact on Plan revenue.

Brian Freeman moved, Dave Green seconded, that the Gallagher Management Report for the period ending December 31, 2017 be approved.

Vote: All in favor

D. External Audit 2017 – Steve Roland reported the 2017 External Audit was clean; no comments in the Management Letter.

James Brennan moved, Brian Freeman seconded, that the 2017 External Audit be approved.

Vote: All in favor

E. Electronic Enrollment RFP – Scott Covell gave an overview of the process used to identify an electronic enrollment vendor (handout provided). The subcommittee made up of business officials, HR directors, benefits representatives, Monroe One IT staff and Gallagher representatives, is recommending Businessolver.

The group discussed passive vs. active enrollment; this will be further discussed at future meetings.

John Abbott moved, Jim Fichera seconded, to approve the Businessolver proposal for Electronic Enrollment Administration in the amount of \$541,325 and to authorize Harter Secrest and Emery, LLP to negotiate a final contract for services.

Vote: All in favor

III. Reports

A. Updated 2018 Budget and Reserves - Brian reviewed proposed changes to the 2018 budget (handout provided). Scott distributed an update on our reserve balances; group discussion followed.

B. Excellus Update – Mike Martone said that under the new plan, the cash cap is going away. He also gave a brief summary of Excellus' performance guarantee (handout provided).

Sharon reviewed results from the Telemedicine Initiative (new in 2017 – handout distributed).

IV. Legislative Update – Mike Martone announced that the HSA maximum for 2018 decreased from \$6,900 to \$6,850 on non-single plans.

V. Adjournment

John Abbott moved, Bruce Capron seconded, to adjourn the meeting at 4:08 p.m.

Vote: All in favor

Respectfully Submitted,
Steve Roland for Lou Alaimo, Secretary