

**IDAHO STATE GROUP INSURANCE
ADVISORY COMMITTEE**

**April 15, 2013
Meeting Minutes**

Draft

The April 15, 2013 meeting of the Idaho State Group Insurance Advisory Committee was held in the LBJ Building, Conference Room B, 650 W. State Street, Boise, Idaho

ATTENDANCE

Members Present:

Director Teresa Luna, Chair
Senator Fred Martin
Representative Phylis King
Employee Member Roxanne Lopez
Judiciary Member Andrea Patterson
Retired Employee Dick Humiston

Others Present:

Representative Anderst
Doug Toschi, State Contractor
Department of Administration: Amy Johnson, Nichole Fitzgerald, Keith Reynolds, and Margaret Odedo

WELCOME

Director Luna called the meeting to order at 9:30 a.m. and welcomed all members.

GENERAL BUSINESS

Approval of Minutes:

MOTION: Representative King moved to approve the minutes of the March 15, 2013 meeting as written. Seconded by Member Dick Humiston, motion passed.

Financial Update: Amy Johnson, Office of Group Insurance Administrator, reviewed a new report that compares current year to date 2013 and prior year to date 2012. The report illustrates premiums paid, claims/administrative cost, experience refund/loss, total annualized cost, percent of claims year to date and ending reserve balances. Ms. Johnson noted that Medical reserves are down \$400,000 from last year. Ms. Johnson also provided a graph showing the last three years of reserve balances and the next two years projected balance. The graph depicted a drastic reduction in Medical and Dental Reserves. Director Luna explained that this is due to the State's decision to no longer maintain an actuarially recommended reserve, which in the past had been set at a 95% confidence level. In addition, we have used reserves to provide premium holidays and avoid passing any rate increase onto employees which has depleted our reserves over the last few years. After further discussion, Ms. Johnson was asked to research trend of disease states and the cost associated with those states.

Contract Decisions: Director Luna informed the committee that the State would be subject to the Health Insurers Fee imposed under PPACA. After taking this into consideration we are limited in our ability to provide additional benefits but we felt it was important to offer the women's preventative health services and remove any barriers to wellness participation. These additional services will be absorbed into the State plan and will not cause employees any additional costs. The additional cost for the retiree plan will be passed on to the retirees.

Dependent Audits: Director Luna reviewed three levels of audits ranging from a relatively low assessment to a robust process that would be available to the department at various costs. Other issues of a dependent audit such as cost savings, amnesty, communication to employees, and eligibility were discussed by the committee. It was agreed that Group Insurance would come prepared to discuss available options at the next meeting.

Open Enrollment: Cindy Dickenson explained that active employee open enrollment begins April 29, 2013 and will end May 17th. The Office of Group Insurance has begun communication to all employees and agency H/R staff via their April Newsletter. Letters will go out to agency H/R and payroll staff a week prior to open enrollment in order to give ample time for implementation. Additional information will be posted on our website the day open enrollment begins.

Agenda items for next meeting: Dependent audit information, financial update, and open enrollment update.

ADJOURNMENT: Being no other business the committee adjourned at 10:50 a.m.

Respectfully submitted

Margaret Odedo