

ST. LOUIS COUNTY  
HEALTH INSURANCE COMMITTEE

The St. Louis County Health Insurance Committee met on Wednesday, July 19, 2023 at 9:00 a.m. via Webex. The meeting was called to order by Jim Gottschald, Committee Co-Chair.

Members Present:	Ashley Lehmann	Timothy Rasch
	Heather Ninfeldt	Tom Stanley
	Jim Gottschald	Stephanie Lundgren
	Sasha Lehto	Michael McDougall
	Krista Shopp	Kevin Gray
	Kim Maki	Gordy Halverson
	Nancy Nilsen	Judy Walhberg
	Katie Finc	

Others Present:	Jeff Coenen	Christina Hanson
	Beth Menor	Dave Kuschel
	Jolene Jamnick	Caitlin Little
	Leanne Barker	Colleen Effinger



The May minutes were approved by consensus with no requested changes.

## PRESENTATIONS

1. The first item from the agenda under Presentations was the **2024 Dental Renewal** by Caitlin Little with Delta Dental of Minnesota (0:00:00). Caitlin Little presented an executive summary of the self-insured plan, a renewal for the self-insured employee dental plan, a one-year renewal for the fully-insured dependent dental plan and rate recommendations for the merged dental plan that would be proposed under a future agenda item. She highlighted the following from her handouts:
  - a. The self-insured plan generated 5,103 Explanation of Benefits (EOBs) statements where the average claim was \$211.22. Other highlights from the report included:
    - i. 98.73% of claims were in-network with about  $\frac{3}{4}$  in the Premier network
    - ii. 67.98% of members had at least one preventive cleaning
    - iii. Total provider savings/discounts totaled \$447,044
  - b. The self-insured plan had 2,367 enrollees who incurred \$1,077,834 between May of 2022 and May of 2023. With a trend factor of 8.95% and an ASO fee of \$2.44, the rate recommendation came in at \$43.78 (up \$1.59) per member per month.
  - c. The fully-insured plan had 625 enrollees who incurred \$365,777 between April of 2022 and April of 2023. Delta collected \$445,613 in premiums over the same period. With a trend factor of 9.63%, the rate recommendations came in at \$49.30 (up \$3.95) for spouse/month, \$34.04 (up \$2.74) for one child/month, and \$86.66 (up \$6.96) for two or more family members/month.
  - d. The proposed merged plan rates were displayed in table format (below) that broke down the part of the increase due to trend and the part of the increase due to the enhanced benefits.

Dependent Tiers	Enrolled	2023 Current Rates	2024 Renewal Rates	Increase Due to Trend	2024 Proposed Rates	Increase Due to Benefit Expansion	Total Increase
Employee + Spouse	177	\$45.35	\$49.30	\$3.95	\$52.56	\$3.26	\$7.21
Employee + One Child	99	\$31.30	\$34.04	\$2.74	\$36.37	\$2.33	\$5.07
Family	325	\$79.70	\$86.66	\$6.96	\$92.21	\$5.55	\$12.51

## OLD BUSINESS

2. The first item from the agenda under Old Business was the **2024 Dental Plan Proposal** from the Dependent Dental Subcommittee (0:20:20). Sasha Lehto, dental subcommittee chair, presented the subcommittee's recommendation to end the fully-insured dependent plan and allow dependents into the self-insured dental plan starting in 2024. Dependents would retain their six-month waiting period for non-basic dental services but would have the same level of dental benefits as employees. In addition, the subcommittee recommended discussion in 2024 about adding orthodontia coverage in 2025. The committee agreed by consensus to

merge the two plans as recommended by the subcommittee and tabled rate discussions to the September meeting.

3. The next item from the agenda under Old Business was the ***Health Plan Administrator RFP Recommendation*** by Jeff Coenen of Johnson Insurance Consultants (0:34:00). Jeff reported receiving three outstanding proposals from Medica, Health Partners and BlueCross BlueShield (BCBSM). The BCBSM proposal stood out given our long-standing partnership and productive negotiations led by Jim Gottschald. The final offer included these top six financial incentives:
  - a. \$400,000 Wellness Credit
  - b. Minimum pharmacy rebate guarantees
  - c. Stop Loss Premium increases capped at 10% in 2024, 12% in 2025 and 14% in 2026
  - d. Admin fees capped at 4% through 2028
  - e. Admin fee waived for fitness and Learn to Live programs
  - f. Pharmacy rebate withholding reduced from 8% to 5%

The RFP selection committee made the recommendation to continue our partnership with BCBSM. The Committee agreed by consensus to adopt and share this recommendation with the County board.

4. The next item from the agenda under Old Business was the ***Rheumatoid Arthritis Pilot Program*** by Beth Menor (0:54:45). Beth recapped the outstanding ask of Essentia Health to offer free access to their wellness centers to those who may join the rheumatoid arthritis (RA) pilot program. There were 21 eligible members. She reported that Essentia Health did not yet have an answer to this request. She noted that there were another 21 members eligible for the RA pilot program who get care at St. Luke's and that St. Luke's had just announced a 2024 merger with Aspirus Health which will result in a corporate office in Duluth and 14,000 employees across Minnesota, Wisconsin, and the upper peninsula of Michigan. She expressed optimism that St. Luke's may soon have staff available to engage with us in custom initiatives like the RA pilot program.
5. The next item from the agenda under Old Business was the ***Geographic Medical Pricing Differentiation*** by BCBSM (0:58:25). Beth Menor tabled this agenda item as the data was not yet available from BCBSM.

## NEW BUSINESS

6. The first item from the agenda under New Business was ***Omada Repeats Discussion*** by Beth Menor & Tiffany Kari Cizmas (0:59:25). Beth reported that Tiffany was not able to join today's meeting and that she would have shared that she receives regular requests to rejoin Omada from employees who have completed the prevention program. Beth reported receiving the same. Three months of no engagement with Omada and the participant's login is deleted. Dave Kuschel provided an overview of the milestone payments the plan makes for each Omada participant:

- Enrollment = \$145
- 9 of 16 lessons completed within first 26 weeks = \$195
- Achievement of 5% weight loss within 52 weeks = \$350
- Achievement of 10% weight loss within 52 weeks = \$105
- Engagement & 5%+ weight loss after first 16 weeks = \$20/month

Beth Menor stated any second chance Omada Prevention enrollment would be evaluated by herself and Tiffany and handled on a case-by-case basis. Second chance enrollees may rejoin at different milestones depending on need and appropriateness. The Committee agreed by consensus to allow second chance (not third or fourth, etc.) Omada Prevent program enrollments.

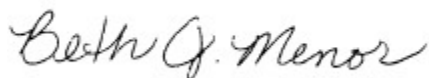
7. The next item from the agenda under New Business was the ***Financial Report*** by Auditor Nancy Nilsen (1:18:30). The Auditor's report projected the 2023 year-end health fund balance to be \$18,728,456, a net gain of \$102,081 from the year prior. The year-end projection at the prior meeting in May was \$22,209,364. Nancy stated that an \$18 million fund balance is adequate and within the target zone but there was a \$3.5 million swing in the estimated year-end balance since May. There was a recent \$1.1 million weekly claims draw. It included a high case transplant that will likely exceed our stop loss threshold. Jim Gottschald and Dave Kuschel shared that a stop loss insurance claim of \$158,000 from 2022 will be refunded to the health fund within the week. The Committee requested that Fiscal Manager Stephanie McKinnon, who prepares the fund report, come to a future meeting to explain the more-sophisticated budget column which is adjusted for seasonal and annual adjustments.
8. The next item from the agenda under New Business was a ***Wellness Program Update*** by Tiffany Kari Cizmas (1:35:00). This agenda item was tabled given Tiffany's required absence.

OTHER BUSINESS

9. The first item under Other Business was a request from Sasha Lehto for lodging and travel reimbursement (1:36:30). Jim Gottschald asked Sasha to present the details of the existing program she would like to emulate at the October Committee meeting.
10. The next item from the agenda under Other Business was a request by Stephanie Lundgren for specifics on how to prepare for the September dental rate discussion (1:37:40). The dental subcommittee members all offered to meet and confer with any labor member prior to the September meeting. Tom Stanley questioned the \$11 difference in rates between employees and spouses since they are both single adults. He pointed out that the employee rate had a history of being underfunded (per underwriting) and the spousal rate had a history of being fully-insured and hence, helped to create the \$79,836 overage from May of 2022 to May of 2023 as reported earlier in the meeting by Caitlin Little. Tom recommended the rates be adjusted to be more aligned with each other. Jim Gottschald pointed out that the \$43.78/month expected claims rate for employees by Delta underwriting was already above the amount that had been budgeted for 2024.

With no further business the meeting was adjourned.

Respectfully submitted,

A handwritten signature in cursive script that reads "Beth J. Menor".

Beth J. Menor  
Senior Benefits Advisor