

VAN WERT AREA SCHOOLS INSURANCE GROUP

At 9:00 A.M. on Wednesday, September 13, 2023, Jeff Snyder called to order the Van Wert Area Schools Insurance Group Trustees' meeting, which was held at Willow Bend. Hollie Ford took the roll call. Members present were Anthony Adams, Mark Bagley, Ashley Breese, Brenda Core, Ruth Ann Dowler, Hollie Ford, Lori Gunderman, Matt Krites, Kathy Mollenkopf, Jeff Snyder, Thomas Taylor, Rachael Thomas, and Rick Turner. Also attending were Troy Bowersock, Laura Peters, Tricia Taylor, Ashley Whetsel, Kris Gerken, and Ally Druckmiller. Proxies were given for Todd Keller, Cindy Tinnel, and Ben Thaxton. James Ahlersmeyer, Jessie Jackson, Jennie Alt, and Kelly Dishun of Ohio Health were also in attendance. Matt Krites left at 11:06 and submitted documentation for Ashley Breese to have proxies for Matt and Todd Keller. Rachael Thomas left at 11:30 and submitted documentation for Rick Turner to be her proxy.

Jeff Snyder reminded the group that on VWASIG meeting days that encounter school delays the VWASIG meeting will be moved back to 10:00.

Thomas Taylor moved and Rick Turner seconded to approve the minutes of the May 31, 2023 Trustees Meeting. The motion passed unanimously by voice vote.

Kathy Mollenkopf moved and Matt Krites seconded to approve the May, June, July, & August 2023 VWASIG Financial Reports as presented by Ashley Whetsel. Motion passed unanimously by voice vote.

Ally Druckemiller presented the January-July 2023 Plan Cost Executive Summary

- Enrollment approximately 93% of the employees are enrolled in HDHP (516 enrolled in HDHP vs. 39 in the PPO in July)
- PEPM PPO Cost is down
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- PPO cost is running at a 103% loss ratio to funding

- HDHP cost is running at a 94% loss ratio to funding
- Dental cost is running at a 98% loss ratio to funding
- High-cost claimants: 10 claimants over \$75,000
- 2023 medical paid claims are on pace for \$5,892,298 in cost vs. 2022 of \$5,171,680
- 2023 pharmacy paid claims are on pace for \$940,685 in cost vs. 2022 of \$1,144,202
- 2023 Admin, stop loss, medical, RX, and dental PEPM cost
 - 2021 \$1,357
 - 2022 \$1,221
 - Through July 2023 \$1,294

Kris Gerken shared

- In comparison to SERB report, VWASIG’s plan is competitive with state averages. Huntington does not recommend a change to the plan design for 2024.
- PCS Summary – PEPM cost is up 5.9% but is below the PEPM cost of 2021. Pharmacy claims are projected to be down in cost while medical claims are projected to increase 14%. 10 claimants have exceeded \$75,000 through July with 2 of those claimants exceeding the stop loss deductible.

Van Wert Health representative Jessie Jackson introduced Ohio Health representatives Jennie Alt (manager of business development) and Kelly Dishun (senior wellness advisor) who shared about Ohio Health’s healthcare services: biometric screenings, on-site flu shots, dedicated wellness coordinator, and virtual group fitness subscription, and web portal solution. The wellness coordinator would analyze the results from the biometric screenings and develop programs tailored to VWASIG. Jeff Snyder will head the communication between VWASIG and Van Wert Health.

Ally Druckemiller shared

- no change on the BCBS settlement.

- EMB – Trustmark is discontinuing tech credits as of 1/1/2024 – Estimated additional cost to the consortium of approximately \$2,000.00 annually
- Open Enrollment
 - EMB has set up calls with each entity regarding open enrollment communication
 - We have a draft script for open enrollment video EMB will create, just need final decisions to finish
 - Bi-weekly open enrollment call prep with treasurers / EMB to begin 9/14
 - Open enrollment period for 2024 is 10/30 – 11/12
- Hinge Health Setup Cost:
 - EMB one-time file setup fee of \$1,250. Paid by Hinge, no cost to VWASIG. The eligibility file is set up.
 - Promotional material is being prepared to send to employees' emails and info. will be provided during open enrollment and EMB system.

Kris Gerken shared

- Edison Setup Cost:
 - EMB one-time file setup fee of \$2,500. Paid by Edison, no cost to VWASIG. (After meeting EMB determined one-time set up cost will be \$1,250 since they did not have to customize. EMB is paying the fee)
 - Anthem monthly file feed cost of \$12,000 annually
 - January 1st effective date
 - Admin Cost and ROI: Estimated Annual Admin Fees of \$45,948 with potential savings of \$1.6M. This is an estimate. A majority of Edison's clients experience ROI of 7x to 20x.
 - Ally shared travel cost is covered under the plan, and the travel account is based on the consortium size. A travel account needs to hold a minimum of \$5,000, at all times.
- RxProtect – (Update)
 - Potential Savings of \$276K. Anthem can't guarantee that rebates will exceed the rebate guarantee in the contract of \$32.08.

- Setup Cost: \$1,250 for Eligibility
- Effective date TBD in the near future
 - Anthem is going to charge \$12,000 annually to have a monthly Rx file sent to Rx Protect. Huntington is able to manage this with RxProtect and RxProtect will pay Huntington for this service. RxProtect collect's fee is 33% of the savings so the cost billed to the plan is the cost of the drug in Canada+33% of the savings. They standardly pay advisors 3% of the 33% for program coordination. Payment to Huntington from RxProtect does NOT change the savings estimates or cost of the medication.

*See the below chart for detailed information on Hinge, RxProtect, and Edison.
(The chart was provided by Ally Druckemiller.)

- Anthem Renewal - 2-year offer 1/1/24 – 12/31/25
 - No change in base admin fee or stop loss carveout fee for 2024.
 - 3-cent increase in foundational program fee (\$1.68 to \$1.71)
 - For 2025, based admin fee increases from \$34.05 to \$35.75.
 - Stop Loss carveout fee and foundation program fees TBD.
 - Huntington recommends accepting the proposed renewal from Anthem.

Thomas Taylor moved and Rachael Thomas seconded to accept the administrative renewal contract with Anthem for 2024 and 2025. The motion passed unanimously by voice vote.

- Preliminary Stop Loss Update
 - Initial stop loss increase of 25%. Anthem provided a quote at a little more than 25% as well while QBE, Sun Life, and Berkshire Hathaway are between 34% - 36% over current. Seven carrier quotes are pending, and 5 carriers have declined.

- Final numbers for renewal and options will be ready in October and will either email or set up Video call with Board for final stop loss decision.
- Huntington recommends that the consortium consider a higher specific deductible for 2024. Below is a summary of stop-loss claims vs. premiums since 2020:
 - i. 2023 – \$343,454 in claims vs. \$612,927 in premiums through July
 - ii. 2022 - \$1,163,749 in claims vs. \$852,017 in premiums
 - iii. 2021- \$216,113 in claims vs. \$877,641 in premiums
 - iv. 2020 - \$849,757 in claims vs. \$759,035 in premiums
- GTS5 (Gene Therapy Carveout Program)
 - Gene Therapy medications range in cost from \$850,000 - \$3.5M. The cost of gene therapy medications is expected to increase 3x over the next 3 years in the U.S.
 - Amwins/Stealth has developed a pooled product to offload the risk of GT drugs from the first dollar. In 2024, the program will cover 5 GT medications and will cost \$1.99 PEPM.
- Renewal Workup
 - Estimated annual expected cost for 2024 is projected to be \$9.2M.
 - Based on Huntington’s analytic system and Symetra Huntington anticipates a cost of \$8.8M - \$9M. Neither of these projections includes savings estimates for Hinge, Rx Protect, or Edison.
 - Huntington recommends a 2% increase in medical and Rx premium and a 1% increase in dental premium.

Ruth Ann Dowler moved and Brenda Core seconded to approve a 2% increase in medical and Rx premium and a 1% increase in dental premium for 2024 plan. Vote passed unanimously by voice vote.

Jeff Snyder proposed an increase in VWASIG financial agent compensation. \$15,000 is current compensation. Kathy Mollenkopf moved and Mark Bagley seconded to increase the VWASIG financial agent compensation by 3% each year for calendar years 2024, 2025, and 2026. Motion passed unanimously by voice vote.

The next meeting of the VWASIG Trustees will be 9:00 A.M. on Wednesday, January 17, 2024 at Willow Bend Country Club.

Jeff Snyder moved and Ruth Ann Dowler seconded to adjourn at 11:29 A.M. Motion passed unanimously by voice vote.

	Hinge Health	Edison Healthcare	RxProtect
Effective Date	9/1/2023	1/1/2024	TBD
Eligible	All members enrolled in the Health Plan	All members enrolled in the Health Plan	All members enrolled in the Health Plan
Waiting Period	None	None	None
Cost to VWASIG	Preventive - \$0, Chronic - \$995 annual, Acute \$250 annual for members evaluated and entered into program	\$7 PEP, Travel & Expense Account Min. Requirement for Account \$5k and cost of claims through Edison Smart Centers	Cost of Drugs and Program Savings Fee and one-time enrollment file set-up fee of \$1,250 to EMB
Benefits	Voluntary Program Digital MSK Clinic includes app or tablet issued by Hinge, wearable sensors, physical therapist	Voluntary Program Evaluation and Care for Spine, Orthopedic, Oncology, Cardiac, Transplant	Voluntary Program High cost covered specialty and some brand drugs purchased internationally in lieu of Plan.
Member Engagement	Promotional Material for members to contact Hinge	Promotional Material - for members to contact Edison or Edison will reach out to members based on claim indicators	Promotional Material - for members to contact RxProtect or RxProtect will reach out to members based on Rx claim indicators and after first fill
Data Verification / Confirm Enrollment in Plan	Enrollment file from EMB to Hinge (One-time enrollment file set-up paid by Hinge on behalf of VWASIG)	Enrollment file from EMB to Edison (One-time enrollment file set-up paid by Edison on behalf of VWASIG)	Enrollment file from EMB to RxProtect (\$1,250 file feed cost)
Diagnosis and Care Trigger	Evaluation done by Hinge when member engages	Claim Indicators from Anthem Data	Claim Indicators from Anthem Data
Reporting	Qtr / Annual Utilization Reporting	Qtr / Annual Utilization Reporting	Qtr / Annual Utilization Reporting