

NOTICE OF BOARD OF DIRECTORS MEETING

LIMRiCC

Meeting Minutes Tuesday, August 24, 2021

Meeting Location:

**Messenger Public Library
113 Oak Street, North Aurora, IL
630-896-0240**

1. Call to Order & Roll Call

Jenni Mills called the meeting to order at 1:00 PM.

PRESENT: Jennie Mills, Director of Shorewood-Troy Public Library/LIMRiCC President; Kevin Davis, Administrator of the Messenger Public Library/LIMRiCC Vice President; Carol Kidd, Human Resource Manager of DesPlaines Public Library/LIMRiCC Secretary via Zoom teleconference, Carolyn Coulter, Director of PrairieCat /LIMRiCC Trustee.

Jim Kregor, Director of Finance and Human Resources of RAILS Library System/LIMRiCC Treasurer arrived at 1:07 PM.

2. Introduction of Visitors / Public Comments

The following people were present for the Board Meeting: From the accounting firm of Lauterbach & Amen, LLP: Wes Levy and Margie Tannehill. Assurance Agency representative: Maryann Mileto, Ashton Wagner and Scott Remmenga attended via Zoom teleconference. Judy Javis, Messenger Public Library and Noreen Bormet, Peotone Public Library District via Zoom teleconference.

3. Consent Agenda

**RESOLVED, THAT THE LIMRiCC BOARD OF DIRECTORS
APPROVE THE CONSENT AGENDA AS PRESENTED**

- a. Approval of Agenda.
- b. Acceptance of the LIMRiCC Board Meeting Minutes from May 18, 2021.
- c. Ratification of payments made from May 19 – June 15, 2021 (Exhibit B.1 – B.3 Business Services \$24,114.32 PHIP \$685,829.05 and UCGA \$7,909.09.
- d. Ratification of payments made from June 16 – July 20, 2021 (Exhibit B.1 – B.3 Business Services \$10,557.16, PHIP \$703,374.45 and UCGA \$3,036.50.
- e. Approval of the payment of bills for July 21 – August 17, 2021 (Exhibit B.1 – B.3) Business Services \$10,557.16, PHIP \$103,950.72 and UCGA \$2,753.26.
- f. Approval of Balance Sheet and Detail of Expenditures for May, June, and July 2021 (Exhibit C.1 – C.6).

Motion: A motion was made by Carolyn Coulter and seconded by Kevin Davis to approve the Consent Agenda items a-f listed above.

Roll call: All board members present voted to approve the Consent Agenda.

Ayes = 4
Nays = 0
Absent = 1

4. Action Item #1 – Approve the renewal of Traveler’s Crime Policy.

The Crime Policy covers employee theft, forgery and claim expense. The renewal is for 1 year at \$1,264.00. This is an increase of \$59.00 from the previous year.

Motion: A motion was made by Carolyn Coulter and seconded by Kevin Davis to approve the renewal of Traveler’s Crime Policy.

Roll call: All board members present voted to approve the Traveler’s Crime Policy for 1 year.

Ayes = 4
Nays = 0
Absent = 1

5. Action Item #2 – Approve Wakely Consulting Group for PHIP Actuarial Valuation for FY 21.

The cost of the PHIP Actuarial Valuation for FY 21 from Wakely Consulting is quoted at the \$4,500. No increase from the previous year.

Motion: A motion was made by Kevin Davis and seconded by Carolyn Coulter to approve Wakely Consulting to perform the PHIP Actuarial Valuation for FY 21.

Roll call: All board members present voted to accept Wakely Consulting for the PHIP Actuarial Valuation for FY 21 at a cost of \$4,500.

Ayes = 4
Nays = 0
Absent = 1

6. Action Item #3 – Approve Madison Consulting Group for the UCGA Actuarial Valuation for FY 21.

The cost for the UCGA Actuarial Valuation for FY 21 from Madison Consulting Group is the same as the previous year at \$6,000.

Motion: A motion was made by Carol Kidd and seconded by Kevin Davis to approve Madison Consulting to perform the UCGA Actuarial Valuation for FY 21.

Roll call: All Board Members present voted to accept Madison Consulting Group for the UCGA Actuarial Valuation for FY 21 at a cost of \$6,000.

Ayes = 4
Nays = 0
Absent = 1

7. Action Item #4 – Eder Casela for the FY 21 Annual Audit.

The cost for the FY 21 Annual Audit by Eder Casela is \$6,100. This is an increase of \$200 from the previous year.

Motion: A motion was made by Carol Kidd and seconded by Kevin Davis to approve Eder Casela to perform the Annual Audit for FY 21.

Roll call: All Board Members present voted for Eder Casela to perform the Annual Audit for FY 21 at a cost of \$6,100.

Ayes = 4
Nays = 0
Absent = 1

8. Action Item #5 - Approve new members joining PHIP.

Limricc received applications from 11 public libraries interested in joining PHIP. 9 out of the 11 were approved by Aetna. 5 of those libraries would like to move forward and join PHIP in January 2022. The libraries are Limestone Township Public Library District, Morris Area Public Library, Morton Public Library, Nancy McConathy Public Library District and Peru Public Library. A total of 20 lives could potentially be added to PHIP. Each of the libraries signed the Intergovernmental Agreement and were confirmed and signed by Board President, Jenny Mills. Margie Tannehill will issue an invoice in December to the 5 libraries for medical and dental (self-insured plans) premiums, based on their respective open enrollment numbers, for a total of 2 months. This is a non-refundable payment.

Midlothian Public Library submitted written correspondence dated 8/18/21 with the intention of cancelling their relationship with PHIP effective 1/1/22. Their notice was received within the 90-day by-laws requirement. Midlothian will be billed through the end of the year as usual plus an additional 3 months run-out period from Jan–Mar 2022 for the self-insured medical and dental premiums based on their December invoice.

Motion: A motion was made by Carol Kidd and seconded by Carolyn Coulter to approve 5 public libraries joining PHIP in January 2022. The libraries are as follows: Limestone Township Public Library District, Morris Area Public Library, Morton Public Library, Nancy McConathy Public Library District and Peru Public Library.

Roll call: All Board Members present voted to approve 5 new public libraries to join the PHIP membership in January 2022.

Ayes = 4
Nays = 0
Absent = 1

9. Action Item #6 – Approve the 2022 PHIP Health Care Benefits Renewal.

Last year LIMRiCC moved from BCBS to Aetna offering the same medical and dental plans with no increase in premiums. The move from Guardian to The Hartford for life insurance increased coverage from \$25,000 to \$30,000, with premiums remaining the same. LIMRiCC is in a rate guarantee with The Hartford for basic and voluntary life insurance until 1/1/24. VSP vision remains the same for 2022 and has extended a rate guarantee for 2 years.

Aetna Dental is running high for a combined YTD loss ratio of 117%. Aetna DHMO did not increase their rates in 2021 even though their rates came in at approximately 2.5% higher than the previous year's plan. Assurance recommends LIMRiCC increases the DHMO rate by 2.5% to match what Aetna is billing LIMRiCC. Based on enrollments, the projected cost for DPPO is \$366,687. LIMRiCC's current premiums equate to \$358,872, coming in slightly lower than actual cost. Assurance recommends an increase of 5% to Aetna DPPO bringing the premium equivalent to \$376,944.

The claims report presented by Assurance included the BCBS run-out and Aetna claims for a truer picture of how the plan is running. PPO 1500 is running at 104%, PPO 750 is running at 99% and the HDHP at 92% loss ratio. HMO is running the highest at 139% loss ratio YTD. There are 4 large claims in HMO and 2 in PPO. The move to Aetna increased the stop loss from \$155,000 to \$160,000.

Aetna suggests a blended increase of 8.32% making the net projected increase annually to \$626,987. Assurance recommended a 9% increase for all medical. There are no changes to any of the plan designs for 2022. The Aetna projected plan cost for 2022 is 8M. The first installment of Rx rebates will be paid to LIMRiCC in September 2021 for the 1st quarter of 2021. The estimated total Rx rebate based on claims is 400K.

The Board agreed to increase the medical premiums for HMO by 10% and all PPO's by 9%. Dental HMO will increase 2.5% and dental PPO will increase 5%. There is no increase to the vision and life insurance plans. Rates will be rounded up to the nearest dollar for simplicity.

Effective January 2022, state legislation was signed indicating that all self-funded plans must offer TMJ (temporomandibular joint disorder) and CM (craniomandibular disorder) services including surgical and non-surgical treatment within their medical plan. Assurance recommends including the coverage on all plans.

Aetna is launching a Gene-Based Cellular Therapy (GCIT) network in January 2022. Aetna has researched quality and cost-efficient networks to manage extremely high-cost services. There is no charge for the program and it will be added to the 2022 benefits plan. Pre-

certification will be required and must be administered at approved locations. Currently there are no Illinois locations.

Aetna is providing a 50K credit for annual wellness for the 2022 and 2023 plan years. Assurance presented two options for improving the wellness program. The 1st option provided through Aetna, includes a \$50 incentive in the form of a gift card for a biometric screening through Quest Diagnostics along with the completion of an online health assessment. Both the employee and spouse are eligible to participate in the program. There is a small fee for the service that would be covered through the credit. The 2nd option is through Assurance with extras such as wellness webinars and virtual wellness fairs. The Board agreed to remain with Aetna, option #1, for the wellness program.

The benefits survey performed by Assurance came back with good results from member libraries. 78% of respondents were neutral to very satisfied with medical plans. HMO members reported the highest satisfaction. Dissatisfaction came from using Aetna customer service. 85% of respondents were neutral to very satisfied with the dental PPO network while 86% were neutral to very satisfied with dental HMO. Dissatisfaction with the dental plan was due to the low annual maximum amount covered. Vision benefits resulted in 95% neutral to very satisfied. Over 50% of respondents are interested in learning more about wellness. The board discussed offering an incentive such as a \$50 gift card next year encouraging more people to participate in the survey.

Motion: A motion was made by Jim Kregor and seconded by Carol Kidd to approve the 2022 PHIP Health Care Benefits Renewal. The renewal includes a 10% increase to medical HMO, 9% increase to medical PPO, 2.5% increase to dental HMO and 5% increase to dental PPO. There is no increase to vision and life insurance. LIMRiCC will remain with Aetna for their wellness program.

Roll Call: All Board Members present voted to approve the 2022 PHIP Health Care Benefits Renewal and increase in premiums for medical and dental as presented above. Vision and life insurance will remain unchanged. Aetna will provide the wellness program.

Ayes = 5
Nays = 0
Absent = 0

10. Discussion Item #1 – Advertising PHIP’s open membership.

The Board would like to advertise the opening of the PHIP pool to libraries throughout Illinois. Assuming LIMRiCC remains with Aetna, interested libraries should consider applying for the 2023 benefits year.

The Board agreed to a full-page advertisement in The ILA Reporter for December 2021 and a 2nd in March 2022 for a total cost of \$900.

L&A's marketing team will design a postcard to be sent to approximately 645 Illinois public libraries announcing the opening of PHIP for benefits year 2023. 2 separate mailings will be sent. The first mailing within the next couple of months and the other in February both addressed to the library director. The fee for the design and mailing will be nominal.

11. Discussion Item #2 - Assurance: Financial and other updates.

Assurance's financial update is included in Action Item #6 above. The 2022 increase in administrative fee will be covered by the Aetna Rx Rebate.

12. Discussion Item #3 – Lauterbach & Amen: Updates.

The LIMRiCC website requires updating noting that public libraries interested in joining PHIP can reach out to the LIMRiCC Administrator, Margie Tannehill at mtannehill@limriicc.org.

A Statement of Interest will be sent to member libraries for 2 retiring board members. The board will need to appoint 2 new board members. The term will run from 1/1/22 – 3/31/22. The notice will go out in early September and open for one week. If more than 2 candidates express an interest, the Board will need to hold interviews.

Agenda items for the Fall Meeting include 2022 Benefits Renewal, Wellness Program, Benefits Survey and New Memberships.

13. Business

No new business.

14. Closed Session (if required).

No closed session.

15. Next Board Meeting and location is scheduled for Tuesday, September 21, 2021 following the Annual Fall Meeting at 1:00 PM.

16. Adjournment

A motion was made by Carolyn Coulter to adjourn the meeting at 2:33 PM and seconded by Jim Kregor.

The meeting adjourned at 2:33 PM.

Minutes prepared by Margie Tannehill, Benefits Manager.

Approved





Carol Kidd, Secretary

Date