

**NOTICE FOR BOARD OF DIRECTORS MEETING**  
**LIMRiCC**  
**Meeting Minutes Tuesday, March 16, 2021**

Via videoconference in accordance with Section 7(e) of the Open Meetings Act (5 ILCS 120/7(e)), amended by Public Act 101-0640 (Government Emergency Administration Act) as a result of the State's disaster declaration regarding the COVID-19 pandemic and the Board President's determination that an in-person meeting is not practical or prudent.

1. Call to Order & Roll Call: Jennie Mills called the meeting to order at 1:02 PM.  
PRESENT: Jennie Mills, Director of Shorewood-Troy Public Library/LIMRiCC President; Kevin Davis, Administrator of the Messenger Public Library/LIMRiCC Vice President; Jim Kregor, Director of Finance and Human Resources of RAILS Library System/LIMRiCC Treasurer; Carol Kidd, Human Resource Manager of Des Plaines Public Library/LIMRiCC Secretary; Carolyn Coulter, Director of PrairieCat /LIMRiCC Trustee.
2. Introduction of Visitors / Public Comments  
The following people were present for the Board Meeting. Assurance Agency representatives: Maryann Mileto, Scott Remmenga and Ashton Wagner. Lauterbach & Amen, LLP representatives: Wes Levy, Shannon Healy and Margie Tannehill. Public visitors: Cheryl Matthews and Edith Craig from the St. Charles Public Library.
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 January 19, 2021.
  - c. Approval of the payment of bills from January 16 – February 16, 2021 (Exhibit B.1 – B.3) Business Services \$10,298.33, PHIP \$922,403.44 and UCGA \$3,601.33.
  - d. Approval of the payment of bills from February 17 – March 16, 2021 (Exhibit B.1 – B.2) Business Services \$10,913.56, PHIP \$586,402.01 and UCGA \$79,325.00.
  - e. Approval of Balance Sheet and Detail of Expenditures for January and February 2021 (Exhibit C.1 – C.6).

Motion: A motion was made by Jim Kregor and seconded by Kevin Davis to approve the Consent Agenda items a-e listed above.

Roll call: All board members present voted to approve the Consent Agenda.  
AYES - 5  
NAYS - 0  
ABSENT - 0

4. Action Item #1 – Approve the 2021 UCGA Unemployment Rates.

UCGA rates are determined by a look back period of 3 years for individual and pool experience. At the end of 2020 there were 33 member libraries in the pool with a deficit balance of \$235,000. In the prior year there were 33 members with a deficit balance of \$244,000 and in 2018, 30 members with a deficit balance of \$230,000. Although the pool experienced an increase in claims in 2020 of approximately \$100,000 over the prior year, the deficit did not increase. Taxable payroll decreased in 2020 by 3.5M. Last year the base rate was .31 with an increase in 2021 at .04%. A small multiplier was applied for members with a deficit balance as follows: \$0-\$10,000 at .1%, \$10,000 – \$30,000 at .25, \$30,000 and higher at .35%. Unless a library had a significant number of claims, the rates remained stable.

Motion: A motion was made by Carolyn Coulter and seconded by Kevin Davis to approve the 2021 UCGA Unemployment Rates.

Roll call: All board members present voted to approve the 2021 UCGA Unemployment Rates.

AYES - 5

NAYS - 0

ABSENT - 0

5. Discussion Item #1– Review of Preliminary Fiscal 2022 Budget.

PHIP revenue was below the FY21 budget due to a 10% increase in BCBS when projecting this year's budget. A 5% revenue increase for medical premiums is projected for FY22. The cash summary page reflects beginning cash balances, revenue and expenses in all 3 funds: Business Services, UCGA and PHIP. This is the first year of projections with deficits in all 3 funds. The Business Services Fund will end in a cash deficit and money will need to be transferred from the UCGA or PHIP fund. Alternatively, the Board can agree to collapse the fund and allocate administrative funds directly to UCGA and PHIP. The projected deficit amount is \$20,000 within the Business Services Fund for FY22. Reserves that are built up in the PHIP fund could be used. Another option would be to increase the administrative fee to \$8.00 or \$9.00, from the current \$6.00 per employee. The Board discussed formalizing an annual increase of 2-3%. The increase in administrative fee would take effect 1/1/22. An update to the FY22 budget will be made for the next Board Meeting scheduled for May 18<sup>th</sup>.

There was a discussion regarding LIMRiCC reserves being held within the IL Funds with an interest rate of .063. Wes Levy considered opening a CD with PMA and found the rate was not any better without a longer commitment. The Board agreed to leave the reserves in the IL Funds.

6. Discussion Item #2 – Opening the PHIP pool to new members.

The Board agreed to review and consider opening up the pool to new members. In order to determine if a potential member is a good or bad risk, Aetna will require a Health Risk Assessment (HRA) to be completed. The HRA should be completed by June so that Aetna has time to review for a 1/1/22 enrollment date. Aetna will assign a GRX, (risk factor number), that will determine what kind of risk the potential member would be for the co-op. The GRX score should be available in June/July. Additionally, the last 2 years of renewals will be requested from potential new members. There is no cost for Aetna to review new potential members. The Board should be able to approve any new memberships by August along with the cost to join so that a new potential member would have time to go back to their Board for approval to join PHIP.

There was a lengthy discussion about how a new member could join PHIP without adversely affecting LIMRiCC's built up reserves. The Board agreed that new members should be required to pay two months of premiums going directly into reserves.

The Board agreed to a Special Board Meeting on April 20<sup>th</sup> at 1:00 PM to discuss opening up the PHIP membership pool. A recommendation was made to increase the budget in legal fees for any changes that may be necessary in the by-laws and opening up the membership pool. Scott Remmenga suggested in an effort to avoid updating the by-laws via LIMRiCC's attorney, a Board Policy can be created for new member admission into PHIP.

7. Discussion Item #3 – Assurance: Financial and other updates.

BCBS run out claims were heavier in January at 112% loss ratio and lighter in February at 86%. BCBS will continue to decrease as member claims fall off. The remainder of the run-out period will be the cost of claims only. January had 1 large claim with BCBS that dropped off in February. A BCBS claim issue that was recently resolved may result in a bump in March claims.

The Aetna claims report through February 2021 does not include the BCBS run-out so it is not a true picture. The overall loss ratio is running at 51% and Rx at 37% of the claims. Currently there are no large claims filed with Aetna.

The Delta Dental run-out administration cost is for 3 months. After 3 months, any claims processed will have a \$15.00 administrative fee per claim. The claims report for Aetna Dental PPO is running at a 92% loss ratio.

Assurance reconciled the Aetna error reports thru February. As of March 1<sup>st</sup>, Margie Tannehill will review the reports with updates sent to Aetna. Aetna claims processing had 2 escalated claims that have been resolved and 3 negative experiences with customer service reported to supervisors.

Following up on Aetna's provider recruitment efforts particularly for dental, the Aetna team will begin recruitment in August to providers referred to by our members. In general, dental providers are reluctant to join networks. There were 18 behavioral health providers added to Aetna.

The Hartford had 48 Evidence of Insurability applications to review for participant requests to increase their life insurance benefit. 35 of these were approved, 9 declined and 4 are pending. The auto feed between Hartford and EE Navigator is possible through a data exchange, different from our Aetna feed. This would send data for all participating members on a weekly file feed. This is in a testing phase and will take a few months for connectivity to go live. Currently billing for The Hartford is done manually by Margie.

The Summary Plan Document for LIMRiCC's benefit plans will include a full update due to our carrier changes to Aetna and The Hartford. The Certificate Booklets for all lines of coverage will be included and should be available soon.

The Board agreed to move forward with 2021 HR/Employee Benefit Satisfaction Survey. This will be announced to members at the Spring Meeting.

8. Discussion Item #2 – Lauterbach & Amen: Updates.

A recent issue brought up by a LIMRiCC member regarding Teladoc services was that they were not recognizing LIMRiCC as a participant of the program. LIMRiCC's Aetna representative was contacted and the issue was resolved within a week.

LIMRiCC has been successful in meeting the 1-day turnaround time for payment of the Aetna medical claims due the 1<sup>st</sup> of each month.

There were 3 new libraries that inquired about joining PHIP: Itasca Library, Winnetka Northfield Public Library and Villa. Itasca Library has a 7/1 renewal and is currently with IPBC cooperative.

The LIMRiCC website was updated with Who Can Join to acknowledge that the Board is currently reviewing a new member application process. The Board advised to change the wording to read as follows. *Currently you must be part of a pool. The Board is reviewing a new member application process.*

Correspondence was sent in January to UCGA members advising them that there would not be a FY20 dividend payout. We did not receive any response from UCGA members as a result of that notification.

The Spring Meeting agenda includes an Aetna feedback/benefits survey, opening up the PHIP membership, how the pool is running and an Aetna representative to discuss various program available to our members.

The next Board Meeting is coupled with the Spring Meeting on Tuesday, 5/18. The Board Meeting will begin at 1:00 PM followed by the Spring Meeting via Zoom at 2:00 PM.

9. Business

No new business.

10. Closed Session (if required).

No closed session.

11. The next Board Meeting and Spring Meeting is scheduled for Tuesday, May 18, via Zoom. The Board Meeting will begin at 1:00 PM followed by the Spring Meeting at 2:00 PM.

12. Adjournment

A motion was made by Carol Kidd to adjourn the meeting at 2:06 PM and seconded by Carolyn Coulter

The meeting ended at 2:06 PM.

Minutes prepared by Margie Tannehill, Benefits Manager.

Approved

  
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Carol Kidd, Secretary

5-21-2021  
Date