

**SPECIAL BOARD OF DIRECTORS MEETING**  
**LIMRiCC**  
**Meeting Minutes Tuesday, August 2, 2022**  
**via Zoom**

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; Leandra Pottle, Human Resource Manager-Fountaindale Public Library District/LIMRiCC Vice President, Sharon Swanson, Finance Manager-RAILS Library System/LIMRiCC Treasurer and Carolyn Coulter, Director of PrairieCat /LIMRiCC Secretary.

2. Introduction of Visitors / Public Comments

The following people were present for the Board Meeting. Maryann Mileto, Scott Remmenga, Ashton Wagner, Danny Omiecinski and Emma Lewis from Assurance Agency. Shannon Healy and Margie Tannehill from Lauterbach & Amen, LLP,

Board Trustee: Richard Kong, Director from Skokie Public Library, joined in shortly after roll call.

3. Discussion #1– Benefits Renewal for 2023.

The 2021 Plan Year Rx Rebates were passed directly onto LIMRiCC from Aetna. It was estimated that LIMRiCC would receive \$400,000 but the actual amount was close to \$500,000.

A claims update thru June of 2022 includes the \$750 PPO running at a loss ratio of 87% / Rx at 32%, the \$1500 PPO at 99% / Rx at 26% and the HDHP at 101% / Rx at 24% of claims paid. The HMO is running very high at 147% loss ratio while Rx is making up 40% of the claims. There are 10 large claims over \$50,000. 2 claims have made the \$160,000 pooling level in which Aetna is now paying. The overall loss ratio is 105% / Rx at 31%. The dental PPO is running at 103% loss ratio.

Vision and Basic & Voluntary Life Insurance are in a rate guarantee until 1/2024. There will be no changes to either plan for 2023. One thing to note is that The Hartford increased their guaranteed issue amount from \$100,000 to \$150,000 for 2023. The Hartford is also opening up enrollment for all current LIMRiCC members to enroll in coverage up to the guaranteed issue without any medical questionnaire. Normally, enrolling to the maximum guaranteed issue amount without a medical history is only allowed during the new hire process.

The Dental HMO Plan is up for renewal. The increase is 11.38% or \$2,200 annual increase. An option to lower the increase would be to add a \$5 office copay. This option would reduce the increase to 7.4% or \$1,431.72 annual increase.

The Dental PPO admin fee remains at \$4.08 PEPM. The claims projection is \$46.34 PEPM. The total projected cost is \$376,940 with current premium equivalents at \$368,016 leaving the current premium equivalents at \$8,924 below the projected cost. Assurance recommends increasing the premiums to 4.81% bringing the plan above the projected cost. The blended increase for both HMO and PPO dental plans is 5.14% or 4.95% blended increase with a \$5.00 copay for HMO participants.

Aetna is requesting a blended increase for medical at 11.29% or \$884,771 annually to the projected cost. There is an IRS change to the HDHP design to increase the deductible to \$3,000 for an individual and \$6,000 for a family in 2023. Aetna will provide a \$50,000 wellness credit to LIMRiCC for 2023.

The fixed cost for admin fees and stop loss increased 5.77% or \$63,091 annually. The individual stop loss increased 9.1% or \$59,988 annually. The pooling level will remain at \$160,000. The aggregate stop loss increased by 9.18%. The expected claims increased 12.18% annually over current expected claim cost. The max claim liability increased 12.81% annually.

Assurance is proposing a change in the Rx formulary drug to Advanced Control Drug Formulary and add a specialty drug copay for PPO plans which would reduce the blended increase to 10.33% for an annual savings off the renewal of \$74,866.

LIMRiCC has 2 options for medical in the 2023 plan year.

(1) Make no change to the medical plan (except for the IRS increase to the deductible for HDHP participants). Aetna's projected cost for 2023 is \$8,724,470 with current premium equivalents at \$7,900,920 bringing the current premium equivalents at \$823,550 under projected cost. This would create an increase of premium equivalents at 11.03% bringing it to \$8,772,504.

(2) Implement Rx changes. Aetna's projected plan cost for 2023 \$8,649,604 with current premium equivalents at \$7,900,920 bringing the current premium equivalents \$748,684 under projected cost. This would create an increase of premium equivalents at 10.04% bringing it to \$8,696,252.

As of July 2022, LIMRiCC's current reserve balance is \$3,930,432. If option (1) is selected, the reserve balance max cost reached would be \$2,086,469. Option (2) would bring the reserve balance max cost reach to \$2,064,031.

The proposed Rx changes would change the specialty drug copay for PPO members from \$60 to \$100. A move to the Advanced Control Formulary would potentially impact 21 members based on current information. 15 of those members are on multi-source brands so there would be options for alternatives. 2 members would change their tier affecting their co-pay and 4 members drugs would be excluded (alternatives are available). By being excluded, there is no coverage unless it is medically necessary. A member can stay on the excluded drug if the prescriber calls into Aetna and lets them know it is medically necessary for their patient to stay on the medication. A question for Aetna is whether the cost would remain the same if the patient stays on the excluded drug. All impacted members and their physicians would be notified by Aetna prior to the formulary change.

Trustee Board Member, Richard Kong, suggested a casual forum for library directors to discuss what member libraries are offering for benefits and other best practices. Jennie Mills will send out a doodle poll to LIMRiCC directors for availability. Assurance can provide statistical information as to what libraries are offering their employees.

Added benefits for 2023 include Skin Cancer Screenings covered at 100% for members. HDHP members will be covered 100% after their deductible is met. LIMRiCC has the option to provide lodging and travel mileage for abortion services. Most of LIMRiCC's membership is in Illinois. The concern is for those members outside of Illinois. The option can be added at any time. The Board will continue the discussion and keep the option open of adding this.

As a result of the Benefits Survey and a request for added services by our membership, the BenefitHub Perks Program is a discount and rewards program that is available at no cost. It includes things such as pet insurance, ID theft and home & auto insurance.

Assurance recommendations for 2023 renewals are to implement the Rx change moving to the Advanced Control Formulary. Increase the PPO plans specialty Rx to \$100 copay and HMO to \$125. Add skin cancer screenings at 100% coverage for PPO and HMO plans (HDHP is not eligible). Renew the DHMO dental plan at 11.38% and 4.81% to DPPO. Open up enrollment with The Hartford for an increase in the guaranteed issue to \$150,000. Add the BenefitHub Perks Program.

4. Action Item #1 – Approve the benefits renewal for 2023.

The Board is in agreement to move to the Advanced Formulary Rx with a blended increase of 10% for all medical plans. Specialty drugs for HMO member will increase to \$125 and \$100 for PPO members. Add skin cancer screenings at 100% for PPO and HMO plans (HDHP is not eligible). Renew the DHMO dental plan at 11.38% and 4.81% to DPPO. Open enrollment for The Hartford at a guaranteed issue of \$150,000. Add the BenefitHub Perk Program.

Motion: A motion was made by Carolyn Coulter and seconded by Leandra Pottle to approve the benefits renewal for 2023 as noted above.

Roll call: All board members present voted to approve the benefits renewal for 2023 as noted.


AYES - 5  
NAYS - 0  
ABSENT - 0

5. New Business – Margie Tannehill received an inquiry from St. Charles Public Library inquired about process for terminating their relationship with LIMRiCC PHIP program.
6. Closed Session - none
7. The next Board Meeting is scheduled for Tuesday, 8/16/22 at 1:00 PM at Fountaindale Public Library District followed by the Fall Meeting at 2:00 PM.
8. Adjournment

The meeting ended at 2:15 PM.

Minutes prepared by Margie Tannehill, Benefits Manager.

Approved

  
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Jennie Mills, Board President

8-17-22  
\_\_\_\_\_  
Date