

FDAC EMPLOYMENT BENEFITS AUTHORITY

Board of Directors Meeting

Tuesday, March 3, 2015

11:30 a.m. – 3:00 p.m.

California Pharmacists Association

4030 Lennane Drive

Sacramento, CA

Call-in Number: 1-800-250-2600

Participant PIN: 451 9494

1215 K Street, Suite 940, Sacramento, CA

1364 Tavern Road, Alpine, CA

630 Second St. West, Sonoma, CA

5221 Deer Valley Road, Rescue, CA

7 Erba Lane, Scotts Valley, CA

37 Jones Street, Murphys, CA

Agenda

- | <u>Item</u> | | <u>Action</u> |
|-------------|---|--------------------|
| 1. | Call to Order and Introductions | |
| 2. | Approval of Agenda Items | Action |
| 3. | Public Comment
<i>At this time, members of the public may address the Board on any item that is not on the agenda. No action may be taken on items that are not on the agenda unless authorized by law. Comments are limited to three minutes per person.</i> | Discussion |
| 4. | Consent Calendar
<i>The Board will review and may approve the following:</i>
A. Minutes – December 12, 2014
B. January 2015 Financial Reports
C. Benefits Cards | Info/Action |
| 5. | Consultant Reports Info
<i>The FDAC EBA contract consultants will provide updates in their respective service areas.</i>
A. Gallagher
B. BRMS
D. David McMurchie
E. Smith Moore & Associates | Info/Action |
| 6. | Strategic Planning Committee Report
<i>The Strategic Planning Committee will review its progress to date with the Board, including a recommendation on the FDAC EBA's future relationship with current carriers.</i> | Info/Action |
| 7. | Contract Negotiations Committee Report
<i>The Contract Negotiations Committee will provide a report to the Board regarding the RFP process for TPA services, and may include a recommendation to enter into a contract for the period 2015 and beyond.</i> | Info/Action |

- | | | |
|------------|--|--------------------|
| 8. | Review Current TPA Contract
<i>The Board may discuss any expectations if a transition occurs from the current TPA from the termination of that contract on 6/30/2015, and how to seamlessly transition to a new TPA if selected.</i> | Info/Action |
| 9. | Director Comments | Information |
| 10. | Public Comments | Information |
| 11. | Election of Officers | Info/Action |
| 12. | Next Meeting | Info/Action |
| 13. | Adjourn | Action |

FDAC EBA Board of Directors Teleconference Meeting

December 16, 2014

In Attendance

Jean Moore, President (10:37 a.m.)
Dan Grebil, Vice President
Tom Keating, Treasurer
Steve Kovacs
Georgette Darcy

Consultants/Guests

Melissa Dixon, FDAC EBA Administrator
Sandy Goree, Controller
Bordan Darm, Gallagher
Kimberly McCloskey, BRMS
David McMurchie

Vice President Dan Grebil convened the meeting at 10:35 a.m. Vice President Grebil welcomed everyone and established a quorum.

Approval of Agenda Items

Director Tom Keating moved to approve the agenda; Director Steve Kovacs seconded and the motion passed unanimously.

Ayes: Tom Keating, Dan Grebil, Steve Kovacs, Georgette Darcy

Noes:

Absent: Jean Moore

Public Comment

There was no public comment.

Consent Calendar

Director Kovacs moved to approve the consent calendar, which included minutes from the last Board meeting and financial reports from November 2014. Director Keating seconded.

Ayes: Tom Keating, Dan Grebil, Steve Kovacs, Georgette Darcy

Noes:

Absent: Jean Moore

Approval of New Members

Broker Bordan Darm reviewed with the Board the two new agencies to join the FDAC EBA, Salida FPD and Meeks Bay FPD, both with an effective date of January 1, 2015. Director Kovacs move to approve the new members; Director Keating seconded. The motion passed unanimously.

Ayes: Tom Keating, Dan Grebil, Steve Kovacs, Georgette Darcy, Jean Moore

Noes:

Absent:

Request for Proposals for TPA Services

Administrator Melissa Dixon reviewed the draft Request for Proposals (RFP) with the Board, noting that it had been prepared by Bordan Darm and reviewed by the Contract Negotiations Committee. Director Keating moved to approve the RFP, and Vice President Grebil seconded. The motion passed unanimously.

Ayes: Tom Keating, Dan Grebil, Steve Kovacs, Georgette Darcy, Jean Moore

Noes:

Absent:

2013-14 Financial Audit

Controller Sandy Goree presented the 2013-14 financial audit to the Board, noting that the changes in broker and actuary contracts are having a positive effect on our net income. Vice President Grebil moved to receive and file the audit as presented; Director Kovacs seconded. The motion passed unanimously.

Ayes: Tom Keating, Dan Grebil, Steve Kovacs, Georgette Darcy, Jean Moore

Noes:

Absent:

Director Comments

Vice President Grebil requested an update on the open enrollment process. Bordan Darm replied that it went smoothly, however next year Gallagher will prepare two packets for each agency: one for the employer and one for the employee.

Next Meeting

The next meeting will be after the January 22, 2015 TPA proposal deadline. Administrator Dixon will poll the Board to determine the exact date and time.

Adjourn

Director Keating moved to adjourn the meeting at 10:59 a.m. Director Kovacs seconded.

Ayes: Tom Keating, Dan Grebil, Steve Kovacs, Georgette Darcy, Jean Moore

Noes:

Absent:

Respectfully submitted,

Melissa Dixon

FDAC EBA
Balance Sheet
As of January 31, 2015

	Jan 31, 15
ASSETS	
Current Assets	
Checking/Savings	
1005 · US Bank Business Checking	117,114.26
1020 · Money Market Account- MI3500	3,738.17
1030 · Margin Fund- MI3698	59,437.39
1040 · Reserve 7341 -(BRMS held)	109,856.45
1060 · Comerica- Money Market	
1060.10 · Market Value	
1060.01 · Cash, Money Funds, Bank Deposit	1,003.65
1060.02 · CD to 06/24/2015	110,000.00
1060.04 · CD to 09/16/2015	135,000.00
1060.06 · CD to 12/24/15	100,000.00
1060.08 · Cd to 03/25/2015	150,000.00
1060.99 · Unrealized Gain/Loss	-261.40
Total 1060.10 · Market Value	495,742.25
1060.98 · Accrued Interest	952.35
Total 1060 · Comerica- Money Market	496,694.60
Total Checking/Savings	786,840.87
Accounts Receivable	
1200 · Accounts Receivable	10,143.55
Total Accounts Receivable	10,143.55
Total Current Assets	796,984.42
TOTAL ASSETS	796,984.42
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
2000 · Accounts Payable	51,267.08
Total Accounts Payable	51,267.08
Other Current Liabilities	
2200 · Preliminary Reports Recon	-0.76
2700 · Unrealized Gain/Loss	261.40
Total Other Current Liabilities	260.64
Total Current Liabilities	51,527.72
Total Liabilities	51,527.72
Equity	
3000 · Reserves & Contingencies	50,000.00
3100 · Retained Earnings	654,469.84
Net Income	40,986.86

FDAC EBA
Balance Sheet
As of January 31, 2015

	Jan 31, 15
Total Equity	<u>745,456.70</u>
TOTAL LIABILITIES & EQUITY	<u><u>796,984.42</u></u>

FDAC EBA
Profit & Loss Budget vs. Actual
July 2014 through January 2015

	<u>Jul '14 - Jan 15</u>	<u>Budget</u>	<u>\$ Over Budget</u>
Ordinary Income/Expense			
Income			
4000 · INCOME			
4100 · Interest	1,186.34	1,956.00	-769.66
4300 · Premium Earnings	3,988,041.77	6,418,781.70	-2,430,739.93
Total 4000 · INCOME	<u>3,989,228.11</u>	<u>6,420,737.70</u>	<u>-2,431,509.59</u>
Total Income	<u>3,989,228.11</u>	<u>6,420,737.70</u>	<u>-2,431,509.59</u>
Gross Profit	3,989,228.11	6,420,737.70	-2,431,509.59
Expense			
6000 · EXPENSE			
6010 · Administration			
6014 · Administration Contract	35,000.00	60,000.00	-25,000.00
6016 · Third Party Administrator	61,240.00	102,058.63	-40,818.63
6018 · FDAC Subsidiary Fee	15,000.00	15,000.00	0.00
Total 6010 · Administration	<u>111,240.00</u>	<u>177,058.63</u>	<u>-65,818.63</u>
6040 · Bank Service Charges	53.50	125.00	-71.50
6100 · Board Meetings	1,024.06	2,750.00	-1,725.94
6150 · Broker	87,689.85	150,000.00	-62,310.15
6200 · Carrier Expenses			
6200.03 · Carrier Payments	3,734,218.04	6,010,547.19	-2,276,329.15
Total 6200 · Carrier Expenses	<u>3,734,218.04</u>	<u>6,010,547.19</u>	<u>-2,276,329.15</u>
6300 · Insurance			
6320 · E & O Insurance	1,376.19	1,400.00	-23.81
Total 6300 · Insurance	<u>1,376.19</u>	<u>1,400.00</u>	<u>-23.81</u>
6650 · Office Supplies			
6665 · Office	26.74	50.00	-23.26
Total 6650 · Office Supplies	<u>26.74</u>	<u>50.00</u>	<u>-23.26</u>
6700 · Operating Expenses			
6710 · Postage and Delivery	133.92	50.00	83.92
6715 · Printing and Reproduction	145.26	100.00	45.26
6720 · Staff Travel	0.00	200.00	-200.00
6730 · Telephone	474.91	700.00	-225.09
6735 · Storage	11.28	150.00	-138.72
Total 6700 · Operating Expenses	<u>765.37</u>	<u>1,200.00</u>	<u>-434.63</u>
6800 · Professional Fees			
6801 · Accounting	8,050.00	8,500.00	-450.00
6807 · Legal Fees	3,797.50	20,000.00	-16,202.50
Total 6800 · Professional Fees	<u>11,847.50</u>	<u>28,500.00</u>	<u>-16,652.50</u>
Total 6000 · EXPENSE	<u>3,948,241.25</u>	<u>6,371,630.82</u>	<u>-2,423,389.57</u>
Total Expense	<u>3,948,241.25</u>	<u>6,371,630.82</u>	<u>-2,423,389.57</u>
Net Ordinary Income	40,986.86	49,106.88	-8,120.02
Other Income/Expense			
Other Expense			
8050 · Unrealized Gain/Loss on Inv.	0.00		
Total Other Expense	<u>0.00</u>		
Net Other Income	<u>0.00</u>		
Net Income	<u><u>40,986.86</u></u>	<u><u>49,106.88</u></u>	<u><u>-8,120.02</u></u>

FDAC EBA
Profit & Loss
July 2014 through January 2015

	Jul 14	Aug 14	Sep 14	Oct 14	Nov 14	Dec 14	Jan 15	TOTAL
Ordinary Income/Expense								
Income								
4000 · INCOME								
4100 · Interest	163.12	163.08	155.16	157.38	152.31	213.63	181.66	1,186.34
4300 · Premium Earnings	530,553.79	547,016.55	546,393.12	601,240.49	555,201.57	581,231.92	626,404.33	3,988,041.77
Total 4000 · INCOME	530,716.91	547,179.63	546,548.28	601,397.87	555,353.88	581,445.55	626,585.99	3,989,228.11
Total Income	530,716.91	547,179.63	546,548.28	601,397.87	555,353.88	581,445.55	626,585.99	3,989,228.11
Gross Profit	530,716.91	547,179.63	546,548.28	601,397.87	555,353.88	581,445.55	626,585.99	3,989,228.11
Expense								
6000 · EXPENSE								
6010 · Administration								
6014 · Administration Contract	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	35,000.00
6016 · Third Party Administrator	8,527.00	8,611.50	8,581.50	8,866.50	8,816.50	8,838.00	8,999.00	61,240.00
6018 · FDAC Subsidiary Fee	0.00	0.00	0.00	0.00	0.00	0.00	15,000.00	15,000.00
Total 6010 · Administration	13,527.00	13,611.50	13,581.50	13,866.50	13,816.50	13,838.00	28,999.00	111,240.00
6040 · Bank Service Charges	23.50	5.00	5.00	5.00	5.00	5.00	5.00	53.50
6100 · Board Meetings	100.00	924.06	0.00	0.00	0.00	0.00	0.00	1,024.06
6150 · Broker	12,500.00	12,500.00	12,500.00	12,500.00	12,500.00	12,500.00	12,689.85	87,689.85
6200 · Carrier Expenses								
6200.03 · Carrier Payments	496,778.47	512,242.60	512,299.14	563,296.78	520,088.82	544,987.00	584,525.23	3,734,218.04
Total 6200 · Carrier Expenses	496,778.47	512,242.60	512,299.14	563,296.78	520,088.82	544,987.00	584,525.23	3,734,218.04
6300 · Insurance								
6320 · E & O Insurance	0.00	0.00	0.00	1,376.19	0.00	0.00	0.00	1,376.19
Total 6300 · Insurance	0.00	0.00	0.00	1,376.19	0.00	0.00	0.00	1,376.19
6650 · Office Supplies								
6665 · Office	0.00	0.00	0.00	0.00	0.00	0.00	26.74	26.74
Total 6650 · Office Supplies	0.00	0.00	0.00	0.00	0.00	0.00	26.74	26.74
6700 · Operating Expenses								
6710 · Postage and Delivery	0.00	2.88	124.63	1.92	0.00	4.49	0.00	133.92
6715 · Printing and Reproduction	0.00	8.44	135.04	1.32	0.00	0.46	0.00	145.26
6730 · Telephone	0.00	147.75	60.68	134.63	13.10	67.77	50.98	474.91
6735 · Storage	0.00	1.86	1.92	3.78	0.00	3.72	0.00	11.28
Total 6700 · Operating Expenses	0.00	160.93	322.27	141.65	13.10	76.44	50.98	765.37
6800 · Professional Fees								
6801 · Accounting	0.00	0.00	0.00	0.00	0.00	7,750.00	300.00	8,050.00
6807 · Legal Fees	0.00	0.00	1,788.50	465.50	0.00	1,543.50	0.00	3,797.50
Total 6800 · Professional Fees	0.00	0.00	1,788.50	465.50	0.00	9,293.50	300.00	11,847.50
Total 6000 · EXPENSE	522,928.97	539,444.09	540,496.41	591,651.62	546,423.42	580,699.94	626,596.80	3,948,241.25
Total Expense	522,928.97	539,444.09	540,496.41	591,651.62	546,423.42	580,699.94	626,596.80	3,948,241.25
Net Ordinary Income	7,787.94	7,735.54	6,051.87	9,746.25	8,930.46	745.61	-10.81	40,986.86
Other Income/Expense								
Other Expense								
8050 · Unrealized Gain/Loss on Inv.	0.00	0.00	0.00	0.00	0.00	227.59	-227.59	0.00
Total Other Expense	0.00	0.00	0.00	0.00	0.00	227.59	-227.59	0.00
Net Other Income	0.00	0.00	0.00	0.00	0.00	-227.59	227.59	0.00
Net Income	7,787.94	7,735.54	6,051.87	9,746.25	8,930.46	518.02	216.78	40,986.86

FDAC EBA
Profit & Loss
July 2014 through January 2015

	Jul '14 - Jan 15	Jul '13 - Jan 14	\$ Change	% Change
Ordinary Income/Expense				
Income				
4000 · INCOME				
4100 · Interest	1,186.34	1,025.47	160.87	15.69%
4200 · Miscellaneous Income	0.00	0.00	0.00	0.0%
4300 · Premium Earnings	3,988,041.77	3,997,685.22	-9,643.45	-0.24%
Total 4000 · INCOME	<u>3,989,228.11</u>	<u>3,998,710.69</u>	<u>-9,482.58</u>	<u>-0.24%</u>
Total Income	<u>3,989,228.11</u>	<u>3,998,710.69</u>	<u>-9,482.58</u>	<u>-0.24%</u>
Gross Profit	3,989,228.11	3,998,710.69	-9,482.58	-0.24%
Expense				
6000 · EXPENSE				
6010 · Administration				
6014 · Administration Contract	35,000.00	35,000.00	0.00	0.0%
6016 · Third Party Administrator	61,240.00	57,539.15	3,700.85	6.43%
6018 · FDAC Subsidiary Fee	15,000.00	0.00	15,000.00	100.0%
Total 6010 · Administration	<u>111,240.00</u>	<u>92,539.15</u>	<u>18,700.85</u>	<u>20.21%</u>
6040 · Bank Service Charges	53.50	67.50	-14.00	-20.74%
6100 · Board Meetings	1,024.06	1,402.92	-378.86	-27.01%
6150 · Broker	87,689.85	151,033.34	-63,343.49	-41.94%
6200 · Carrier Expenses				
6200.03 · Carrier Payments	3,734,218.04	3,756,180.00	-21,961.96	-0.59%
6200 · Carrier Expenses - Other	0.00	10,674.51	-10,674.51	-100.0%
Total 6200 · Carrier Expenses	<u>3,734,218.04</u>	<u>3,766,854.51</u>	<u>-32,636.47</u>	<u>-0.87%</u>
6300 · Insurance				
6320 · E & O Insurance	1,376.19	1,380.64	-4.45	-0.32%
Total 6300 · Insurance	<u>1,376.19</u>	<u>1,380.64</u>	<u>-4.45</u>	<u>-0.32%</u>
6650 · Office Supplies				
6665 · Office	26.74	0.00	26.74	100.0%
Total 6650 · Office Supplies	<u>26.74</u>	<u>0.00</u>	<u>26.74</u>	<u>100.0%</u>
6700 · Operating Expenses				
6710 · Postage and Delivery	133.92	14.93	118.99	796.99%
6715 · Printing and Reproduction	145.26	74.46	70.80	95.09%
6730 · Telephone	474.91	398.46	76.45	19.19%
6735 · Storage	11.28	105.21	-93.93	-89.28%
Total 6700 · Operating Expenses	<u>765.37</u>	<u>593.06</u>	<u>172.31</u>	<u>29.05%</u>
6800 · Professional Fees				
6801 · Accounting	8,050.00	7,750.00	300.00	3.87%
6804 · Consulting/Actuary	0.00	21,000.00	-21,000.00	-100.0%
6807 · Legal Fees	3,797.50	7,644.00	-3,846.50	-50.32%
Total 6800 · Professional Fees	<u>11,847.50</u>	<u>36,394.00</u>	<u>-24,546.50</u>	<u>-67.45%</u>
Total 6000 · EXPENSE	<u>3,948,241.25</u>	<u>4,050,265.12</u>	<u>-102,023.87</u>	<u>-2.52%</u>
Total Expense	<u>3,948,241.25</u>	<u>4,050,265.12</u>	<u>-102,023.87</u>	<u>-2.52%</u>
Net Ordinary Income	40,986.86	-51,554.43	92,541.29	179.5%
Other Income/Expense				
Other Expense				
8050 · Unrealized Gain/Loss on Inv.	0.00	986.40	-986.40	-100.0%
Total Other Expense	<u>0.00</u>	<u>986.40</u>	<u>-986.40</u>	<u>-100.0%</u>
Net Other Income	0.00	-986.40	986.40	100.0%

FDAC EBA
Profit & Loss
July 2014 through January 2015

	<u>Jul '14 - Jan 15</u>	<u>Jul '13 - Jan 14</u>	<u>\$ Change</u>	<u>% Change</u>
Net Income	<u>40,986.86</u>	<u>-52,540.83</u>	<u>93,527.69</u>	<u>178.01%</u>

MEMORANDUM

To: FDAC Board
From: Bordan Darm

RE: 2015 Strategic Planning Subcommittee Report

Members

- Georgette Darcy, Tom Keating, Melissa Dixon,
- Others participating: Bordan Darm, Carol Anderson, Kelly Furtado

Summary

The subcommittee met three times (01.26.15, 01.27.15 and 02.23.15) via webinar to hear reports from our existing vendor partners and outside vendors. The purpose was to:

- Review plan performance where available
- Allow vendors to tell us how they can better partner with us to help the FDAC EBA programs grow:
 - Number of plans to offer
 - Plan design consideration
 - For Medical
 - CalPERS benchmarked plans
 - High deductible plans (with or without HRA/HSA)
 - Full network versus narrowed network opportunities
 - ACO (Accountable Care Organization) opportunities
 - Where in the state they have a competitive advantage

The role of the subcommittee members was to:

- Determine what the value proposition for each carrier is for existing fire district members
- Understand their ideas for growth of the FDAC EBA programs
- Prepare recommendations for the full Board to consider



Meeting – Current Vendors 01.26.15 – Medical Carriers: Kaiser and Health Net

Plan Design and benefit offering: Bordan Darm presented a summary of FDAC EBA participation by plan (see the chart below).

2015	Premium Plan		Basic Plan	
Kaiser - HMO	Mbrs	Rate	Mbrs	Rate
Sub	34	\$ 563.86	0	\$ 549.13
Sub + 1 Dependent	13	\$ 1,127.72	0	\$ 1,098.26
<u>Sub + 2+ Deps</u>	<u>79</u>	<u>\$ 1,466.04</u>	<u>0</u>	<u>\$ 1,427.73</u>
Total	126	\$ 1,795,785	0	\$ -
Health Net - HMO	Mbrs	Rate	Mbrs	Rate
Sub	11	\$ 866.39	4	\$ 750.07
Sub + 1 Dependent	11	\$ 1,732.76	2	\$ 1,500.13
<u>Sub + 2+ Deps</u>	<u>25</u>	<u>\$ 2,252.59</u>	<u>7</u>	<u>\$ 1,950.14</u>
Total	47	\$ 1,018,865	13	\$ 235,818
Health Net - PPO	Mbrs	Rate	Mbrs	Rate
Sub	8	\$ 1,059.77	4	\$ 978.70
Sub + 1 Dependent	5	\$ 2,119.59	3	\$ 1,957.41
<u>Sub + 2+ Deps</u>	<u>7</u>	<u>\$ 2,755.45</u>	<u>12</u>	<u>\$ 2,544.62</u>
Total	20	\$ 460,371	19	\$ 483,869

Prior to meeting with the carriers, the subcommittee reviewed the current offering.

- **Rates:** While the Kaiser rates are competitive, the Health Net rates are non-competitive and an effort needs to be made to reduce the rates to a more competitive level.
- **Premium Plans:** The plan design was reviewed and determined to be essential for the FDAC EBA members and to complete with the CalPERS benefit offering.
- **Basic Plans:** Based on the limited enrollment in the Basic Plan (and the similarity in design to the Premium Plan), it was suggested that the subcommittee consider a different plan design.
 - Bordan suggested that a high deductible health plan with a funded health reimbursement account which would be dividend eligible for the Fire District and could contain a rollover provision for employees may be attractive for existing and new members.

The subcommittee met with and viewed presentations from both medical carriers.

- It was determined that Kaiser is an integral offering of the FDAC EBA and must be continued.
- Health Net showed narrowed network solutions which may be useful in southern CA.
- It was determined that meeting with outside vendors for consideration of possible replacement of Health Net should be explored.



Meeting – Current Vendors 01.27.15 – Dental, Vision, Life/AD&D, EAP Carriers: Delta Dental, MetLife, VSP, Standard and Horizon Health

The subcommittee met with and viewed presentations from Delta Dental, MetLife, VSP, Standard and Horizon Health. The subcommittee determined that the FDAC EBA is well served by these vendor partners and does not recommend any replacement. The subcommittee did find opportunities to improve the services and product offerings.

Delta Dental:

- Currently the PPO network for dental utilized is the Delta Dental Premier Network. Many of the members use providers who are also members of Delta Dental's PPO network which offers deeper discounts. The FDAC EBA is not taking advantage of this network and would be able to save additional funds even if they introduced a passive (no change from the existing in-network benefit) PPO benefit.
- Delta Dental would like to quote its DHMO product for 2016.
- The subcommittee recommended Delta Dental allow Fire Districts coming on with less than 25 employees to be eligible for the Orthodontia benefit.
- The subcommittee recommended that Delta Dental provide both a self-funded and fully insured quote for 2016.

MetLife:

- No changes are recommended for the MetLife DHMO.
- MetLife would like to quote their Dental PPO plan alongside Delta Dental.

Vision Service Plan (VSP):

- The subcommittee recommended VSP quote their safety eyeglass program for 2016. This would give members an additional eye glasses benefit for safety glasses for work.

The Standard:

- No changes are recommended for the Life and AD&D program.
- 64% Loss Ratio
- Gallagher recommends that we request program underwriting authority. This means that The Standard would agree to allow us to underwrite the Life/AD&D program. Specifically guarantee a minimum of savings (10%?) for new fire districts.

Horizon Health:

- Horizon Health provided utilization report which showed very low usage of the EAP program.
- Horizon Health recommended a communication / awareness campaign to increase utilization.

Meeting – Outside Vendors 02.23.15 – Medical Carriers: Anthem Blue Cross, Blue Shield of California and Western Health Advantage

The committee met and reviewed presentations from the outside vendors.

- Anthem Blue Cross and Blue Shield could provide statewide PPO coverage and full HMO coverage and narrowed network HMO coverage where available.
 - Both expressed deeper PPO discounts than Health Net.
- WHA showed value by demonstrating that a regional HMO can provide more affordable, comprehensive HMO coverage.





Recommendations:

- Medical
 - Prepare a full RFP to all potential medical carriers (regional carriers as well as statewide carriers).
 - Have them duplicate the current benefit design and show an option with a HDHP / HRA design.
 - Have them quote narrowed network / ACO plans
 - Quotes for January 1 won't be attainable until June, 2015. Recommend we ask the carriers to quote a July 1 illustrative quote, with the selected carriers updating their quotes for a January 1, 2016 date by June 15, 2015.
- All other lines of coverage pursue service, benefit and program enhancements as outlined in the report.
- Have all program updates and changes for January 1, 2016 by June 15th 2015.

The next steps

- Medical RFP:
 - March develop RFP and vendor list
 - End of March - Send out RFP
 - April write report and present RFP results
 - May award contracts
 - June update rates for a 1/1 effective date
 - May develop existing and new Fire District marketing material
- Non-Medical:
 - Work with carriers to implement changes by June 15th
 - May develop existing and new Fire District marketing material

