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TOWN OF SIMSBURY
INSURANCE COMMITTEE

MINUTES OF REGULAR MEETING
December 21, 2010

DRAFT

The meeting began at 7:30 AM. Attending were committee members Stan Cataldo, Nick Mason and Paul Mikkelson. David Holden, Board of Education Business Manager, Assistant Business Manager Burke LaClair, Bob Lindberg of Lindberg & Ripple and Carol Fitzsimons of CIRMA were also in attendance.

The minutes of the September 29, 2010 Insurance Committee meeting were unanimously approved.

PRESENTATION BY CIGNA INSURANCE

Brian P. Cuddeback and Kellie Zappone gave a presentation on implementing a wellness strategy as well as current CIGNA wellness programs. Only 2 employees took the CIGNA health assessment in the last 12 months. 32% of our CIGNA enrollees have logged onto mycigna.com, which is lower than the average % for their 30 Connecticut clients. Kellie stated that they also need to reach spouses and retirees who are not at the workplace regarding wellness initiatives. Paul Mikkelson asked how CIGNA is currently communicating with members. Routine mailings are not sent, but those who are identified as candidates for disease management receive a telephone call or a mailing. Regarding the concept of monitoring for possible "gaps in care" concerns, Simsbury has a 79% member compliance rate, which is better than the average of 71%. Likewise, Kellie said preventative screenings are strong in Simsbury.

CIGNA provided a list of "no cost" items for a wellness strategy along with sample wellness goals and objectives. Kellie suggested next steps including a monthly or quarterly focus. They are willing to sit down and coordinate these efforts with Connecticare.

EMPLOYEE BENEFITS UPDATE

Bob Lindberg reviewed FY2010-11 health claim activity through November, which was a good month. If favorable claims continue in December, he would estimate approximately 8-10% increase in premiums for FY2011-12. Dave Holden updated the committee on the results of collective bargaining changes with the teachers and administrator contracts resulting in additional % of employee healthcare premium contribution, including a new employee co-share of the dental premium, which had previously been 100% Board paid. Bob also reviewed the Early Retiree Reinsurance Program (ERRP) application status and estimates that we would start seeing some reimbursements in calendar 2011. Bob advised the committee that additional reporting requirements are coming as a result of the Patient Protection and Affordable Care Act (PPACA). February 1, 2011 is the target date for Lindberg and Ripple to provide the results of the market study for FY2011-12.

PROPERTY CASUALTY INSURANCE UPDATE

Carol Fitzsimons provided the committee with the LAP and WC experience through November 30, 2010. Paul Mikkelsen asked about the rate guarantee status and Carol stated that we are in the first year of a 3-year rate guarantee for LAP coverage, which means that Simsbury will have 9 years without an increase. At the committee's next meeting, Carol will provide a review of possible changes to the uninsured motorists coverage level, but stated that there is not much cost savings.

The meeting was adjourned at 9:00 AM.

David P. Holden, Business Manager
Simsbury Public Schools