

January 1 Insurance Pool  
**ADVISORY COMMITTEE MEETING**

July 25, 2022  
Virtual

**MINUTES**

- Present:** Jodi Coleman, Chair, McLeod/Sibley  
Jennifer Trostem, Vice Chair, Des Moines Valley Health & Human Services  
Jake Sieg, Lac qui Parle County  
Susan Skattum, Rock County
- Absent:** Rollie Nissen, Kandiyohi County
- Staff:** Doug Deragisch, Consultant  
Carli Bothun, Insurance/Wellness Specialist  
Randy Erdman, Director of Finance  
Bobbie Carmody, Administrative Assistant
- Guests:** Pete Stewart - Medica
- Item 1:** **Call to Order**  
Doug Deragisch called the January 1 Advisory Committee meeting to order at 10:01 am at the SWWC and virtually.
- Item 2:** **Selection of Chair/Vice Chair**  
Jodi Coleman volunteered to serve as Chair and Jennifer Trostem volunteered to serve as Vice Chair of the Advisory Committee. Selections of Chair and Vice Chair were approved as presented.
- Item 3:** **Agenda Approval**  
Motion by Susan Skattum, seconded by Jennifer Trostem, to approve the agenda as presented. Motion passed unanimously.
- Item 4:** **Approval of 7/27/21 Minutes**  
Motion by Jodi Coleman, seconded by Susan Skattum, to approve the minutes from the July 27, 2021, January 1 Advisory Committee meeting. Motion passed unanimously.
- Item 5:** **Committee Membership**  
Advisory Committee membership was discussed. A recommendation was made that groups with 50 or more contracts have one person serve on the Advisory Committee and small groups represented with a minimum of three members for a three-year term. Interested individuals will complete an online application form with members chosen by the SWWC Management Team and input from the Advisory Committee. For large groups, individuals recommended by the employer must be in a decision-making role within the group. Each large group will make their recommendation annually to SWWC.

Motion by Susan Skattum, seconded by Jodi Coleman, to approve Advisory Committee membership with groups of 50 or more contracts having one representative and small groups having a minimum of three representatives for a three-year term, effective immediately. Motion passed unanimously. Communication regarding membership will be emailed to group leaders.

**Item 6: Financial Report**

**6.1 Reserve Report**

The January 1 Insurance Pool reserve target report was reviewed as of 5/27/22. The RSR reserve totaled \$2,814,761 or 103% with combined total reserves equaling \$8,376,431 or 31% of total pool premium which falls within the 25-35% reserve target established by the SWWC Board of Directors.

**6.2 2021 Pool/MHC Settlement**

The 2021 MHC/SWWC January 1 Pool Settlement has been completed and had an excess IBNR calculation of \$947,304.50. It is being recommended to transfer the excess funds in the IBNR account to the RSR and fund the account to 112.58% which is within the 100-150% policy range. It was also noted no groups were eligible for excess premium refunds.

**Item 7: 2023 January 1 Insurance Pool Renewal**

**7.1 SWWC Pool (Large Group Formula)**

The 2023 Pool renewal formula was reviewed. The overall average needed increase is 18.9%. Discussion followed regarding groups with guaranteed rate caps, their effect on the pool formula, and how rate caps were calculated. Motion by Jake Sieg, seconded by Susan Skattum, to approve the 2023 January 1 Insurance Pool Renewal formula for 51 or more contracts at a minimum of 3.5% with a maximum of 19% for an overall pool increase of 9.7%, and use \$2,011,474 of pool assets to fund the renewal. Motion passed unanimously.

**7.2 Rate Caps**

Discussion was held regarding addressing rate caps for the 2023 renewal. Currently, SWWC is declining rate cap requests. Motion by Susan Skattum, seconded by Jodi Coleman, to not offer rate caps for the January 1, 2023, renewal. Motion passed unanimously.

**7.3 Annual Renewal Meeting – August 18**

A January 1 Insurance Pool Annual Renewal Meeting will be held on August 18 at the Redwood Area Community Center beginning at 10:00 am. Large and small groups will receive renewals and updates will be provided by Medica, WEX, and SWWC.

**Item 8: MN Healthcare Consortium Update**

**8.1 MHC Statewide Small Group**

Rates for small groups will be determined the week of August 1 and will be available to share at the August 18 renewal meeting.

**8.2 Medica and WEX Transition**

The Further to WEX transition for medical savings accounts is in process. Please reach out to Carli Bothun with any questions or concerns.

**Item 9: Medica Report**

**9.1 Benefit Clarifications for 1/1/23**

Pete Stewart, Medica, reviewed recommended benefit changes for January 1, 2023, which included home hospitalization, sleep studies, deductibles, applied behavioral analysis, therapy visit limits, infertility treatments, and others with basic terminology changes.

**9.2 Mayo Complex Care Benefit**

The Mayo Clinic Complex Care Program is available to members enrolled in the Medica Choice Passport Plan effective July 1, 2022. The program consists of customizable centers of excellence focused on right diagnosis and treatment plans for high-cost, high-risk employees, and dependents with complex or serious conditions. It includes expedited scheduling, condensed appointments, and employer-provided travel and lodging benefit and waiver of prior authorization. An outline of patients' identification and journey of the plan process was also shared.

**Item 10: SWWC Update**

**10.1 PCORI Fees**

PCORI fees are due July 31, 2022. Membership counts and fees were sent out via email in June.

**10.2 2023 Live Well/Incentive Program**

The 2021 Live Well Program is complete with 21 groups participating; \$69,941.30 Live Well dollars being reimbursed; and \$490,500 paid out in incentives. For 2022, total potential Live Well dollars is \$170,310.00 and \$1,215,500 for incentives for 52 groups. To date, 22 groups are participating with potential payout of \$142,030 in Live Well Dollars and \$1,014,500 in incentives. Motion by Jodi Coleman, seconded by Jennifer Trostem, to continue offering the 2023 Live Well Program at \$70.00/contract for combined program activities and screenings and \$500.00 for incentives, effective January 1, 2023. Motion passed unanimously.

**Item 11: Other/Adjournment**

An annual schedule of meetings is being developed. Once finalized, dates will be shared with the committee.

The meeting adjourned at 12:00 pm.