MINUTES OF THE CHURCHILL COUNTY INSURANCE ADVISORY COMMITTEE

155 N. Taylor St., Fallon, NV 89406
February 19, 2025

Call to Order:

The regular meeting of the Insurance Advisory Committee was called to order at 1:30 PM on February 19, 2025.

PRESENT:
Chair Shannon Perez
Vice Chair Lacie McAfee
Secretary Jill Manha
Member Kim Brontsema
Member Leslie Notestine
Member Wendy Bullock
ABSENT: Member Preston Denney

Verification of the posting of the agenda:

It was verified by Shannon Perez, Secretary, that the agenda for this meeting was posted on the 12th of February 2025, between the hours of 12:00 p.m. and 5:00 p.m. at all of the locations listed on the Agenda, in accordance with NRS 241.

Public Comment:

Chair Shannon Perez asked if there was any public comment but there was none.

Consideration and possible action re: Approval of Agenda as submitted or revised:

Motion made by Laciee McAfee to approve the Agenda as submitted, seconded by Wendy Bullock, passed unanimously.

Consideration and possible action re: Approval of Minutes of the meeting held on:

January 21, 2025
Motion to Approve: Lacie made a motion to approve the Minutes with revisions. The word "Ratios" should be changed in two places to say "Rations". Seconded by Kim, motion carries unanimously.

Review of Monthly Status Reports:

Tim explained about going to market for competitive rates and it's based on a 12-month trailing and the 12 months prior. There are 229 employees and 371 members, which is our employee cluster. The average monthly premium is $254,916 and will cost roughly $1113 per new employee. Medical claims for January were $290,771. RX claims resulted in a 143% loss ratio and accounts for 1/4 of the premium. Market competitors will look at the past 24 months and focus on medical and prescription claims. There is currently one reoccurring monthly claim with dialysis at 40k per month. 13 members made up $824,116 in claims. (15% of employees make up 85% of the claims.) The committee discussed the various ongoing conditions and how it relates to future claims and prescription costs. Some of the claims are permanent conditions that will continue to drive claims up. Lacie asked what the word "terminated" from the plan meant. Tim explained that they are terminated employees no longer covered by county insurance. Kim asked about the code CS and Tim explained that references the subscriber.

<u>New Business</u>:

A- Discussion regarding the renewal of medical, dental and vision insurance

Tim stated that it's a good time to go to market for dental and vision, as other companies will "be hungry" for our business. Medical is running at a 95% loss ratio and a renewal would be at least the upper teens, but he believes he could get Cigna to agree to 12%. However, he also recommends taking to market. Tim also explained that if Cigna comes out with a high rate, like 19%, they will lose business as other companies will come in with lower rates. Prescriptions are a huge consideration in the underwriting process. Lacie asked how they figure in long-term illnesses. Tim said they just blend it into the rates. Shannon asked what other companies would be good to consider for rural communities. Anthem, Cigna, UHH, Hometown Health, and Aetna. He does not want to ask Prominence. Tim said if we add supplemental coverage, it will be more attractive for companies bidding for the contract. This is similar to what Aflac offers, and can pay employees when they get critically ill or injured and are not able to come back to work right away. If you are hospitalized for more than 16 hours, they will pay you $1000 a day. How you become deductible, out-of-pocket, and the ratios. Cigna will react to competitive data. Kim asked what companies would be looking at. Time said demographics and other statistics. Tim said that if we could stay at 60% for two months, we would get competitive offers. Three weeks after the renewal is received, we can go to market. Tim talked to Cigna and asked for the renewal number. The written renewal will be provided with Tim prior to the next meeting. A lot of county Cigna members are currently on expensive medications. Tim went over the expensive medications that are reoccurring and noted that 39 people were on Ozempic and 219 members on thyroid medications, which are expensive reoccurring drugs. It was noted that dialysis is billed under medical care and not prescription. Concerns about our loss ratio for the next month were voiced by members. Tim suggested referring to the insurance budget for FY26 before making decisions. Last year we were budgeted at 10% and came in at 12%. Tim said that companies only bundle dental and vision with medical in the first year with significant savings, and then it's just another component at actual costs. Tim discussed hospital transport insurance, which is 100% employee paid. Being transported by helicopter is very expensive and is $350 per mile. The participation rate needed would only be about 4 people minimum. Tim confirmed that Banner would be included in transport services. Shannon explained that if we needed a special meeting to make a decision, we would do that. Rate increases are something the committee should think about for the employees as well as for the county. Rate increases may affect the cost of living increases. Tim stated that the county has an incredible plan and should use it as a recruiting tool. Shannon explained how the HSA plan works. Churchill County set the employer contribution rate to equal the same as the PPO employer contributions. Changing the deductible will help get a better rate. Raising the deductible to $2500 on the base plan will help considerably and drop the loss ratio.

Tim could get the loss ratio and the renewal from Cigna by the next meeting on 11th of March.

Motion made by Lacie McAfee for Tim Holland to obtain the renewal rate from Cigna by our next meeting, seconded by Wendy Bullock, motion carries unanimously.

General Discussion - other item pertinent to the Committee :

None

Consider and schedule future meeting dates (scheduled for March 18, 2025) and future Agenda items:

Next Meeting March 11, 2025 at 130 p.m.~

Future Items ~ Discussion and possible approval of Cigna renewal contract. Discussion and possible approval of going to market.

Public Comment:

Chair Shannon Perez asked if there was any public comment but there was none.

Adjournment:

The meeting was adjourned at 2:26pm.