

Northern Plains Insurance Pool

Minutes

June 21, 2016

Members Present:

Dean Christensen	Sheila Beermann	Gary Leighton	Sue Kurtz
Joel Jorgenson	Angela Arlt	Brice Christensen	Jerry Aberle
David Hutchison	Kristi Lewis	Thomas Cameron	

Others Present:

Jason Hubers	Merle Krull	Sarah Delaney
Samantha Thomas	Teagan Molden	

Chairman D. Christensen called the meeting to order at 10:01 a.m. on Tuesday, June 21, 2016 at Howalt+McDowell Insurance, Cherapa Place in Sioux Falls, SD.

Dean Christensen requested to add a 2.1 Financial Update to the agenda. Motion by Joel Jorgenson, second by Sheila Beermann to approve additional of 2.1 Financial Update and the agenda. All present voting in favor, motion carried.

Minutes from previous meeting motion to approve. Motion by Gary Leighton, second by Angela Arlt. All present voting in favor, motion carried.

Discussion Brice Christenson provided balance sheet through May 2016 and financial report update. Indicated some discrepancies with the Unum invoice and working with Sue Thompson to have everything straightened out. Confirmed Tea School District exiting the pool at the end of June.

Introductions made to the Board of Sarah Delaney's team and transition plan. Samantha Thomas and Teagan Molden provided their backgrounds and experience.

Discussion on timeline of when to go out for bid. Howalt+McDowell will build strategic timeline for the year to review at the summer strategy meeting in July.

Discussion on expectations for Howalt+McDowell. With MMA as consultant and the financial investment, would like action and items moving forward. Wish for total transparency going forward. Need membership to see movement and changes taking place.

Discussion regarding next steps. Goal to focus on educating schools on self-funding. Merle Krull and Samantha Thomas plan to visit schools during the month of August as part of the transition plan. Will meet as many schools face-to-face as possible. Discussion with Merle how often meeting with schools during the year. Confirmed try to touch each school once a quarter throughout the year.

Sarah Delaney will drive the pool. Discussion to confirm that Samantha Thomas the right person for Merle's transition. Board confirmed would like to move forward in this direction.

Discussion on how often the board would like to get together with Howalt+McDowell for meetings. Decided to schedule a monthly meeting with Howalt+McDowell's team. Teagan Molden will send out meeting invite looking at last two weeks of the month on a Tuesday or Thursday.

Conversation regarding Howalt+McDowell putting together a monthly newsletter that would include an update on what is being worked on, what is trending in the marketplace today, upcoming items for the pool, and any key items to be aware of.

Sarah Delaney provided update with utilization of Hitesman & Wold, P.A. and formalizing the Trust. Hitesman & Wold, P.A. is currently reviewing documents sent over including agreements, contracts, and organization documents. Howalt+McDowell's objective is to push to have this finalized as soon as possible. Do not need to involve Davenport Evans any longer with Hitesman & Wold engaged. If need to engage Davenport Evans, Howalt+McDowell will facilitate those discussions.

Discussion regarding VEBA. In past had been in place with Appletree. Howalt+McDowell will connect with Hitesman to confirm the importance of the VEBA. Believe the Trust will take the place of a VEBA.

Samantha Thomas provided update on name change submission to the IRS. Will continue to use current name until receive confirmation of IRS that the name change has been approved. Brice will connect with financial institution regarding the use of current checks and impact of name change in the future.

Howalt+McDowell to provide update on school final renewal options and if made any changes to current plan designs at July meeting.

Lake County discussion regarding rate increase and other insurance carriers being uncompetitive. Believe Lake County could be a potential candidate to join the pool in the future. Develop bylaws for pool to be wide enough to include cities and counties. Consider what this means as far as a board expansion and allowing additional representation at the table.

Discussion regarding the strategy for 2017 at a high level. Current primary focus for the next few months will be on putting the Trust in place, self-funded education, and health insurance carrier solutions.

Sarah Delaney facilitated discussion on ultimate vision for the pool. Discussed if the pool would like to strategize on a global level as a solution. Include ancillary coverage and workers compensation in the future strategy. MMA does have an education vertical built with existing documents that would be a total solution for the pool. Board believes makes sense to work toward an all-encompassing solution.

Discussion regarding ancillary coverage and future strategy. Self-funded dental and vision coverage would be easy to fund. Howalt+McDowell will reach out to Delta Dental, VSP, and Avesis to confirm current broker and potential options.

Sarah discussed future strategy to educate the pool and build confidence in the pool. With going out to bid, potential to develop a network strategy for pool with Avera and Sanford. Develop side by side of two health systems with future goal of educating members of why full access matters. When targeting potential school candidates that are already self-funded and on their own, buying power will come from the administration cost with TPA. Madison, Mitchell, and Watertown may be good prospects to target.

Discussion regarding financial strategy and how to prepare to fund the health plan. Has been a past discussion point. Do not wish to hold schools hostage. Objective is to develop strategy for how schools can enter and exit the pool with clear guidance on how a school will get their money back. Educate schools on tail coverage and financial investment. Consider building some type of vesting schedule for schools over a certain period of time.

Discussion regarding consolidation of health plan options with self-funding strategy. Offering a HSA health plan as one of the health plan options would be worth considering. Believe that offering dental, vision, and retiree coverage could soften the blow and encourage members to stay. First year of being self-funded will provide savings to allow an ancillary coverage strategy.

Discussion on actionable items to reengage schools in self-funding approach. Sarah, Sam and Teagan will work on education strategy for schools. Develop communication for each school to provide a consistent message of the strategy going forward, impact of health care reform, and reenergize the self-funding investment.

Board acknowledged this would be Joel Jorgenson's last meeting. Wished Joel all the best in his future endeavors. Board welcomed Tom Cameron to the Board.

Discussion regarding July summer strategy meeting. Confirmed July 14th at Howalt+McDowell Insurance with a 10 am start time. Teagan Molden will work on entertainment for that evening and send out meeting invite.

Motion made by Joel Jorgenson, second by Gary Leighton to adjourn at 11:59 a.m. All present voting in favor, motion carried.