

Oklahoma Higher Education Employees Interlocal Group

a/k/a OKHEEI Group

Minutes of Regular Meeting

State Regents
655 Research Parkway
Oklahoma City, Oklahoma

Thursday, October 5, 2017

10:00 a.m.

1. Announcement of Filing Meeting Notice and Posting of the Agenda in Accordance with the Open Meeting Act.

The OKHEEI Group Board of Trustees met in regular session at 10:00 a.m., October 5, 2017, at State Regents, 655 Research Parkway, Oklahoma City, Oklahoma. Notice of the meeting had been properly filed with the Secretary of State by December 15, 2016, and a copy of the Agenda posted by 10:00 a.m. on October 3, 2017, in compliance with the Open Meetings Act.

a. Call meeting to order

Chair Brenda Burgess (SWOSU) called the meeting to order at 10:07 a.m.

b. Attendance

The Following OKHEEI Board of Trustees were present:

Jessica Kilby, East Central University
Dennis Westman, Murray State College
Christy Landsaw, Northeastern State University
Anita Simpson, Northern Oklahoma College
Dr. David Pecha, Northwestern Oklahoma State University
Designee Kim Andrade, Redlands Community College
Designee Krista Norton, Rose State College
Sheridan McCaffree, Regional University System Administrative Office
Braden Brown, Seminole State College
Dennis Westman, Southeastern Oklahoma State University
Brenda Burgess, Southwestern Oklahoma State University
Patti Neuhold, University of Central Oklahoma

The following Trustees were absent:

Tricia Latham, Western Oklahoma State College

The following guests were present:

Whitney Popchoke, OKHEEI
Courtney Jones, Seminole State University
Justine Mankin, University of Central Oklahoma
Diane Fienberg, University of Central Oklahoma
Kathy Dunn, Rose State College
Ty Anderson, East Central University
April Nelson, Western Oklahoma State College – via iTV

Marjorie Roberson, Southeastern Oklahoma State University – via iTV
Debbie Maness, Southeastern Oklahoma State University – via iTV
Carrie Cox, NFP
Andrea Nguyen, NFP

c. Approval of minutes of 09.12.17 OKHEEI Special Board Meeting:

Braden Brown (SSC) made the motion, seconded by Patti Neuhold (UCO), to approve the minutes of the September 12, 2017 Special Meeting.

Voting for the motion:

Jessica Kilby, East Central University
Dennis Westman, Murray State College
Christy Landsaw, Northeastern State University
Anita Simpson, Northern Oklahoma College
Dr. David Pecha, Northwestern Oklahoma State University
Designee Kim Andrade, Redlands Community College
Designee Krista Norton, Rose State College
Sheridan McCaffree, Regional University System Administrative Office
Braden Brown, Seminole State College
Dennis Westman, Southeastern Oklahoma State University
Brenda Burgess, Southwestern Oklahoma State University
Patti Neuhold, University of Central Oklahoma

Voting against the motion: None

Abstaining: None

2. Discussion and possible action of eligibility for adult disabled dependents. Whitney Popchoke (OKHEEI)

Whitney Popchoke (OKHEEI) presented the adult disabled dependents handout. Based on legality, OKHEEI cannot allow active employee's dependents to go on the current UHC plan. This is also not recommended by NFP or RUSO legal. The handout states BCBS's current language regarding adult disabled dependents, including those medical conditions that are automatically approved for continuation of benefits.

The following questions should be considered:

1. Aside from new hires, can adult disabled dependents be added at any time, with proof of disability prior to the age of 26?
2. Aside from new hires, can adult disabled dependents be added if they were on the plan at one time, but not when they turned 26?
3. Will OKHEEI allow adult disabled dependents to be on the plan when they reach age 26, if they were not already on the plan?
4. For new hires/rehires, will OKHEEI require proof of adult disabled dependency status prior to age 26 in order to add this dependent to the plan?

Justine Mankin (UCO) stated that the IRS definition of a disability is a permanent and total disability such that the individual cannot engage in any substantial gainful activity because of physical or mental condition.

Patti Neuhold (UCO) mentioned that it is important that OKHEEI's definition should include the IRS definition of a disability in addition to BCBS's language.

Patti Neuhold (UCO) made a motion, seconded by Anita Simpson (NOC) to allow the addition of eligible Adult Disabled Dependents to OKHEEI's medical plan during Open Enrollment, eligible Qualifying Life Events (which only includes the loss of other group coverage as a dependent and does not include a significant premium increase), or as a New Hire. Aside from New Hires and eligible Qualifying Life Events, Adult Disabled Dependents are only eligible for continuation of insurance if they were enrolled in OKHEEI's medical plan when they turned age 26, regardless of whether they were on the plan at some point prior to age 26, but not when they actually turned 26. All New Hires/Rehires must provide proof of adult dependency status prior to age 26 for any Adult Disabled Dependents added to the plan.

Voting for the motion:

Jessica Kilby, East Central University
Dennis Westman, Murray State College
Christy Landsaw, Northeastern State University
Anita Simpson, Northern Oklahoma College
Dr. David Pecha, Northwestern Oklahoma State University
Designee Kim Andrade, Redlands Community College
Designee Krista Norton, Rose State College
Sheridan McCaffree, Regional University System Administrative Office
Braden Brown, Seminole State College
Dennis Westman, Southeastern Oklahoma State University
Brenda Burgess, Southwestern Oklahoma State University
Patti Neuhold, University of Central Oklahoma

Voting against the motion: None

Abstaining: None

3. Discussion and possible action of eligibility verification documents required for dependent verification for 2018. Whitney Popchoke (OKHEEI)

Whitney Popchoke (OKHEEI) mentioned that one institution would like to increase the number of required documents for any new dependents added to the plan in 2018. This will not affect the current dependent audits that everyone is completing by the end of the year.

UCO required two verification documents for spouses and stepchildren. They provided a list of additional items that they required for both:

Stepchildren:

- Birth Certificate AND Marriage Certificate required

Spouse:

- Marriage Certificate AND 1 of the following:

- Shared lease, mortgage, or deed
- Proof of joint bank account
- Driver's licenses listing shared address
- Copies of both tax returns (have to be most recent) listing shared address
- Proof of joint ownership of motor vehicle
- Joint responsibility for common household expense (shared utility bill, auto, or homeowner's insurance, phone bill, etc.)
- Military ID (UCO didn't require, but group thought should be added)

Patti Neuhold (UCO) made a motion, seconded by Sheridan McCaffree (RUSO) to require two forms of documentation for any newly added spouses and stepchildren beginning January 1, 2018.

Voting for the motion:

Jessica Kilby, East Central University
 Dennis Westman, Murray State College
 Christy Landsaw, Northeastern State University
 Anita Simpson, Northern Oklahoma College
 Dr. David Pecha, Northwestern Oklahoma State University
 Designee Kim Andrade, Redlands Community College
 Designee Krista Norton, Rose State College
 Sheridan McCaffree, Regional University System Administrative Office
 Braden Brown, Seminole State College
 Dennis Westman, Southeastern Oklahoma State University
 Brenda Burgess, Southwestern Oklahoma State University
 Patti Neuhold, University of Central Oklahoma

Voting against the motion: None

Abstaining: None

4. Discussion and possible action of OKHEEI DRAFT Plan Document. Whitney Popchoke (OKHEEI)

Whitney Popchoke sent out the first DRAFT of the OKHEEI Plan Document. Everyone needs to review the document and provide any edits and/or additions to Whitney prior to the November meeting so she can make updates and send to the group.

5. Discussion and possible action of the benefits effective and termination dates among the institutions. Whitney Popchoke (OKHEEI), Patti Neuhold (UCO)

Patti Neuhold (UCO) mentioned the handout that shows the various termination and effective dates for each OKHEEI institution. Most currently have benefits effective the first of the month following the date of hire and benefits terminate the end of the month of termination. Patti questioned if those that do not have these dates were willing to switch for consistency?

Brenda Burgess (SWOSU) stated that SWOSU is planning to change the benefits deduction method and termination/effective dates as of 1/1/18.

Dennis Westman (SE/MSC) stated that his institutions are open to the options and there is definite potential to make the update as of 1/1/18.

Jessica Kilby (ECU) and Dr. David Pecha (NWOSU) stated that their institutions could make this happen as of 1/1/18 as well, probably.

6. Discussion and possible action on implementing an incentive program for employees who identify errors on their medical EOB's from BCBS and/or statements from ZeroCard. Whitney Popchoke (OKHEEI), UCO Benefits Group

Whitney Popchoke (OKHEEI), Patti Neuhold (UCO), and Justine Mankin (UCO) discussed the idea of potentially implementing an incentive program for members that find errors (that weren't already found) on their BCBS Explanation of Benefits or their ZeroCard invoice. The idea is that members would then be encouraged to pay particular attention to the invoices/EOB's that they receive and learn how to read these documents. This will also educate members on making smart choices.

OMES has to approve incentive plans, but no one is sure if that is just safety wise or all incentive plans? Will there be any legal issues with this?

The incentive would be taxable. Since they are taxable, OKHEEI couldn't pay them out of the 790 account. The institutions may have to pay and then invoice OKHEEI for the incentive amount. This way the incentive cost is shared across the entire group. Would the ASA need to be updated?

Dennis Westman (SE/MSC) questioned the number of claims that have errors, so what would the potential payout be? NFP stated that approximately 97% of claims are billed correctly, if not more.

Wait until November meeting to discuss more. UCO looking into the legality and the state allowing OKHEEI to do this.

7. Discussion and possible action on companies for OKHEEI audit. Brenda Burgess (SWOSU)

Brenda Burgess (SWOSU) gave an update on the estimated cost for Crawford & Associates to conduct the internal audit and prepare the audit workpapers (\$15,000) and for Erledge & Associates to conduct the external audit (\$18,000). Does OKHEEI want to go out to bid for auditors or do we want to accept the estimated rates and auditors?

a. Discussion and possible action of company/auditor to prepare the audit workpapers.

Jessica Kilby (ECU) made a motion, seconded by Dennis Westman (SE) to accept the offer for internal audit and audit workpapers/preparation by Crawford & Associates for an estimated cost of \$15,000.

Voting for the motion:

Jessica Kilby, East Central University
Dennis Westman, Murray State College
Christy Landsaw, Northeastern State University
Anita Simpson, Northern Oklahoma College
Dr. David Pecha, Northwestern Oklahoma State University
Designee Kim Andrade, Redlands Community College

Designee Krista Norton, Rose State College
Sheridan McCaffree, Regional University System Administrative Office
Braden Brown, Seminole State College
Dennis Westman, Southeastern Oklahoma State University
Brenda Burgess, Southwestern Oklahoma State University
Patti Neuhold, University of Central Oklahoma

Voting against the motion: None

Abstaining: None

b. Discussion and possible action of company/auditor to perform audit.

Jessica Kilby (ECU) made a motion, seconded by Dennis Westman (SE) to accept the offer for external audit by Erledge & Associates for an estimated cost of \$18,000.

Voting for the motion:

Jessica Kilby, East Central University
Dennis Westman, Murray State College
Christy Landsaw, Northeastern State University
Anita Simpson, Northern Oklahoma College
Dr. David Pecha, Northwestern Oklahoma State University
Designee Kim Andrade, Redlands Community College
Designee Krista Norton, Rose State College
Sheridan McCaffree, Regional University System Administrative Office
Braden Brown, Seminole State College
Dennis Westman, Southeastern Oklahoma State University
Brenda Burgess, Southwestern Oklahoma State University
Patti Neuhold, University of Central Oklahoma

Voting against the motion: None

Abstaining: None

8. Discussion and possible action on how institutions pay for shipping of Open Enrollment booklets. Whitney Popchoke (OKHEEI)

All Open Enrollment Guides were delivered to the various institutions. Most were delivered by NFP, Whitney Popchoke, or a vendor. The remaining were mailed to the institutions. The question is how to pay for shipping for the delivery fees that weren't covered by the money given by American Fidelity.

Patti Neuhold (UCO) made a motion, seconded by Anita Simpson (NOC) that each institution should pay for their own shipping charges.

Voting for the motion:

Jessica Kilby, East Central University
Dennis Westman, Murray State College

Christy Landsaw, Northeastern State University
Anita Simpson, Northern Oklahoma College
Dr. David Pecha, Northwestern Oklahoma State University
Designee Kim Andrade, Redlands Community College
Designee Krista Norton, Rose State College
Sheridan McCaffree, Regional University System Administrative Office
Braden Brown, Seminole State College
Dennis Westman, Southeastern Oklahoma State University
Brenda Burgess, Southwestern Oklahoma State University
Patti Neuhold, University of Central Oklahoma

Voting against the motion: None

Abstaining: None

9. Benefit Coordinator's Report

November's OKHEEI meeting will have to be limited to 2 hours due to other meetings in the Regent's Conference Room.

10. Chair's Report

None

11. OKHEEI Board Member's Comments and Announcements

Anita Simpson (NOC) – Had OMES run an interest income report and only 3 institutions are currently receiving interest through OKInvest. They have earned \$2,000 in one month. The 3 are UCO, MSC, and NOC.

Everyone needs to make sure they have submitted the applications and acknowledgements through OKInvest. If they have already submitted, need to contact OMES to check on application.

12. New Business

a. None

13. Adjournment

Patti Neuhold (UCO) made a motion to adjourn, seconded by Dennis Westman (MSC).

Voting for the motion:

Jessica Kilby, East Central University
Dennis Westman, Murray State College
Christy Landsaw, Northeastern State University
Anita Simpson, Northern Oklahoma College
Dr. David Pecha, Northwestern Oklahoma State University
Designee Kim Andrade, Redlands Community College
Designee Krista Norton, Rose State College
Sheridan McCaffree, Regional University System Administrative Office
Braden Brown, Seminole State College

Dennis Westman, Southeastern Oklahoma State University
Brenda Burgess, Southwestern Oklahoma State University
Patti Neuhold, University of Central Oklahoma

Voting against the motion: None

Abstaining: None

Chair Brenda Burgess (SWOSU) adjourned the meeting at 11:22 p.m.