



EMPLOYEE BENEFITS TRUST MINUTES

September 19, 2023

I. CALL TO ORDER:

A meeting of the Centre County Employee Benefits Trust was held on September 19, 2023, in Room 146 of the Willowbank Building, Bellefonte, PA 16823. Trustees present were Commissioner Mark Higgins (Chair), Commissioner Amber Concepcion and Commissioner Dershem, County Administrator/Chief Clerk John Franek, and Controller Jason Moser. Also in attendance was Deputy County Administrator Natalie Corman, Human Resources Director Kristen Simkins, Employee Benefits Analyst Geri Sorgen, and Benecon Representatives Kathy Cook and James Heckler.

II. PUBLIC COMMENT:

The meeting was called to order at 1:03 p.m. by Commissioner Higgins.

III. MEETING MINUTES:

- a. A motion was made by Commissioner Dershem to accept the minutes from July 25, 2023. Motion was seconded by Commissioner Concepcion and unanimously approved.

IV. NEW BUSINESS:

- a. Benecon Claim Review-The meeting was turned over to Benecon representatives Kathy Cook and James Heckler to present a medical insurance claims review. They provided a booklet for reference in their discussion. Kathy explained that she has our updated executive claims review from Capital Blue Cross through the end of July 2023. Nothing has gotten better. Everything has increased since this time last year. Kristen had asked Kathy about cost of Highmark. Kathy said that Highmark and Capital Blue Cross discounts are comparable. The move to Highmark wouldn't change things too much. Commissioner Dershem asked what relationship Capital has with Penns Highland, since a facility will be coming to the area. Kathy was unsure. Kathy moved on to the pharmacy costs. Those costs have gone up as well. Centre County is not alone in the rising costs. She noted the number of members using diabetes drugs. James explained the pros and cons of the use of diabetes drugs for weight loss. Kathy explained Wegovy is considered a lifestyle drug and in most Counties under Highmark, they do not cover it. The County would need to indicate if

they did not want to cover it moving forward. James presented cost distribution totals. The claims costs were consistent until 2022, the aftermath of COVID and catching up on deferred care is part of this. In 2023, is on a similar trajectory. James explained provider contracts are now being negotiated for the first time post-pandemic. This will result in significant increases in health care costs. Commissioner Dershem asked about mental health expenses increasing since the pandemic. James said there has been increased utilization in mental health care. Telehealth specifically can help to deflate prices going forward. James moved on to stop loss claims summary. In 2022 the number of stop loss claims was 21, which was expected. In 2023 we are at 8 through July 31. Pre-COVID, the highest was 9. James moved on to explain the PCHIP claim fund performance report and lastly, the largest claimants by year. For the most part, the highest claimants change year to year. Commissioner Higgins asked about innovative solutions to mitigate increase in cost, one way, to bring some medical care in house. Kathy explained that deep conversations would need to be had with Benecon to implement that. Kathy noted you cannot have a HDHP if this was offered. Other cost saving options available are that employees should go to freestanding labs when possible. She is going to have County prescriptions analyzed to see if SwiftMD or Mark Cuban's Cost Plus Drugs prescription plan would benefit. If one of these options would work, we can talk about ways to incentivize using one of those types of plans.

- b. Plan Changes
 - i. The meeting was turned over to Human Resources Director, Kristen Simkins to explain to the EBT Board that the IRS has increased the HDHP deductible from \$1,500/\$3,000 to \$1,600/\$3,200 for 2024. The County would need to increase the current HDHP deductible in order to continue with that option in 2024. The Board agreed that the \$100 increase should be done for 2024. Likewise, there was discussion about the deductibles for the other two insurance plans. The Board felt that to keep it fair, the deductible for the \$1500/\$3000 plan should increase to the same as the HDHP and the \$250/\$500 plan should increase to \$300/\$600 for 2024. The deductible on the current \$250/\$500 plan has not been changed in many years.
 - ii. Kristen asked the Board if they want to continue with the current FSA maximum of \$2,000 for 2024, or if they wanted to increase it again this year? The IRS set FSA annual maximum is currently \$3,050. The Board would like to keep the current \$2,000 limit for 2024. She noted that the IRS HSA maximum is going up to \$4,150.
- c. Quest Contract Renewal-Kristen explained to the Board that the Quest Contract Renewal is expiring and asked if they wanted to renew it. This is no cost to the County and provides savings for employees who use Quest. The EBT Board would like to continue the contact with Quest.
- d. Aetna Renewal Rates-Kristen provided a packet of information about the Aenta renewal rates for 2024. She explained there are (5) five retirees left on the plan. The rate has increased by \$15.34 per month, per enrollee. Which is \$920.40 annually for

the retirees on the Medicare supplemental insurance. Kristen asked the EBT Board if they want to cover the additional cost of the Aenta insurance, or increase the retiree's contributions.

- i. On a motion by Commissioner Concepcion, seconded by Controller Moser, the Board voted unanimously to keep the Aenta retirees rates the same for 2024.*
- e. Delta Dental-Kristen presented the EBT Board with an updated Delta Dental administrative services contract that increases the reasonable and customary allowance for non-Delta Dental providers. This comes with no cost or fee increases.
 - i. On a motion by Commissioner Dershem, seconded by Commissioner Concepcion, the Board voted unanimously to approve the Delta Dental Administrative Services Contract.*

V. NEXT MEETING

- a. October 17, 2023 at 1:00 p.m.

VI. A motion was made by Commissioner Concepcion to adjourn the Employee Benefits Trust Meeting at 2:29 p.m. The motion was seconded by Controller Moser and unanimously approved.

Submitted By:
Geri Sorgen