

**EGYPTIAN AREA SCHOOLS EMPLOYEE BENEFIT TRUST
BOARD OF MANAGERS/EXECUTIVE COMMITTEE MEETING NOTES
CARLYLE, ILLINOIS
MARCH 20, 2013**

I. CALL TO ORDER:

A joint meeting of the Board of Managers and Executive Committee of the Egyptian Area Schools Employee Benefit Trust was held on Wednesday, March 20, 2013, at the Holiday Inn in Mt. Vernon, Illinois. In the absence of the Chair and Vice Chair of the Board, Trust consultant Tom Dahncke conducted the meeting. 175 people signed attendance sheets, including 161 representatives from 112 districts, 13 advisors and 1 guest.

Tom Dahncke explained that the primary focus of the meeting would be a presentation from the Trust's attorney, Ruth Hays, on the Affordable Care Act, following a brief report and recommendation from the Benefits Committee.

II. BUSINESS ITEMS:

A. Report from Benefits Committee.

Leo Hefner reported on behalf of the Benefits Committee. He reminded members that the Board approved a wellness incentive program at the December meeting. Members in the Platinum, Gold and Silver Plans can reduce the 2014 calendar year deductible by \$100 for the member and each covered dependent if the member participates in the program by designating a primary care physician, completing a health risk assessment, and obtaining a blood lab test and reporting the biometric test results to CHC. The blood test can be obtained from the member's own physician or from a Quest lab or districts may arrange for on-site screenings at schools. Members in the Bronze Plan can reduce the patient coinsurance by 10% if they participate in the program. Information about the wellness program requirements will be distributed to members shortly.

Leo stated that the Benefits Committee was not prepared to recommend premium rate increases but noted that the Trust has had a much better year than anticipated, improving the fund balance by about \$5.9 million over the fiscal year through February. The Committee is very sensitive to the financial demands on school districts and expects to be able to recommend lower rate increases than last year.

Leo reported that IASA, IASB and IASBO have developed and are now marketing the Illinois Schools Employee Benefits Consortium. This is a fully insured program so will have major differences from the Trust. Districts should evaluate the new plan very carefully before making any decision to move. Over the long term a self-funded program like the Trust should be able to maintain a lower premium structure. Leo stated that he and Tom Dahncke are available to assist districts in analyzing the benefits of the Trust and alternative insurance options.

Leo introduced Valerie Fish from Scrip World to explain the recommendation from the Benefits Committee regarding a change in benefits for smoking cessation products under the prescription

drug program. Valerie explained that the Plan currently covers certain smoking cessation drugs and products with specific individual lifetime dollar limits. The Benefits Committee recommends updating the smoking cessation benefit to comply with the Affordable Care Act by eliminating the dollar limits and substituting treatment/fill limits on approved smoking cessation products. Smoking cessation products fall in one of two treatment classes: (1) nicotine replacement products such as the nicotine patch, gum, lozenges, inhaler, nasal spray, and (2) prescription non-nicotine medications Zyban and Chantix. Under the proposal, the Plan would cover up to two 12-week treatment cycles (168 days) for products in each treatment class each calendar year. Over the counter products will be covered only with a prescription. The Committee recommends making this change effective retroactive to January 1, 2013.

Alison Boutcher (Mid-State Special Education) made a motion, seconded by Jeff Strieker (Bond County), to adopt the Committee's recommendation. Motion carried.

III. **PRESENTATION ON THE AFFORDABLE CARE ACT:**

Ruth Hays presented information and responded to questions about the Affordable Care Act (ACA), focusing on the "shared responsibility" provisions of the ACA as they apply to employers. In brief, beginning in 2014, "large employers" with 50 or more employees may face substantial tax penalties if they do not offer a health benefit plan to full-time employees that is "affordable" and provides "minimum value" coverage. Among other topics, the presentation included information about how to count employees for the 50 employee test, how to identify full-time employees, the requirements for "affordable" and "minimum value" coverage, how the tax penalties are calculated, as well as information about the new insurance options and federal subsidies that will be available to individuals who purchase insurance through state insurance exchanges or "marketplaces". Slides from the presentation were distributed to districts by e-mail following the meeting and are posted on the Trust's website at www.egtrust.org.

Liz Rogers advised that American Fidelity had two upcoming educational seminars on the ACA and invited members to make reservations to attend. She stated that American Fidelity is available to assist districts in analyzing their individual situations and developing options for complying with the ACA requirements.

IV. **NEXT MEETING AND ADJOURNMENT:**

The remaining meeting for the year is scheduled for Wednesday, May 8, 2013, beginning at 10:00 a.m. at Governor's Run in Carlyle.

There being no further business, the meeting was adjourned.

Respectfully submitted,

Ruth Hays

ATTENDANCE
March 20, 2013

Advisors and Guests:

Meritain – Karen Giles, Scott Giles
Coordinated Health Care – Cyndee Bronars, Sarah Simmons
ScripWorld/CVS – Valerie Fish, Don Bishop
Delta Dental – Deb Ulmer
American Fidelity – Elizabeth Rogers, Quinn Morrow
Optum Insight – Jim Drennan
Trust Consultants – Tom Dahncke, Leo Hefner
Husch Blackwell LLP – Ruth Hays
Bushue HR – Steve Bushue

District Representatives: 161 representatives from the following 112 districts attended the meeting.

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| A-C Central #262 – Becky Canty | Centralia City Schools #135 – Mike Middleton, Rita Carpenter, David Rademacher |
| Altamont #10 – Jeff Fritchtnitch, Melanie Thornton | Centralia #200 – Chuck Lane |
| Arthur-Lovington #305 – Travis Wilson | Christopher #99 – Richard Towers |
| Atwood-Hammond #39 – Kenny Schwengel, Audrey Fleener | Dieterich #30 – Cary Jackson |
| Bartelso #57 – R. Dane Gale | Dodds #7 – Craig Clark, Nikki Strain |
| Beck Area Career Ctr – Mark Stuart | Dongola #66 – Wendy Short, Janet Gladu |
| Belle Valley #119 – Joan McKay | Eastern Illinois Special Ed – Tony Reeley |
| Belleville #118 – Lindsey Schumacher, Ryan Borke | East Richland #1 – Larry Bussard |
| Belleville #201 – Rich Hodson, Brian Mentzer | Edwards County #1 – David Cowger |
| Belleville Area Special Svcs. – Brian Arteberry, Jeff Daugherty | Ewing-Northern #115 – Kristin Ing, Andrea Dungy |
| Benton HS #103 – Mary Blondi, Kelly Stewart, Ronda Suver | Fairfield #112 – Diana Zurliene |
| Bethel #82 – Craig Kujawa | Flora #35 – Bob Pierson |
| Bluford #114/Webber #204 – Kim McCormick | Four Rivers Special Ed #801 – Gina Eckhouse, Chris Pennell |
| Bond County #2 – Jeff Strieker | Franklin/Jefferson Special Ed – Lori McNeal |
| Breese #12 – John Mullett | Freeburg #77 – Andrew Lehman |
| Brownstown #201 – Adam Bussard | Germantown #60 – Robin Becker |
| Capital Area Career Ctr – Bob Klingborg | Grand Prairie #6 – Marlyn Altom |
| Carlyle #1 – Joe Novsek | Grant #110 – Matt Stines |
| Carmi-White Co #5 – Sally Wilderman, Brad Lee | Grayville #1 – Marlene Williams |
| Central #104 – John Bute | Hamilton County #10 – Jeff Fetcho |
| Central City #133 – Kyla Beaver, Tim Branon, Julie Beasley | Hardin #1 – Keith Reinhardt |
| | Harmony-Emge #175 – Elaine Hayden, Pam Leonard |
| | Herrin #4 – Rachel Wright |
| | Hoyleton #29 – Elaine Hemker |
| | Hutsonville #1 – Julie Kraemer |

Jacksonville #117 – Becky Dimmick, Lori Niemeier, Dana Kinley
JAMP Special Ed – Lee Ann Krempasky
Jasper County #1 – Dan Cox
Jasper Grade School #17 – David Mills
Kansas #3 – Leigh Ann Heltsley, Chris Long
Kell #2 – Christopher McCann, Kathy Birdsong
KSED #801 – Charlene Smith, Terry Burgener, Mary Kelso, Cassie Clark
Iuka #7 – Barbi Cleary
Marissa #40 – Jane Schaeffer, Denise Rushing
Martinsville #C-3 – Jill Rogers
Mascoutah #19 – Terry Gibbons
MidState Special Ed. – Alison Boutcher, Brenda Patrick
Millstadt #160 – Jon Green
Monroe Randolph ROE #45 – Tricia Bockhorn, Linda Schmidt
Mount Vernon #80 – Mike Green, Bea Nixon, Linda Crusier
Murphysboro #186 – Jan Bush, Debbie Glodo
Nashville #99 – Stefanie Bauza, Wendy Davis
Neoga #3 – Joanie Titus, Chuck Castle
New Athens #60 – Diane Schaefer
North Clay #25 – Monty Aldrich, Ben Farleigh, Cheryl Kuhlig
North Greene #3 – Marge Anderson, Les Stevens
North Wamac #186 – Diane Arnold, Brad Morris
North Wayne #200 – Joyce Carson
Oblong #4 – Jeff Patchett
Odin #722 – Steve Westrick
Opdyke-Belle Rive #5 – Debra Blakey, Elizabeth Bernard
Pana #8 – David Lett
Paris #4 – Lorraine Bailey
Perandoe Special Ed – Curt Wasson, Carol Root
Pinckneyville #50 – Tim O’Leary
Pope County #1 – Rob Wright
Racoon #1 – Matt Renaud
Red Hill #10 – Matt Seaton
ROE #12 – Crystal Smith
ROE #13 – Susanne Brand, Dave Erlinger
ROE #25 – Jane Brown
Salem #111 – Connie Graham, Joni Dorff

Salem HS #600 – Brad Detering, Milrea Flanigan
Sandoval #501 – Lisa VonderHaar
Selmaville #10 – Lisa Telford
Sesser-Valier #196 – Jason Henry
Shawnee #84 – Shelly Clover-Hill
Signal Hill #181 – Suzette Lambert
Smithton #130 – Steve York, Heidi Etling
South Central #401 – Ginny Keen
South Eastern Special Ed. – Lori Davis, Jill Keller Weems
St. Clair County ROE #50–Annabelle Gillespie
St. Elmo #202 – Deborah Philpot
Stewardson-Strasburg #5A – Steve Harsy
Teutopolis #50 – Myra Pruemer
Trico #176 – Cathy Roe
Tri-County Special Ed – Danna Fager, Renee Evans
Tuscola #301 – Jerri Quinn
Vandalia #203 – Rich Well
Wabash #348 – Cindy Bishop, Tim Buss
Wabash & Ohio Special Ed – Brad Blades
Waterloo #5 – James Helton, Karen Niederbrach, Marla Byrd
Wayne City #100 – Jeff Mitchell
Wesclin #3 – Paul Tockstein
West Frankfort #168 – Michelle Puckett, Keri White
West Washington #10 – Melinda Albers
Whiteside #115 – Monica Laurent, Andrea Weymouth
Willow Grove #46 – Dave Fults
Wolf Branch #113 – Denise Hoepker, Scott Harres
Wood River-Hartford #15 – Carol Elliott
Zeigler-Royalton #188 – George Wilkerson