

2921 Illinois Road
Wilmette, IL 60091
www.avoca37.org

847•251•3587
847•251•7742 Fax



Beth Dever
Chief School Business Official
deverb@avoca37.org

April 24, 2017

To: Dr. Jauch

From: Beth Dever *BD*

Re: Avoca Benefits Committee Summary

The Avoca Benefits Committee met four times this year. We reviewed and discussed the following topics that cover the district's health, life, dental, disability, flex and 403(b) & 457(b) plans:

- 1) Benefit Enrollment
- 2) Benefit Plans
- 3) Benefit Renewals
- 4) Financial Providers
- 5) Affordable Care Act
- 6) Benefit Communication
- 7) Wellness

Our committee reviewed our current enrollment in our benefit plans. Our health, dental, life, flexible spending, 457(b) and 403(b) plans had consistent participation while our disability plan participation percentage decreased. At our meetings, we also discussed our method for communicating information about benefits to staff. We will have our benefits representatives join me for a staff meeting at Avoca West and Marie Murphy in May.

Mel and Allison, our Gallagher Benefit Services representatives, met with us in April to explain the structure and benefits of EBC, to review our benefit plans and renewal premiums and to discuss cost savings programs that EBC is implementing. We also discussed the impact of the Affordable Healthcare Act in terms of reporting mandates and the Cadillac tax. At this time the Cadillac Tax has been postponed to January 1,

*"The Mission of the Avoca School District
is to maximize the unique potential
of each child we serve."*

2020. We will continue to monitor the District's exposure to this tax in the upcoming years. Our premium rate renewals were approved by the EBC board on March 15 as follows:

- 1) PPO – 8.5% increase
- 2) Life – 0% increase
- 3) Dental – 0.8% increase
- 4) HMO – 0.1% increase

We are now in the fourth year of EBC's wellness incentive program. Districts who have over 50% of their staff participate in the wellness screenings qualify for a .5% rebate in premiums. This year we used our Avoca Benefits Committee members to promote our screenings along with emails from myself and the nurses. We had a \$100 Fresh Market Gift Card raffle and provided a "grab and go" breakfast for all participants on the day of their screening. Overall, the district had a 61% participation in the wellness screenings. EBC calculates their participation using the number of participants divided by the number of employees covered by the health insurance plans. This calculation resulted in an 82% participation rate. Based on our participation, we will receive a rebate of \$7,348. The committee decided to use this rebate in the following way:

- Pay for screening day expenses of gift cards and grab and go breakfast
- \$50 Reimbursement towards a pair of athletic shoes (Only Spring 2017 wellness screening participants eligible)
- \$20 Gift card to Fresh Market (Only Spring 2017 wellness screening participants eligible)
- Provide a healthy catered lunch for all employees once a year
- Purchase resources to implement an "Action Based" program as required in the new EBC wellness program

While we focused primarily on increasing our participation levels to get the rebate, there are many reasons to get the screenings. We strongly encourage our employees to share the results of their screenings with their doctor whether the results are good or bad. We also encourage our employees to either "keep up the good work" or consider ways to improve their results and lead a healthier lifestyle. Employees greatly appreciate this benefit and concern for their health. Healthier employees may also benefit the district with a reduction in claims and absences. The new wellness program through EBC will require more effort on both the district

and staff to earn a rebate. I have attached a description of the new program for your reference. Our benefits committee will also act as the wellness committee. This will probably mean changing our meeting schedule to throughout the year versus in the winter and spring.

Our committee members this year were Andrea Bialk, Bruce Cook, Beth Dever, Emily Hargadon, Michelle Katz, Rob Malstrom, Kathi Meinzer and Sheryl Swibel. Please thank them for their service on our committee when you see them.

Thanks



EBC Wellness Program II

Effective Date: July 1, 2017

Package Checklist

Tier 1 - Biometric Screening Participation Incentive

1. Achieve 50% participation to get 0.25% of district's projected annual premium.
 2. First time districts: achieve 50% participation to get 0.5% of district's projected annual premium.
 - Bonus for districts achieving the threshold for the first time (*not eligible for Tier 3 under first time bonus*)
- ✓ *Participation percentage is based on total number of screenings (employee, spouse, and dependents age 18+) divided by the number of enrolled employees.*
- ✓ *One screening period per school year*

Tier 2 – Take Action by Implementing a Program (completion of Tier 1 required)

1. District must complete all items to get an additional 0.25% of the district's projected annual premium. (AJG can provide samples and resources to complete the items below).
 - Wellness Opportunities/Resources Assessment (only required the first year)
 - Senior Leadership Memo
 - Employee Wellness Interest Survey
 - Create wellness committee and hold at least three (3) meetings per year
 - Establish mission and (1) wellness goal
 - Implement an "Action Based" program and offer program to employees

EXAMPLES OF ACTION BASED PROGRAMS:

- Online education modules
- Physical activity program
- Nutrition program
- Stress management program
- Onsite seminars and activities (sports team participation, walking club, onsite fitness participation, etc.)



Tier 3— Beat the Trend (completion of Tier 1 & Tier 2 required)

1. Districts can get an additional .25% of the district's projected annual premium by outperforming their prior year's health trend or by remaining in the "Healthy" range according to Interactive's Health Index.

Interactive Health Index:

- Score of -20 to 0 (Healthy)
- Score of 1 to 25 (Moderately Healthy)
- Score above 25 (High Risk)

THE BELOW APPLY TO ALL TIERS

- Percentage of district's premium is based on final renewal projected numbers.
- Incentive is funded via working cash and sent directly to district. District has flexibility in how dollars are used.
- Payment to district for Tier 1 and Tier 2 will be completed by May and Tier 3 will be completed by September each year.