

Joint Powers Pool Board

A G E N D A

September 26, 2012

10:30 a.m.

City Hall

Room 402
large conference room

- Call to Order
- Approval of Minutes from July 11, 2012,
Meeting
- Treasurer's Report
- New Business
 - Delta Dental 2013 Premiums
 - Recommendation and Approval for
COBRA/Retiree Billing Third-Party
Administrator
 - Wellness Communication Strategic Plan
- Analysis of Claims by CBIZ
- Preliminary Premium Setting Discussion
- Next Meeting October 10, 2012 @ 9:30 a.m.
- City Hall 402 Conference Room



Income Statement

Through 08/31/12
Summary Listing

Organization	Organization Description	Annual Budget Amount	MTD Actual Amount	YTD Actual Amount	Budget Less YTD Actual	% of Budget	Prior Year Total Actual
Fund Category Proprietary Funds							
Fund Type Internal Service Funds							
Fund 630 - Medical Health							
REVENUE							
Department 036 - Insurance Accounts							
1650	Insurance - Administration	100,000.00	29,192.45	136,724.62	(36,724.62)	137	271,490.43
1651	Insurance - General City	9,196,000.00	786,478.26	6,213,412.54	2,982,587.46	68	8,050,065.57
1655	Insurance - HRA	725,700.00	59,551.82	474,930.99	250,769.01	65	629,986.91
1657	Insurance - DECC	445,300.00	37,774.79	298,369.31	146,930.69	67	382,007.05
1659	Insurance - Airport	319,300.00	24,795.42	208,327.49	110,972.51	65	282,643.40
1660	Insurance - City Retirees	9,448,000.00	891,724.17	6,495,903.74	2,952,096.26	69	8,394,422.09
1663	Insurance - COBRA	29,075.00	1,628.09	8,178.57	20,896.43	28	16,770.85
Department 036 - Insurance Accounts Totals		<u>\$20,263,375.00</u>	<u>\$1,831,145.00</u>	<u>\$13,835,847.26</u>	<u>\$6,427,527.74</u>	<u>68%</u>	<u>\$18,027,386.30</u>
REVENUE TOTALS		<u>\$20,263,375.00</u>	<u>\$1,831,145.00</u>	<u>\$13,835,847.26</u>	<u>\$6,427,527.74</u>	<u>68%</u>	<u>\$18,027,386.30</u>
EXPENSE							
Department 036 - Insurance Accounts							
1650	Insurance - Administration	295,000.00	6,666.67	183,464.25	111,535.75	62	416,361.13
1651	Insurance - General City	9,464,285.00	751,963.25	6,501,521.88	2,962,763.12	69	9,474,748.79
1655	Insurance - HRA	743,800.00	54,111.91	566,870.09	176,929.91	76	649,094.38
1657	Insurance - DECC	485,300.00	14,500.47	185,047.55	300,252.45	38	261,946.92
1659	Insurance - Airport	381,781.00	15,916.13	169,050.62	212,730.38	44	236,703.35
1660	Insurance - City Retirees	10,026,562.00	589,925.80	6,334,166.82	3,692,395.18	63	9,734,770.35
1663	Insurance - COBRA	33,432.00	223,072.93	225,520.79	(192,088.79)	675	33,506.80
Department 036 - Insurance Accounts Totals		<u>\$21,430,160.00</u>	<u>\$1,656,157.16</u>	<u>\$14,165,642.00</u>	<u>\$7,264,518.00</u>	<u>66%</u>	<u>\$20,807,131.72</u>
EXPENSE TOTALS		<u>\$21,430,160.00</u>	<u>\$1,656,157.16</u>	<u>\$14,165,642.00</u>	<u>\$7,264,518.00</u>	<u>66%</u>	<u>\$20,807,131.72</u>
Fund 630 - Medical Health Totals							
REVENUE TOTALS		<u>20,263,375.00</u>	<u>1,831,145.00</u>	<u>13,835,847.26</u>	<u>6,427,527.74</u>	<u>68%</u>	<u>18,027,386.30</u>
EXPENSE TOTALS		<u>21,430,160.00</u>	<u>1,656,157.16</u>	<u>14,165,642.00</u>	<u>7,264,518.00</u>	<u>66%</u>	<u>20,807,131.72</u>
Fund 630 - Medical Health Net Gain (Loss)		<u>(\$1,166,785.00)</u>	<u>\$174,987.84</u>	<u>(\$329,794.74)</u>	<u>\$836,990.26</u>	<u>28%</u>	<u>(\$2,779,745.42)</u>
Fund Balance - Beginning		<u>4,876,328.75</u>		<u>4,876,328.75</u>			<u>7,656,073.17</u>
Fund Balance - Ending		<u>3,709,543.75</u>		<u>4,546,534.01</u>			<u>4,876,328.75</u>

CITY OF DULUTH COMPARISON OF HEALTH INSURANCE CLAIMS

Last 5 Years

MONTH	MEDICAL CLAIMS					DRUG CLAIMS					CURRENT YEAR TOTAL
	2008 CLAIMS	2009 CLAIMS	2010 CLAIMS	2011 CLAIMS	2012 CLAIMS	2008 DRUGS	2009 DRUGS	2010 DRUGS	2011 DRUGS	2012 DRUGS	
JANUARY	888,408.55	827,666.65	801,436.77	1,234,669.69	1,100,449.57	355,697.16	389,124.56	335,446.06	331,655.32	380,509.58	1,480,959.15
FEBRUARY	863,222.32	1,067,061.73	977,792.41	678,161.83	1,222,880.65	358,927.20	340,880.69	303,838.61	330,489.79	361,178.61	1,584,059.26
MARCH	793,219.61	1,290,192.70	1,148,186.40	949,937.52	1,359,088.68	364,444.39	380,512.46	357,544.97	365,427.67	371,024.67	1,730,113.35
APRIL	1,048,479.37	915,593.34	1,215,446.70	1,327,399.31	1,453,292.68	358,099.80	392,631.97	346,143.11	342,566.68	368,588.37	1,821,881.05
MAY	1,161,418.71	1,019,277.90	702,635.26	1,134,964.13	1,334,579.59	353,874.37	373,346.72	327,234.36	381,380.26	430,286.34	1,764,865.93
JUNE	1,059,711.97	1,205,329.29	1,304,337.72	1,265,561.60	1,248,652.10	358,405.78	368,877.95	340,637.60	351,733.92	369,188.99	1,617,841.09
JULY	1,033,839.80	955,162.92	1,010,845.69	1,297,361.73	1,219,884.23	351,703.29	392,202.73	364,114.39	346,092.46	369,026.05	1,588,910.28
AUGUST	956,377.80	915,279.37	1,042,775.55	1,169,698.92	983,419.56	347,815.20	375,615.25	335,099.46	372,221.79	393,628.85	1,377,048.41
SEPTEMBER	873,659.98	860,647.02	910,166.98	1,243,901.47	0.00	368,738.02	388,341.38	313,318.44	392,179.25	0.00	0.00
OCTOBER	863,499.09	1,166,014.52	1,348,344.90	1,944,341.14	0.00	372,829.47	384,519.32	330,875.83	347,749.90	0.00	0.00
NOVEMBER	1,253,679.96	1,291,212.94	1,313,610.84	1,235,709.23	0.00	333,680.21	368,163.32	355,540.72	379,396.77	0.00	0.00
DECEMBER	963,969.48	1,585,589.06	1,469,666.01	1,253,016.54	0.00	391,372.36	448,743.95	345,656.11	357,759.00	0.00	0.00
YTD Subtotal*	7,804,678.13	8,195,563.90	8,203,456.50	9,057,754.73	9,922,247.06	2,848,967.19	3,013,192.33	2,710,058.56	2,821,567.89	3,043,431.46	12,965,678.52
Annual Total	11,759,486.64	13,099,027.44	13,245,245.23	14,734,723.11	9,922,247.06	4,315,587.25	4,602,960.30	4,055,449.66	4,298,652.81	3,043,431.46	
STOP-LOSS	-377,010.00	-115,382.00	-80,417.00	-202,550.88	-72,578.01						
	11,382,476.64	12,983,645.44	13,164,828.23	14,532,172.23	9,849,669.05						
YTD Average*	975,584.77	1,024,445.49	1,025,432.06	1,132,219.34	1,240,280.88	356,120.90	376,649.04	338,757.32	352,695.99	380,428.93	
Annual AVG w/SL	948,539.72	1,081,970.45	1,097,069.02	1,211,014.35	1,231,208.63	359,632.27	383,580.03	337,954.14	358,221.07	434,775.92	
MEDICAL CLAIMS YTD						DRUG CLAIMS YTD					
2012	9,922,247.06					2012	3,043,431.46				
2011	9,057,754.73					2011	2,821,567.89				
	864,492.33						221,863.57				
		9.54% INCREASE						7.86% INCREASE			

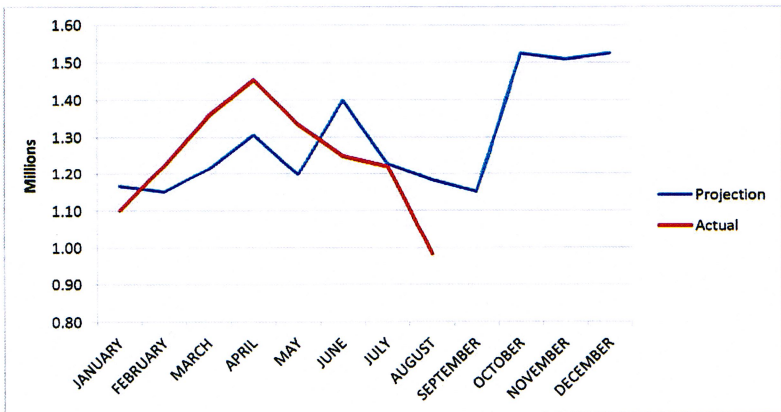
* YTD for previous years is based on number of months of current year.

CITY OF DULUTH

YTD TOTAL MEDICAL CLAIMS COMPARED TO PROJECTED MEDICAL CLAIMS

MONTH	YTD PERCENT		YTD PERCENT	
	PROJECTED	ACTUAL	PROJECTED	ACTUAL
JANUARY	1,165,690.35	1,100,449.57	7.5%	7.1%
FEBRUARY	1,150,147.81	1,222,880.65	7.4%	7.9%
MARCH	1,212,317.96	1,359,088.68	7.8%	8.7%
APRIL	1,305,573.19	1,453,292.68	8.4%	9.4%
MAY	1,196,775.43	1,334,579.59	7.7%	8.6%
JUNE	1,398,828.42	1,248,652.10	9.0%	8.0%
JULY	1,227,860.50	1,219,884.23	7.9%	7.8%
AUGUST	1,181,232.89	983,419.56	7.6%	6.3%
SEPTEMBER	1,150,147.81	0.00	7.4%	0.0%
OCTOBER	1,523,168.72	0.00	9.8%	0.0%
NOVEMBER	1,507,626.19	0.00	9.7%	0.0%
DECEMBER	1,523,168.72	0.00	9.8%	0.0%
YTD SUBTOTAL	15,542,538.00	9,922,247.06	100.0%	

2012 PROJECTED MEDICAL CLAIMS 15,542,538.00

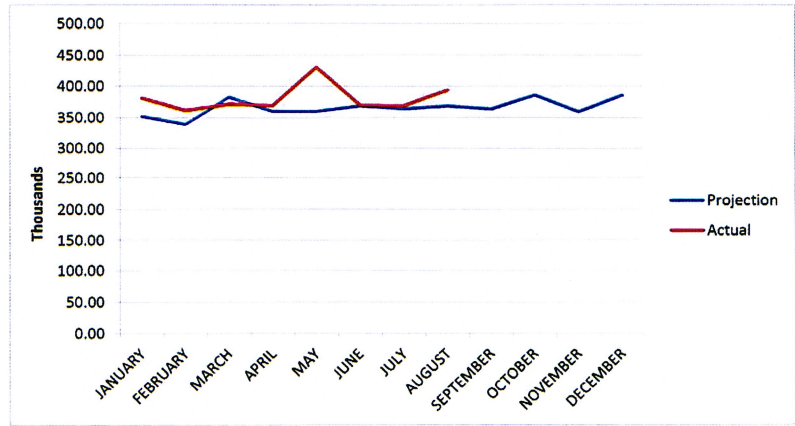


CITY OF DULUTH

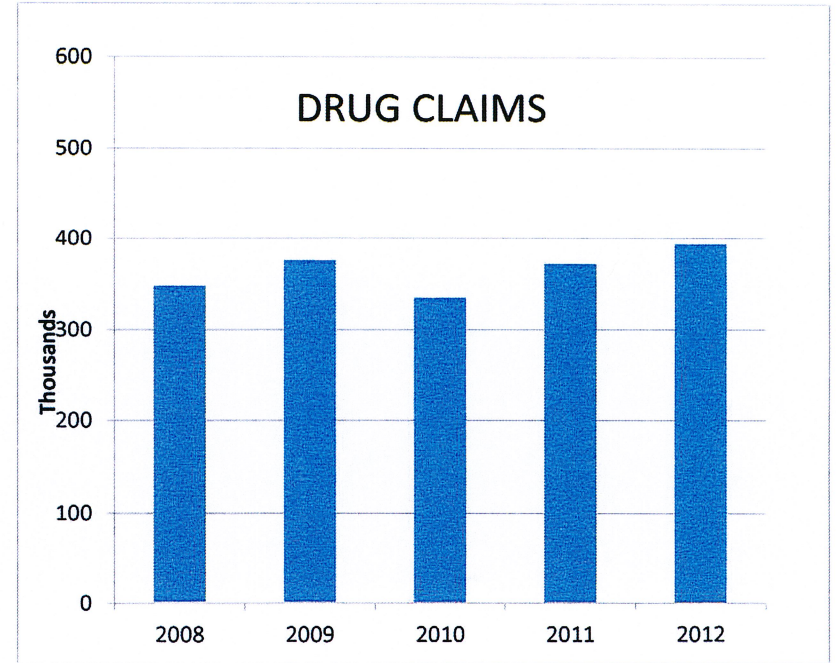
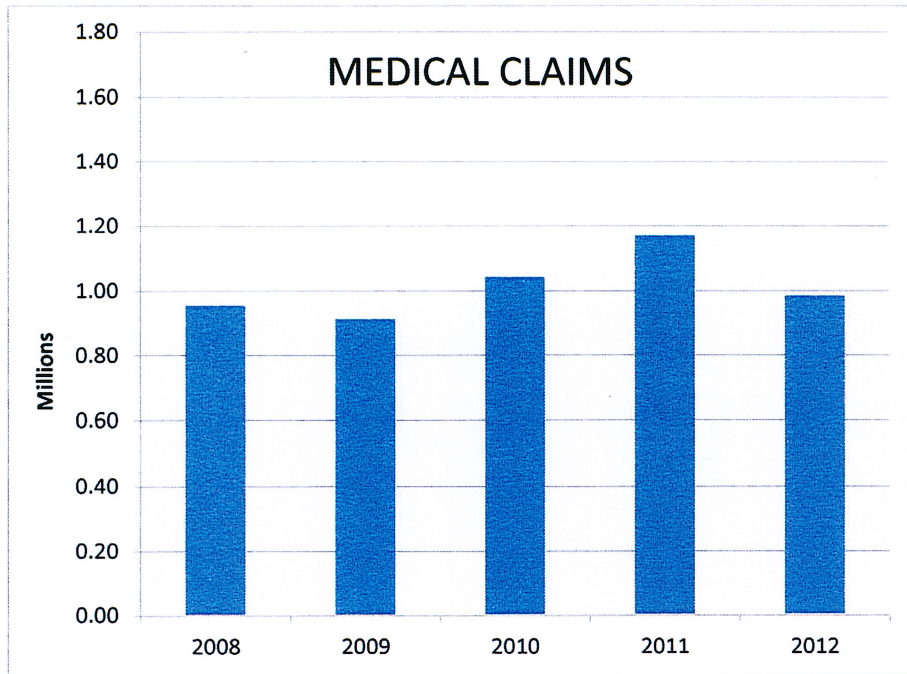
YTD TOTAL DRUG CLAIMS COMPARED TO PROJECTED DRUG CLAIMS

MONTH	YTD PERCENT		YTD PERCENT	
	PROJECTED	ACTUAL	PROJECTED	ACTUAL
JANUARY	350,708.40	380,509.58	8.0%	8.7%
FEBRUARY	337,556.84	361,178.61	7.7%	8.2%
MARCH	381,395.39	371,024.67	8.7%	8.5%
APRIL	359,476.11	368,588.37	8.2%	8.4%
MAY	359,476.11	430,286.34	8.2%	9.8%
JUNE	368,243.82	369,188.99	8.4%	8.4%
JULY	363,859.97	369,026.05	8.3%	8.4%
AUGUST	368,243.82	393,628.85	8.4%	9.0%
SEPTEMBER	363,859.97	0.00	8.3%	0.0%
OCTOBER	385,779.24	0.00	8.8%	0.0%
NOVEMBER	359,476.11	0.00	8.2%	0.0%
DECEMBER	385,779.24	0.00	8.8%	0.0%
YTD SUBTOTAL	4,383,855.00	3,043,431.46	100.0%	

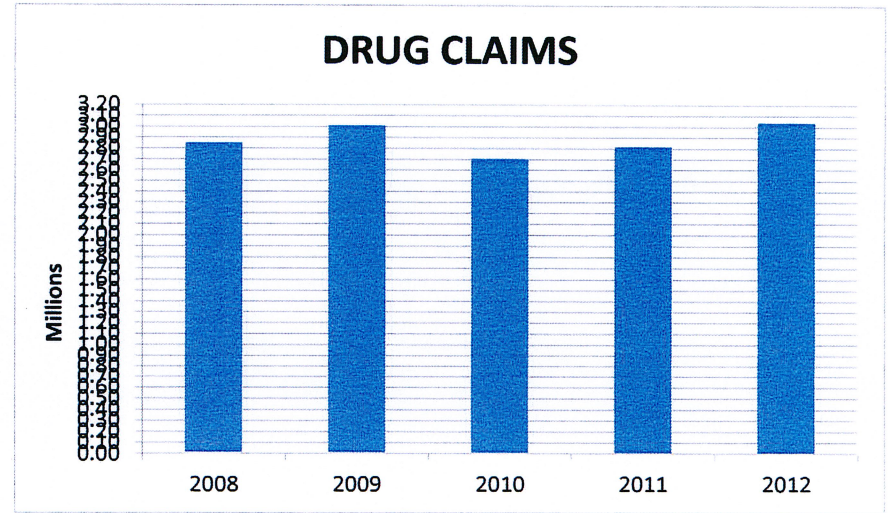
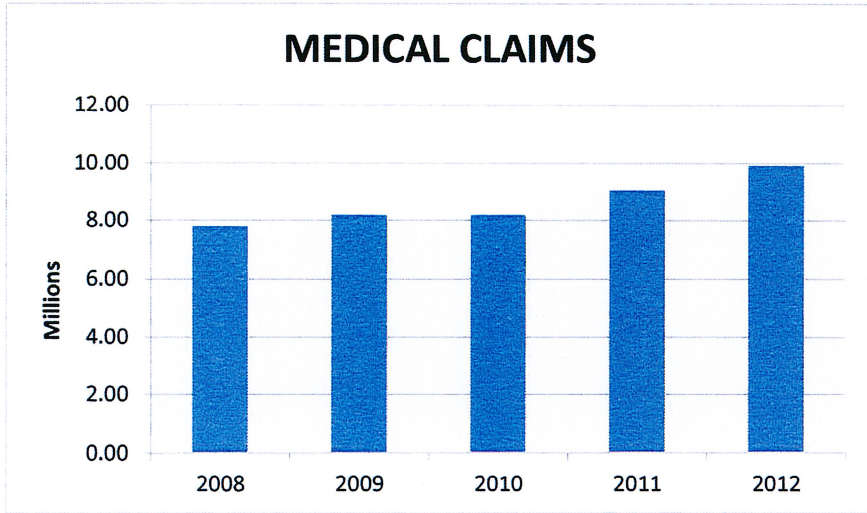
2012 PROJECTED DRUG CLAIMS 4,383,855.00



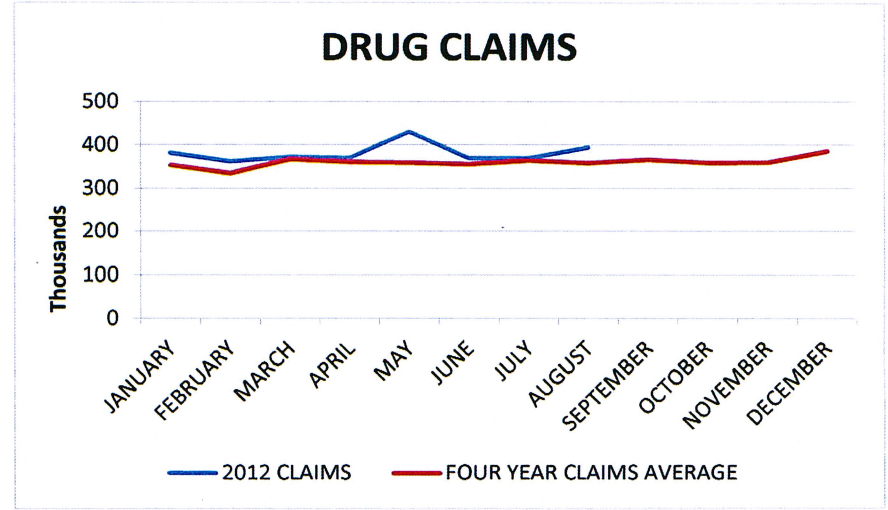
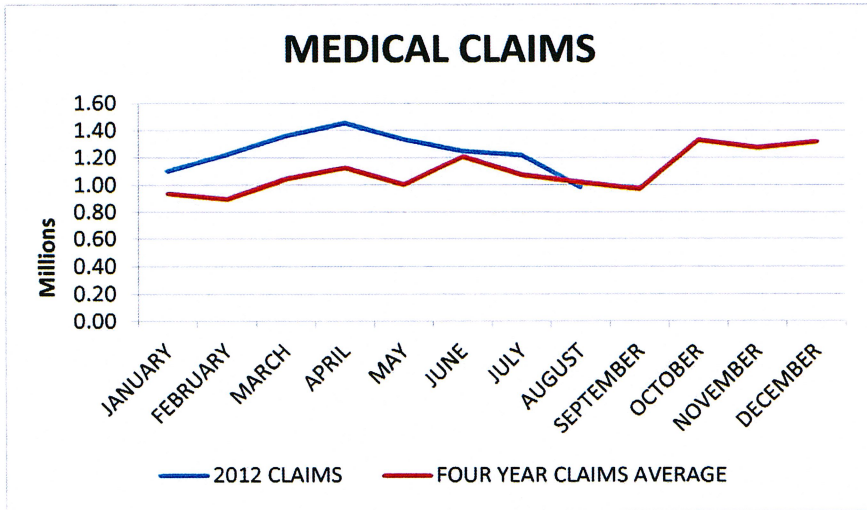
AUGUST CLAIMS



YEAR TO DATE - JANUARY THRU AUGUST



2012 CLAIMS



Income Statement

Through 08/31/12
 Summary Listing

Organization	Organization Description	Annual Budget Amount	MTD Actual Amount	YTD Actual Amount	Budget Less YTD Actual	% of Budget	Prior Year Total Actual
Fund Category Proprietary Funds							
Fund Type Internal Service Funds							
Fund 633 - Dental Health							
REVENUE							
Department 036 - Insurance Accounts							
1651	Insurance - General City	561,000.00	48,074.00	378,569.00	182,431.00	67	557,950.35
1655	Insurance - HRA	36,000.00	2,882.00	23,027.00	12,973.00	64	35,908.00
1657	Insurance - DECC	15,000.00	1,632.82	12,444.74	2,555.26	83	16,295.00
1659	Insurance - Airport	14,000.00	1,201.28	10,842.16	3,157.84	77	17,056.00
1663	Insurance - COBRA	124,000.00	11,491.86	77,824.18	46,175.82	63	125,669.62
Department 036 - Insurance Accounts Totals		\$750,000.00	\$65,281.96	\$502,707.08	\$247,292.92	67%	\$752,878.97
REVENUE TOTALS		\$750,000.00	\$65,281.96	\$502,707.08	\$247,292.92	67%	\$752,878.97
EXPENSE							
Department 036 - Insurance Accounts							
1651	Insurance - General City	557,700.00	41,662.99	335,235.14	222,464.86	60	459,556.54
1655	Insurance - HRA	33,600.00	1,817.76	22,422.79	11,177.21	67	27,758.54
1657	Insurance - DECC	16,700.00	904.81	7,731.32	8,968.68	46	10,282.11
1659	Insurance - Airport	15,700.00	1,101.75	11,287.28	4,412.72	72	14,877.06
1663	Insurance - COBRA	144,800.00	9,205.63	104,955.70	39,844.30	72	144,150.13
Department 036 - Insurance Accounts Totals		\$768,500.00	\$54,692.94	\$481,632.23	\$286,867.77	63%	\$656,624.38
EXPENSE TOTALS		\$768,500.00	\$54,692.94	\$481,632.23	\$286,867.77	63%	\$656,624.38
Fund 633 - Dental Health Totals							
REVENUE TOTALS		750,000.00	65,281.96	502,707.08	247,292.92	67%	752,878.97
EXPENSE TOTALS		768,500.00	54,692.94	481,632.23	286,867.77	63%	656,624.38
Fund 633 - Dental Health Net Gain (Loss)		(\$18,500.00)	\$10,589.02	\$21,074.85	\$39,574.85	(114%)	\$96,254.59
Fund Balance - Beginning		403,690.20		403,690.20			307,435.61
Fund Balance - Ending		385,190.20		424,765.05			403,690.20

CITY OF DULUTH

COMPARISON OF DENTAL INSURANCE CLAIMS

Last 5 Years

MONTH	DENTAL CLAIMS				
	2008 CLAIMS	2009 CLAIMS	2010 CLAIMS	2011 CLAIMS	2012 CLAIMS
JANUARY	63,578.00	59,098.00	58,555.00	61,953.90	67,948.64
FEBRUARY	46,865.00	47,669.00	55,493.00	49,237.24	54,125.77
MARCH	48,572.00	56,603.00	59,118.00	56,718.91	51,795.18
APRIL	52,817.00	55,764.00	46,256.00	52,869.97	65,967.55
MAY	46,807.00	45,503.00	51,920.00	51,555.64	59,919.56
JUNE	44,546.00	54,448.00	43,861.00	53,984.76	42,782.05
JULY	47,476.00	50,427.00	44,587.00	41,597.64	54,826.98
AUGUST	46,332.00	37,553.00	54,546.00	58,011.07	50,342.49
SEPTEMBER	40,515.00	48,419.00	45,831.00	61,984.35	
OCTOBER	35,072.00	35,759.00	47,605.00	48,826.96	
NOVEMBER	36,446.00	49,140.00	44,926.00	45,274.99	
DECEMBER	44,908.00	49,796.00	60,562.00	52,948.84	
YTD Subtotal*	396,993.00	407,065.00	414,336.00	425,929.13	447,708.22
Annual Total	553,934.00	590,179.00	613,260.00	634,964.27	447,708.22
	553,934.00	590,179.00	613,260.00	634,964.27	447,708.22
YTD Average*	49,624.13	50,883.13	51,792.00	53,241.14	55,963.53
Annual AVG	46,161.17	49,181.58	51,105.00	52,913.69	N/A

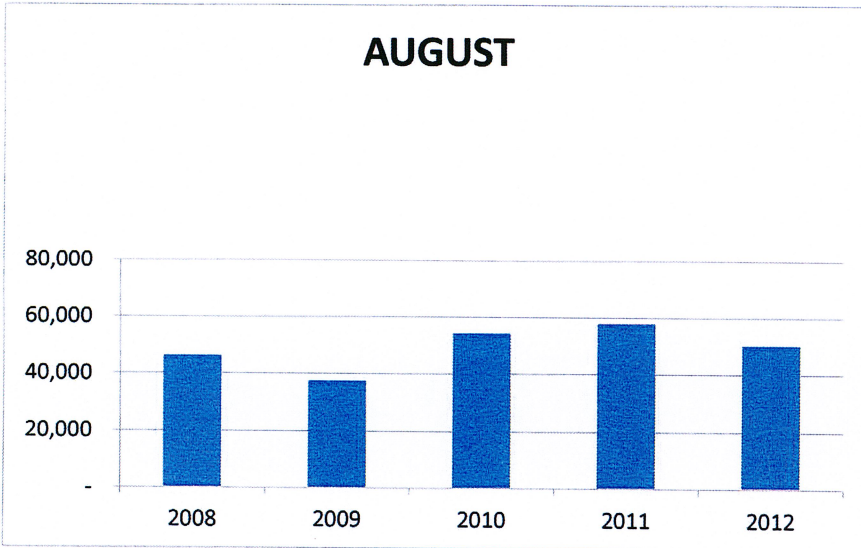
<i>DENTAL CLAIMS YTD</i>	
2012	447,708.22
2011	425,929.13
	<u>21,779.09</u>

5.11% INCREASE

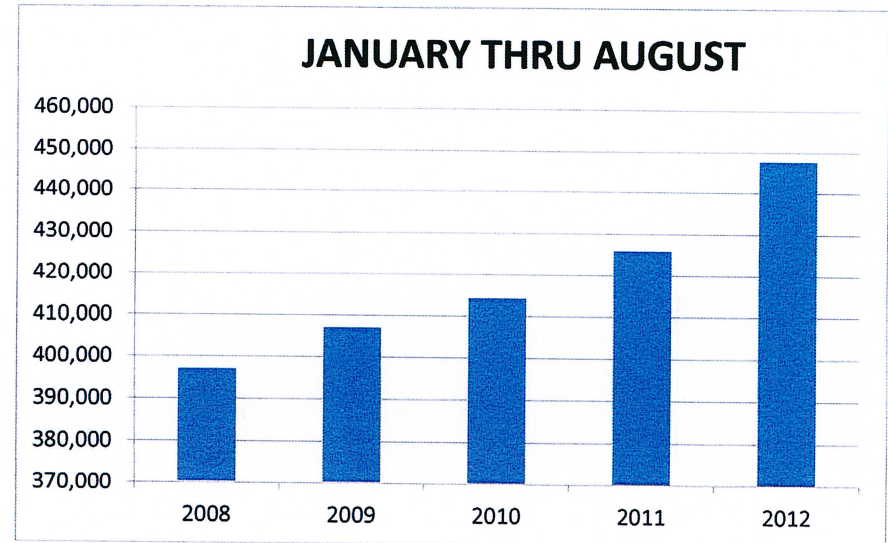
* YTD for previous years is based on number of months of current year.

DENTAL CLAIMS

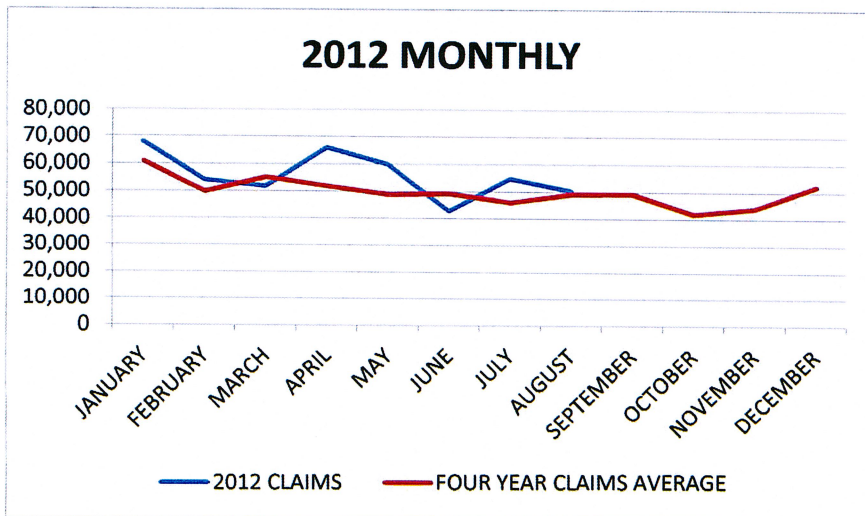
AUGUST



JANUARY THRU AUGUST



2012 MONTHLY

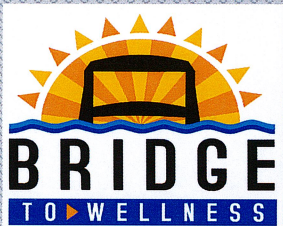


2012 -
2013

Bridge to Wellness – Communication and Outreach Plan

Duluth Joint Powers Enterprise Trust

Promote the Wellness Program and other health and wellness initiatives, services and resources to employees and retiree health plan members.



City of Duluth • DAA • DECC • HRA

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City of Duluth • DAA • DECC • HRA**EXECUTIVE SUMMARY****Goals**

- Promote the Wellness Program and other health and wellness initiatives, services and resources to our targeted audience.
- Educate targeted audience on ways to increase healthy behaviors, reduce risk factors and lower health care costs.

Target Audience

- City of Duluth, DAA, DECC and HRA employees, retirees and dependent health plan members.

Key Messages

- The City of Duluth, DAA, DECC and HRA are working together to bring awareness, build a supportive health culture with emphasis on, self-responsibility, and develop practical solutions for reducing health care costs (“we’re in this together”).
- Employees and retirees are strongly encouraged to take an active role in managing their health and understanding the cost of their healthcare needs when making decisions.
- Provide facts, resources and tools to assist employees and retirees, as personal managers of their own health, in making informed health and wellness decisions.
- Provide employees and retirees with opportunities to support and encourage each other in their behavior change efforts.
- The City of Duluth, DAA, DECC and HRA will provide and communicate the tools, assessments, and resources for effective health care and self-care decision making.
 - Know Your Numbers Campaign – August/September 2012
 - Benefits Fair – Fall 2012
 - Biometric Testing – Fall 2012
 - Health Assessment – Fall 2012
 - Winter and Spring Challenges – 2013
 - Benefits Fair – Fall 2013
 - Biometric Testing – Fall 2013
 - Health Assessment - 2013

City of Duluth • DAA • DECC• HRA**OBJECTIVES**

1. Branding and marketing the wellness program
 - Visual identity and logo revised January 2012
 - Develop outreach strategies to inform members about the wellness program
2. Increase the use of technology and social media
 - Wellness website developed April 2012
 - Identify individuals who will provide continuous oversight of the website
 - Develop wellness network social media strategy (assess viability of specific social media strategies among target audience)
 - Discuss creation and maintenance of a Facebook page or other social media presence
3. Promote resources related to health and wellness
 - Create and maintain an inventory of programs and services as a resource for employees/retirees
 - Organize and present available programs and resources on the wellness website
 - Create and maintain a calendar of wellness-related events (populate calendar with known, already existing events)
 - Create a way in which employees/retirees can submit events to the calendar, subject to the wellness and JPE committee's approval, through the wellness network website
 - Assign someone to maintain calendar to ensure it is up-to-date and relevant
4. Develop systems to ensure consistency in messages among employees/retirees and through media
 - Create and publish brand guidelines that ensure consistency in the look and feel of wellness announcements/notices/etc.
5. Create new opportunities for involvement among target audience
 - Create and distribute monthly or quarterly updates
6. Motivate and encourage participation through recognition and success stories.
7. Management to foster a climate of good health.

TACTICS AND TIMELINE

TACTIC	MEDIA	AUDIENCE	MESSAGE	TIMING	WHO'S RESPONSIBLE
Develop Wellness Website (Intranet)	Website	All employees and retirees	Your link to the Bridge to Wellness Program	June 2012	Wellness Committee and Communications Sub Committee
Article for City of Duluth Magazine	Print	All employees and retirees	Wellness Program awareness	2012 Q4	Amy
Save the Date – Wellness Fair	All media and mailing	All employees and retirees	Health Fair awareness	August 2012	Don Ness
Know Your Numbers Campaign	All media plus hard copy mailings to home address	All employees and retirees	Know your biometric numbers to complete the health assessment	September-October 2012	Health Fair Sub-Committee
Health Fair Marketing	All media, mailings, posters	All employees and retirees	Attend the 2012 Health Fair	August-October 2012	Health Fair Sub-Committee
Health Assessment Announcement	All media, mailings, posters	All employees and retirees	Take the HA and get your \$25 gift card	September – October 2012	Health Fair Sub-Committee
On-line programs	All media, mailings, posters	All employees and retirees	Visit the HealthPartners Health and Wellbeing Portal		HR and HealthPartners
Open enrollment	All media, mailings, posters	All employees and retirees	Information in OE guide	December 2012	HR
On-line Challenges	All media, mailings, posters	All employees and retirees covered on the health plan	Participate in the online challenges: Lose Weight in 8 and Walk to Key West	January 2013 & May 2013	Wellness Committee
Wellness Newsletter	All media plus hard copy	All employees and retirees	Wellness Facts and Activities	Biannual 2013	Communications Sub-Committee

BUDGET

Our budget includes the following communication methods:

- Internal Wellness Portal
- Email blasts to active employees
- Posters and internal postings of events and challenges
- Newsletters and flyers
- Print and mailings to retiree population (800+ retirees)

Itemized Proposed Costs

Strategic Communication (internal and external):

- Newsletters
- Announcements
- Marketing events (e.g., health fair, community wellness day event, etc.)

Brand Management

- Letterhead
- Envelopes
- Stickers

Event Planning and Execution

- Correspondence and marketing
- Material for health fair (e.g., balloons, gifts, etc.)

Photography Services

- Branding
- Employee recognition

Web services

- Development and maintenance of corporate social media

ESTIMATED COSTS: \$5,000

Note: Efforts are being made to obtain email addresses of retirees to improve the communication to the retirees and to decrease the costs related to printing and mailing of materials to home addresses.