



City of Duluth  
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Duluth, Minnesota 55802

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Duluth Joint Powers Enterprise Trust  
Board of Trustees Minutes Meeting  
Wednesday, August 21, 2024, at 11:00 am

**Board Members Present:** Dan Hartman, Jill Keppers, Tom Werner

**Others Present:** Josh Bailey, Joelle Bodin, Jen Carlson, Adam Casillas, Amanda Denton, Keely Downs, Jessica Fralich, Angel Hohenstein, Chris Kibler, Eric Thompson, Ben VanTassel, Tammie Walsh, Wendy Wohlwend, Diane Schlossin

**Brown & Brown** - Jodie Elder, Carter Fallen

Tom Werner called the meeting to order at 11:05 a.m.

**Approval of Minutes:** Motion was made to approve the May 15, 2024 minutes. Motion by Dan Hartman; seconded by Jill Keppers. Approved.

**Treasurer's Report:**

Josh Bailey reviewed the financial statement for July 2024. Medical claims are up 8.78% and drug claims are up 15.19% compared to last year. Health Plan revenues were over budget by \$271,791. Health Plan expenses were under budget by \$117,982. The Income Statement for Healthcare showed a reserve balance of \$18,092,605 as of July 31, 2024. Dental showed a reserve of \$597,202 as of July 31, 2024.

Motion by Jill Keppers; seconded by Dan Hartman. Approved.

**New Business:**

DJPE 2025 Renewal Discussion presented by Brown & Brown, Jodi Elder and Carter Fallen

- Market Trend – 7.4%
- Membership has decreased over the past 5 years
- Now that the risk pool has stabilized, it is anticipated that the DJPE plan cost to increase at a pace closer to trends noted as above.
- July data appears to support increased costs
- 3.8% Year Over Year Claim Increase per employee per month
- 2.3% Year Over Year Cost Increase to DJPE per employee per month
- 15 claims over \$100K
- Medical per member per month claims projection \$682.63 RX \$157.91 Claims Projection
- Expected costs – Stop Loss Premium \$588,008 27.6 % change  
Total Cost - \$28,015,009 -1.6% change (\$448,439)
- 2025 Renewal – Medical Max Liability – Total Projected Max Cost \$32,905,595 Change -\$443,383 or -1.33%
- Overall Recommended Change - \$0
- Dental – 4.5% Current Corporate Trend
- Needed funding \$1,192,275 Current funding \$1,132,921
- Overall Recommended Change – 5.0% Low Option only – leave High Option rates as they were in 2024

## Review of Finance spreadsheet

Discussion was held:

- How to strategically fund the balance without having high dips and lows?
- Analysis from spreadsheet is a helpful tool
- City doing better than actuarial report
- Communication will be provided to Dave Montgomery regarding the Brown & Brown renewal discussion
- Beneficial to negotiate the stop loss rate
- Request For Proposal in 2025 – Healthcare plan

### **Wellness Report:**

Presented by Angel Hohenstein

Wellbeing Program – 400 registered (42%), 200 active (21%), 128 incentive eligible to date (13%)

Wellbeing Program Survey findings include:

- Simplify the program/consider new platform to increase participation and engagement
- Focus communication
- Expand group activity opportunities

Recommendation – Transitioning to a Custom Rewards Portal through Medica with a goal of 40% participation by year 3.

- One Time Cost of \$20,000 and annual ongoing cost of \$5,100
- Annual budget of \$180,000, of which \$90,000 is utilized each year.
- Benefits to Medica portal is the utilization for members and mobile friendly.
- Tiers and levels will be the same.
- Points system will look different.
- Share information with employees through Lunch and Learn

Continue to look for ways to educate & encourage members to utilize services as prevention.

Meeting adjourned at 12:02 p.m.

Next meeting: Wednesday, September 18, 2024 at 11:00 am

Minutes respectfully submitted by,

Diane Schlossin  
Human Resources Technician  
City of Duluth