



Minutes for Meeting Book - Tuesday, October 22, 2024 Board of Trustees Meeting

Tuesday, October 22, 2024 | 4:00 PM - (GMT-06:00) Central Time (US & Canada)

Sourcewell Headquarters

Attendees:

Steven Barrows, Sara Nagel, Greg Zylka, Casey Schultz, Katrina Wood, Lisa Ritchie, Mike Carlson, Chad Coauette, Chris Kircher, Sharon Thiel, Nick Broyles, and Scott Veronen

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1. Call to Order by Chair Veronen

Roll Call of Members:

Scott Veronen

Sara Nagel

Greg Zylka

Steve Barrows

Chris Kircher

Nick Broyles

Sharon Thiel

1.1 Determination of Quorum

1.2 Additions to or Corrections to the Agenda

1.3 Acceptance of the Agenda

Recommendation: Approve the agenda as presented

Moved by: Sara Nagel

Seconded by: Greg Zylka

Aye

Steven Barrows, Sara Nagel, Greg Zylka, Chris Kircher, Sharon Thiel, Nick Broyles, and Scott

Carried 7-0

2. Action on the Minutes

- 2.1 Review and Approval of the Minutes of Regular Board of Trustee Meeting held August 20, 2024. 4 - 7

[Board of Trustees - Aug 20 2024 - Minutes - Html](#) 

- 2.2 Review of the Minutes of the Labor Management Meeting held August 7, 2024 8 - 10

[8-7-24-MINUTES-LMC.pdf](#) 

8 - 10

Moved by: Greg Zylka

Seconded by: Nick Broyles

Aye Steven Barrows, Sara Nagel, Greg Zylka, Chris Kircher, Sharon Thiel, Nick Broyles, and Scott Veronen

Carried 7-0

3. Financial Reports- Mike Carlson, Chief Financial Officer

- 3.1 [BHC Financials as of September 30, 2024.pdf](#)  11 - 14

4. Marketing Update

- 4.1 Better Health Collective Logo
- 4.2 Marketing Strategy
- 4.3 Better Health Collective Website- Old to New

5. 1.1.2025 Renewal Update

- 5.1 Summary of Renewals
- 5.2 Lessons learned from renewals

6. 1.1.2025 Proposal Update

- 6.1 Summary of Proposals
- 6.2 Lessons learned from proposals

7. Wellness Update

8. AGRiP Update

- 8.1 Review of recently attended ARGiP meeting
- 8.2 Recommendation to nominate a representative to AGRiP
Recommendation: To nominate Casey Schultz as the BHC representative to AGRiP

Moved by: Sara Nagel
Seconded by: Sharon Thiel

Aye Steven Barrows, Sara Nagel, Greg Zylka, Chris Kircher, Sharon Thiel, Nick Broyles, and Scott Veronen

Carried 7-0

9. Adjournment

Motion to adjourn at 4:50 p.m.

Moved by: Sara Nagel
Seconded by: Chris Kircher

Aye Steven Barrows, Sara Nagel, Greg Zylka, Chris Kircher, Sharon Thiel, Nick Broyles, and Scott Veronen

Carried 7-0



Minutes for Meeting Book - Tuesday, August 20, 2024 Board of Trustees Meeting

Tuesday, August 20, 2024 | 4:00 PM - (GMT-06:00) Central Time (US & Canada)
Sourcewell Headquarters

Attendees:

Steven Barrows, Sara Nagel, Greg Zylka, Casey Schultz, Katrina Wood, Mike Carlson, Sharon Thiel, Nick Broyles, and Scott Veronen

1. Call to Order by Chair Veronen

1.1 Determination of Quorum

2. Board of Trustee Representation

2.1 The Labor Management Committee approved the following appointments on August 7, 2024

- Sharon Thiel, appointed by the Sourcewell Board of Directors
- Greg Zylka, Mayor of Little Falls representing CCOGA
- Nick Broyles, a staff member at the City of Brainerd representing participating members

3. Acceptance of the Agenda


3.1 Addition/Corrections to the agenda
Recommendation: Approve the agenda as presented/corrected

Moved by: Steven Barrows

Seconded by: Greg Zylka

Carried

4. Action on the Minutes

- 4.1 Review and approval of the Better Health Collective Minutes
[bhc-bot-minutes-12-19-23.pdf](#) 

[Board of Trustee Minutes.5.21.24.pdf](#) 

Recommendation: Approve the minutes

Moved by: Sara Nagel

Seconded by: Sharon Thiel

Carried


5. Collective Update

6. Financial Reports- Mike Carlson

- 6.1 Review of the Better Health Collective Financials

[August 7 2024.pdf](#) 

- 6.2 Review of the Better Health Collective Audit and Timelines

[Better Health Collective Employee Health Benefits Pool 2024-06 Engagement Letter_265995.pdf](#) 

[Better Health Collective Employee Health Benefits Pool 2024-06 Governance Planning Letter_265995.pdf](#) 

7. January 1, 2025 Renewal

8. Benefit Changes

- 8.1 Review of the 2025 Large Group Renewal Bulletin

[2025 Group Renewal Bulletin.pdf](#) 

- 8.2 Benefit Plan Changes

[2025 BHC Benefit Change Exhibit.pdf](#) 

- The age limit for autism services has been removed. This is a July 2024 change for all MN plans as they renew. While the age limit follows MN's stature, it is being removed to ensure parity between mental health services and medical services.
- To better align with MN 62A.30, the word 'routine' is

being removed from the Women's Preventative Health Services benefit for enhanced coverage of diagnostic procedures following a mammogram.

Recommendation: Approval of the 2025 Benefit Change Exhibit

Moved by: Sharon Thiel

Seconded by: Sara Nagel

Carried


Recommendation: Approve the January 1, 2025 renewal strategy

Moved by: Greg Zylka

Seconded by: Nick Broyles

Carried

9. Value Added Programs

- 9.1 [sourcewell-participation-agreement.pdf](#) 
[Better Health Collective Board of Trustees- SW Participation Agreement acceptance.docx](#) 

Recommendation: Approve participation in the Sourcewell Cooperative Purchasing Program

Moved by: Nick Broyles

Seconded by: Steven Barrows

Carried

10. Wellness Committee Update

- 10.1 Wellness Committee to become Better Health Collective Task Force

11. Adjournment

Recommendation: to adjust at 5:07 p.m.

Moved by: Greg Zylka

Seconded by: Steven Barrows

Carried

Draft



Meeting Book – August 7, 2024 Labor Management Committee

Minutes

1. Call to Order by Donyelle Mikacevich

Roll Call of Members:

- Donyelle Mikacevich
- Earl Athman
- Devin Massopust
- Kris Schubert
- Brent Yaunick
- Jordan Anderson
- Sara Nagel
- Chris Kircher
- Travis Hensch
- Daniel Ludvigson

a. Additions to or Corrections to the Agenda

b. Acceptance of the Agenda

Moved: Brent Yaunick Motion 2nd: Devin Massopust

2. Review of the Minutes of the Labor Management Meeting

1. Review of the Minutes of the Labor Management Committee Meeting held May 15, 2024

3. Financial Report

1. Review of the Better Health Collective Financials – Presented by Mike Carlson

2. Review of The Better Health Collective Audit and Timelines – Presented by Ryan Donovan and Mike Carlson

4. Sourcewell Update

1. MN Commerce Annual Update – Presented by Ryan Donovan

2. Board of Trustee Update – Presented by Ryan Donovan

a. Sharon Thiel Appointed by Sourcewell Board of Directors to Better Health Collective Board of Trustees.

b. Nomination by the City of Little Falls to appoint Greg Zylka to the Better Health Collective Board of Trustees.

i. Appointment of Greg Zylka to Board of Trustees

Moved: Kris Schubert Motion 2nd: Earl Athman



- c. Nomination by the City of Brainerd to appoint Nick Broyles to the Better Health Collective Board of Trustees.
 - i. Appointment of Nick Broyles to the Board of Trustees

Moved: Kris Schubert Motion 2nd: Devin Massopust

5. January 1, 2025 Renewal

- a. Review of the 2025 Large Group Renewal Bulletin
- b. Benefit Plan Changes
 1. The age limit for autism services has been removed. This is a July 2024 change for all MN plans as they renew. While the age limit follows MN statute, it is being removed to ensure parity between mental health services and medical services.
 2. To better align with MN 62A.30, the word “routine” is being removed from the Women’s preventive health services benefit for enhanced coverage of diagnostic procedures following a mammogram.
- c. Recommend the January 1, 2025 renewal strategy

Moved: Brent Yaunick Motion 2nd: Earl Athman

6. Value Added Programs

- a. Review and approve utilizing the Sourcewell contract for Omada, Hinge Health and Telus Health
- b. Motion to recommend utilizing the Sourcewell contract for Omada, Hinge Health and Telus Health

Moved: Brent Yaunick Motion 2nd: Devin Massopust

7. Wellness Committee Update

Wellness Committee to become Better Health Collective Task Force or Focus Group

8. Schedule of Future Meetings

- October 16, 2024
- November 27, 2024



9. Adjournment

Motion to adjourn at 11:27 a.m.

Moved: Brent Yaunick Motion 2nd: Earl Athman

Better Health Collective
Statement of Net Position
September 30, 2024



Assets

Cash and investments	\$10,397,406
Receivables	1,518,010
Prepaid items	11,598

Total Assets **\$11,927,014**

Liabilities

Incurred but not reported (IBNR)	\$2,545,694
Accounts payable	776,921
Accrued payroll	14

Total Liabilities **\$3,322,629**

Net Position

Total Net Position **\$8,604,385**

Total Liabilities and Net Position **\$11,927,014**

Better Health Collective
Statement of Revenues, Expenses, and
Changes in Net Position
FYTD as of September 30, 2024



Operating Revenues	
Member contributions earned	\$11,025,922
Less: reinsurance premiums ceded	(\$958,062)
Plus: reinsurance premiums collected from members	\$958,062
Total Operating Revenues	\$11,025,922

Operating Expenses	
Net claims and claims adjustment expenses incurred	
Claims and claims adjustment expenses incurred	\$11,316,531
Reinsurance Recoveries	(681,732)
Total claims and claims adjustment expenses incurred, net	10,634,799

General and administrative expenses	
Administrative fees	29,896
Professional fees	303,058
Miscellaneous expenses	447
Total general and administrative expenses	333,401
Total Operating Expenses	\$10,968,200

Operating Income (Loss)	\$57,722
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Nonoperating Revenues (Expenses)	
Investment gain (loss) - Book	\$94,147
Investment gain (loss) - Market	\$112,383
Total Nonoperating Revenues (Expenses)	\$206,530

Change in Net Position	\$264,252
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Net Position (Deficit), Beginning of Year	\$8,340,133
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Net Position (Deficit), End of Period	\$8,604,385
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Statement of Activities Operating Insights:

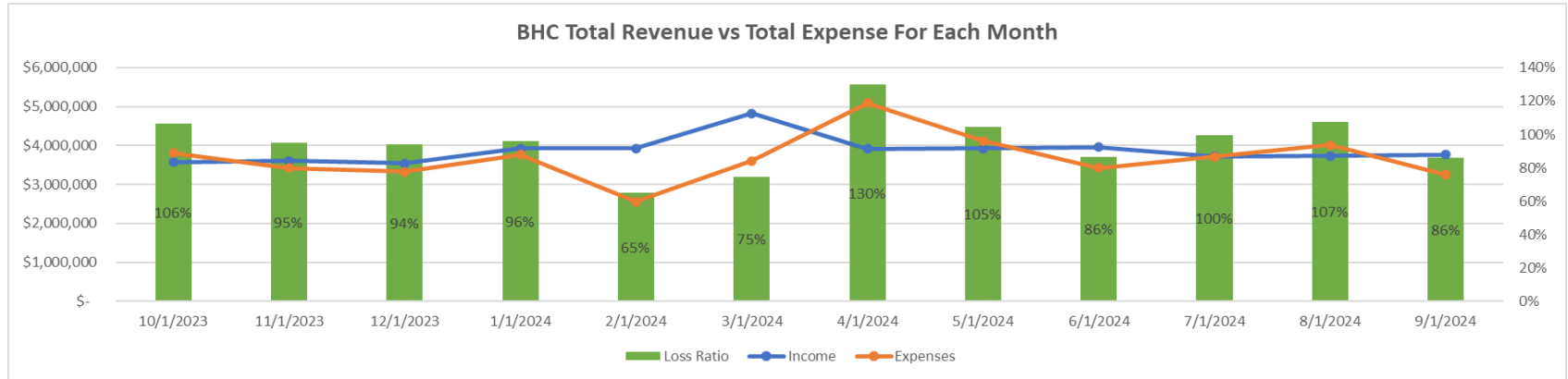
<i>Change in Net Position (GAAP) as a percentage of total operating revenues</i>	2.4%
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BHC Collective Loss Ratio and Reserve Reports

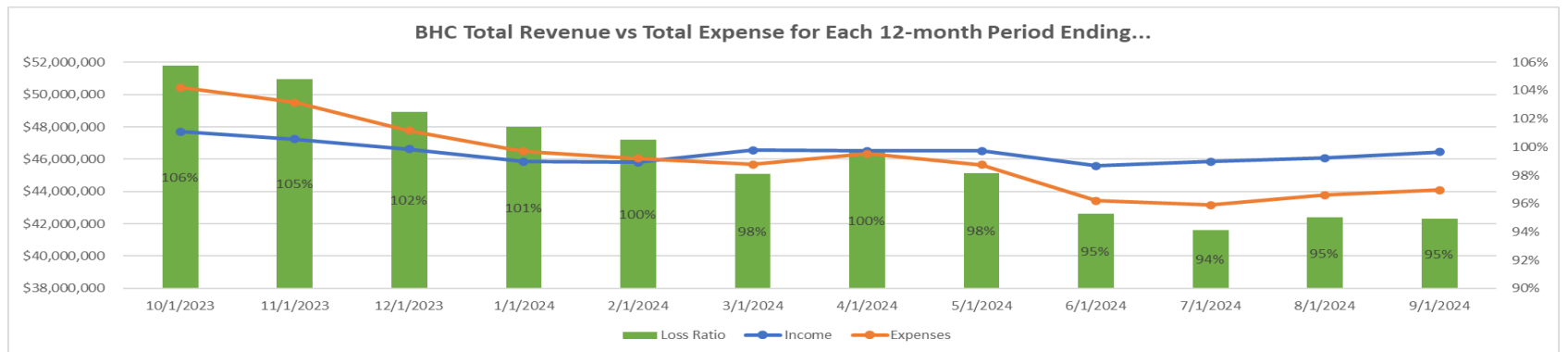
Income: Total Revenue
Expenses: Total Expenses

Start Month Sep-24

	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24
Income	\$ 3,578,653	\$ 3,602,135	\$ 3,545,434	\$ 3,922,196	\$ 3,928,292	\$ 4,823,098	\$ 3,915,157	\$ 3,930,904	\$ 3,963,077	\$ 3,725,189	\$ 3,738,573	\$ 3,768,690
Expenses	\$ 3,807,869	\$ 3,419,476	\$ 3,326,870	\$ 3,763,538	\$ 2,557,641	\$ 3,604,772	\$ 5,094,503	\$ 4,116,073	\$ 3,420,512	\$ 3,709,546	\$ 4,009,916	\$ 3,248,738
Loss Ratio	106%	95%	94%	96%	65%	75%	130%	105%	86%	100%	107%	86%
# Members	6,612	6,615	6,592	6,812	6,837	6,967	6,947	6,953	7,023	6,202	6,504	6,541
PMPM Premium	\$ 541.24	\$ 544.54	\$ 537.84	\$ 575.78	\$ 574.56	\$ 692.28	\$ 563.58	\$ 565.35	\$ 564.30	\$ 600.64	\$ 574.81	\$ 576.16



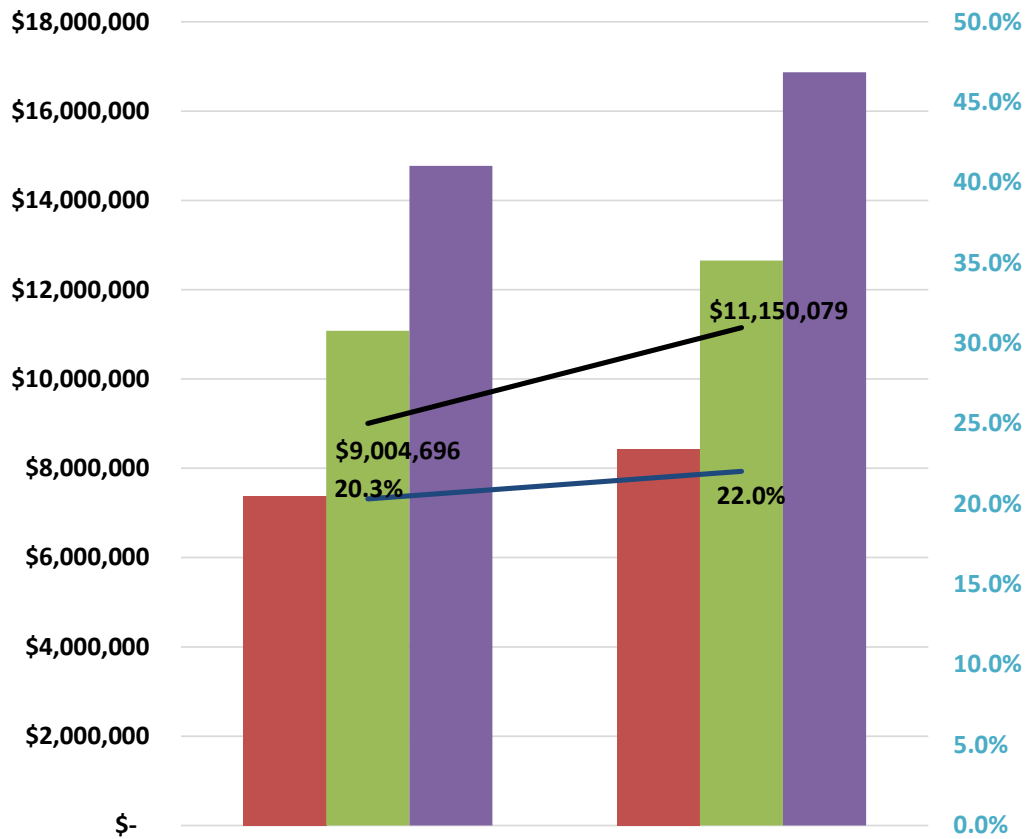
	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24
Income	\$ 47,693,653	\$ 47,231,017	\$ 46,616,639	\$ 45,846,397	\$ 45,811,250	\$ 46,545,103	\$ 46,512,890	\$ 46,510,175	\$ 45,579,609	\$ 45,850,118	\$ 46,075,423	\$ 46,441,398
Expenses	\$ 50,428,917	\$ 49,503,395	\$ 47,776,918	\$ 46,493,294	\$ 46,039,067	\$ 45,671,028	\$ 46,340,313	\$ 45,657,442	\$ 43,418,232	\$ 43,159,049	\$ 43,779,748	\$ 44,079,455
Loss Ratio	106%	105%	102%	101%	100%	98%	100%	98%	95%	94%	95%	95%
PMPM Premium	\$ 605.45	\$ 599.24	\$ 592.02	\$ 580.03	\$ 577.56	\$ 583.57	\$ 580.15	\$ 577.10	\$ 562.22	\$ 567.80	\$ 570.94	\$ 576.16



**Better Health Collective
Reserve Analysis
As of September 30, 2024**



Reserves Analysis (25% target)



	September 30, 2023	September 30, 2024
Low Reserve Range (2 Month's Premiums)	\$7,386,517	\$8,434,300
Targeted Reserve (3 Months' Premiums)	\$11,079,776	\$12,651,450
High Reserve Range (4 Months' Premiums)	\$14,773,034	\$16,868,600
IBNR and Reserves Totals	\$9,004,696	\$11,150,079
Reserves as Percentage of Projected Annual Premium (Target 25%)	20.3%	22.0%