

Michigan School Business Officials
ISD Committee - Meeting Minutes
October 14, 2010

- I. Call to Order - meeting called to order at 9:30 a.m. by Chairperson Dennis Rogoszewski.
- II. Introduction of Members and Guests
- III. Sally P. moved to approve the 9/16/10 minutes, supported by Jeff C. Motion approved.
- IV. Legislative update – David Ladd, Kelley Cawthorne
 - a. Discussed Governor Granholm’s veto of EdJobs funding. May see action on this during lame duck, but it may not be resolved until the new year.
 - b. Consolidation – two different tracks currently being taken here:
 - i. Pool of funds created to incentivize consolidation. Doesn’t see much of a push to allocate funds to this.
 - ii. Legislation that would force consolidation by closing districts. Sees this as a remote option.
 - c. Under the scenario of a presumptive Snyder victory, schools are probably looking at a tougher time looking for increased revenues, but will have a much better chance at looking at reform measures (health care, retirement, etc...).
 - d. Senate could easily see the Republicans get enough of a majority that they could control things procedurally in that chamber. House is a toss-up right now as to who may have the majority.
 - e. Sees a Snyder administration making early childhood a big priority, just not sure what direction that may take.
 - f. With a probable increase in Republican influence after this election, ISD’s need to continue to get the word out as to our role and importance and how we can assist or partner in potential reform measures.
- V. MSBO Update – Bob Dwan
 - a. Further discussion on the Education Jobs funding and what led to the Governor’s veto of the \$154/pupil portion of this legislation. Unsure as to when this funding will ultimately be available. ISD’s will need to go into MEGS in order to access their portion of the Edu Jobs funds (memo from MDE should be coming out later today).
 - b. State Stabilization funds will soon be available in the CMS system under the same process as FY ’10.
 - c. MSBO is starting regional cooperative bids through BidSync. Contact MSBO if you have a bid you would like to have go through this process.
 - d. Trying to gauge the potential interest of having a MSBO workshop on the healthcare reform topic.
- VI. Program – Insurance Discussion, Doug Derks, Gallagher Benefit Services, Inc.
 - a. PA 106 pooling
 - i. Discussed various self-funded options currently being utilized amongst the group. Mentioned that if you are currently in a MESSA plan with more than 250 employees, you are basically in an experience-rated plan with a \$400K stop-loss level (very similar to a self-funded type program...).
 - ii. Need to have enough covered lives to make it feasible and must have a commitment to the process. The application process can take up to a year to run its course and requires

diligence. PA 106 requires 250 lives, but in reality, you want more lives in order to adequately spread your risk.

- iii. Explained the structure of the Western Michigan Health Insurance Pool (WmHIP) and how it operates.
 - b. Marketplace update
 - i. Discussed the current status of the school healthcare marketplace in general and the larger vendors (MESSA, BCBSM, Priority Health, etc.).
 - c. Healthcare reform
 - i. Gave an update on the healthcare reform timeline and it's potential impact on us as school districts.

- VII. Old Business - None

- VIII. Roundtable Discussion/Announcements
 - a. Ingham was able to set up a liability on their books for property tax appeals that are pending in their county.
 - b. Discussion on the Medicaid backcasting settlements and the subsequent bills received from billing companies. Also discussed whether anyone has looked into negotiating billing rates going forward.

- IX. Meeting was adjourned at 12:05 p.m.