

**NOTICE OF MEETING
SCHOOL DISTRICT NO. 17**

Notice is hereby given of a Board of Education Committee of the Whole meeting of School District No. 17, in the County of Douglas, which will be held at 8:30 p.m. on Monday, May 10, 2010 at 5606 South 147th Street, Omaha, Nebraska.

An agenda for such meetings, kept continuously current are available for public inspection at the office of the superintendent at 5606 South 147th Street, Omaha, Nebraska.

LUNDA POOLE,
Secretary

5-7-10

**THE DAILY RECORD
OF OMAHA**

**RONALD A. HENNINGSEN, Publisher
PROOF OF PUBLICATION**

UNITED STATES OF AMERICA, }
The State of Nebraska, } ss.
District of Nebraska, }
County of Douglas, }
City of Omaha, }

J. BOYD

being duly sworn, deposes and says that she is

LEGAL EDITOR

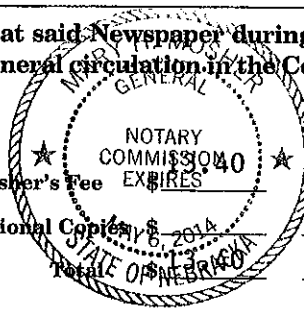
of **THE DAILY RECORD**, of Omaha, a legal newspaper, printed and published daily in the English language, having a bona fide paid circulation in Douglas County in excess of 300 copies, printed in Omaha, in said County of Douglas, for more than fifty-two weeks last past; that the printed notice hereto attached was published in **THE DAILY RECORD**, of Omaha, on _____

May 7, 2010

That said Newspaper during that time was regularly published and in general circulation in the County of Douglas, and State of Nebraska.

Publisher's Fee

Additional Copies \$ _____



Subscribed in my presence and sworn to before me this _____ 7th _____ day of _____

May

10
20

Notary Public in and for Douglas County,
State of Nebraska

COMMITTEE OF THE WHOLE MEETING

MAY 10, 2010

NAME:

REPRESENTING:

Molly Erickson

MEA

Mitch McLennahan

MWHS

Eric Hottelmy

MWHS

VICTORIA HALBUR

MWHS

Nathan Hulsebush

MWHS

Varan Goering

MWHS

Eric Berde

MWHS

Frich Rohler



*COMMITTEE OF THE WHOLE
MEETING*



May 10, 2010

MILLARD PUBLIC SCHOOLS
BOARD COMMITTEE OF THE WHOLE

The Board of Education Committee of the Whole will meet on Monday, May 10, 2010 at 6:30 p.m. at the Don Stroh Administration Center, 5606 South 147th Street.

The Public Meeting Act is posted on the Wall and Available for Public Inspection

Public Comments on agenda items - This is the proper time for public questions and comments on agenda items only. Please make sure a request form is given to the Board Vice-President before the meeting begins.

A G E N D A

1. Coventry and Silverstone on Health Insurance Program
2. Leadership Academy Program
3. Learning Community

Public Comments - This is the proper time for public questions and comments on any topic. Please make sure a request form is given to the Board Vice President before the meeting begins.

Committee Meeting
Minutes
May 10, 2010

The members of the Board of Education met as a committee of the whole on Monday, May 10, 2010 at 6:30 p.m. at the Don Stroh Administration Center, 5606 South 147th Street. The topics which were discussed included, Coventry and Silverstone on Health Insurance Program, Leadership Academy Program, and the Learning Community.

Present: Dave Anderson, Mike Pate, Brad Burwell, Mike Kennedy, and Linda Poole

Absent: Julie Kannas

Also in attendance were Keith Lutz, Angelo Passarelli, Chad Meisgeier, representatives from Coventry and Silverstone, Duncan Young, District attorney, and other administrators.

Chad Meisgeier reviewed the history of the health program over the years from the Educators Health Alliance (EHA) to the current self-funded insurance program. By using the Silverstone Group with their vast knowledge of the insurance market, and by using their recommendations on when to bid out for insurance, and which companies would be viable competitors has allowed considerable savings for the District. With the assistance of Silverstone they ultimately have helped to keep premiums down, and in the long run makes a nice recruiting incentive for potential employees.

One of the action plans of Strategy 2 in the District's Strategic Plan calls for the development of a wellness program, and this would be a beneficial avenue in the future to help lower medical costs. The Wellness Committee has met and they have started to look at different wellness programs. However, this could be a costly endeavor at the beginning, but after three years it would be anticipated the program would break even. This is still in the studying stage.

There were suggestions on educating the Millard staff that the health insurance program is a self-funded program by the district, and to encourage the use of generic drugs. Silverstone reported that currently 65% of prescriptions requested by Millard staff are generic compared to the norm of 69%. Another suggestion was to encourage employees to use a nurse helpline before going to an emergency room.

Coventry has a disease management program which offers help for employees who have some major illnesses such as heart issues, or diabetes.

The most immediate impact to Millard's plan in regards to the new healthcare reform was explained. There have been three regulations sent from the federal government, but they seem to conflict with one another, so it has been some cause for confusion.

Angelo Passarelli explained the general program requirements, the application process, and a brief program description of the Leadership Academy. During the course of the year administrators from the various disciplines in Millard come to speak to the group about their areas of responsibility. The Leadership Academy program is designed to help individuals put leadership theory into practice. This program also makes for a strong pool of candidates for both administrative and teacher-leader positions.

Duncan Young updated the board on the lawsuit filed by the Nebraska Farm Bureau and two Sarpy County residents against the Learning Community and the eleven school districts in the Learning Community. They are

Committee Meeting
Minutes
May 10, 2010
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contesting the constitutionality of the taxing scheme for the Learning Community. Initially it was taken to the Supreme Court, but was sent down to the District Court where the lawsuit will be heard in September.

Dr. Lutz reported at several meetings with other district superintendents they have discussed the pros and cons in regards to the Learning Community's governance procedure, and is a topic of continued discussions.

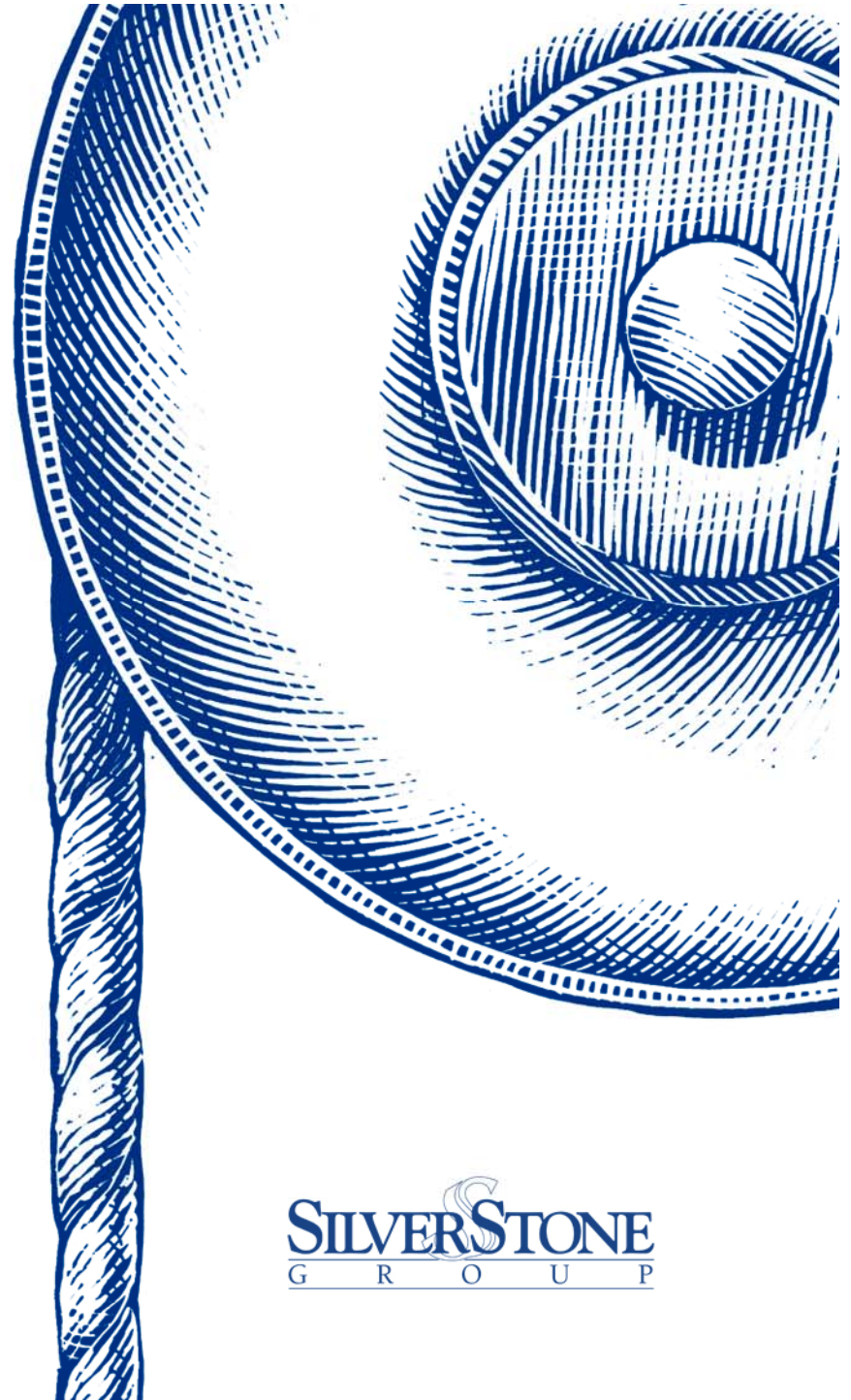
Board members discussed different aspects of the effectiveness or non-effectiveness of the Learning Community. One member asked the question if it was even good public policy, and does it really benefit all school districts. It was suggested visiting with other board members and superintendents from the surrounding school districts as to their thoughts on how it could be made better knowing it would take legislative action to make any substantial changes.


CHAIRMAN

Welcome



**Health Insurance Presentation
for Committee Meeting
May 10, 2010**



Income Versus Expenses

Policy Year	Income ¹	Net Claims ² Paid	Adminstration ³	Reinsurance ⁴	Surplus or Deficit ⁵	Total Plan Expense PEPM ⁶
9/08 – 9/09	\$19,020,710	\$19,003,744	\$774,741	\$706,985	(\$1,464,760) (\$1,500,000) ⁷	\$749.09 (+10.6%)
9/07 – 9/08	\$18,064,999	\$16,354,100	\$786,252	\$561,020	\$363,627	\$677.44 (+9.2%)
9/06 – 9/07	\$16,953,710	\$13,940,518	\$688,631	\$567,655	\$1,756,906	\$620.56 (+7.5%)
9/05 – 9/06	\$16,158,227	\$11,595,027	\$884,539	\$1,232,655	\$2,446,006	\$577.45

¹ Income is defined as Millard Public School's Budgetary Rates times the actual covered enrollment .

² Net paid claims reflect all claims paid minus any claims over the \$150,000 specific deductible.

³ Administration is the cost paid to Coventry to administer the medical plan.

⁴ Reinsurance is the cost for specific and aggregate reinsurance.

⁵ Surplus or Deficit is calculated by Income minus Net Paid Claims, Administration and Reinsurance.

⁶ PEPM is Per Employee Per Month. Total Plan Expenses are normalized based on actual enrollment.

⁷ The Plan paid back a loan of \$1.5 Million to the General fund in 2008-09.

MPS did not increase budgetary rates from 9/05 – 9/09. Budgetary rates increase by 7.5% on 9/09.

Employee Benefit Fund Balance

Year	Employee Benefit Fund Balance
May 2010	\$8.4 Million
September 2009	\$9.0 Million
September 2008	\$12.2 Million
September 2007	\$12.1 Million
September 2006	\$10.1 Million
September 2005	\$7.9 Million

Fund Balance changes do not exactly match Income vs. Expense statement because of timing of receipts and costs.

Proposed Fund Balance is between \$5 million and \$7 million.

Process for Bidding Health & Welfare Programs

- SilverStone Group (SSGI) recommends bidding insurance programs every 3-5 years.
 - Medical Administration/Reinsurance was marketed in 2006. This led to a change from UnitedHealthcare to Mutual of Omaha.
 - Carrier Change yielded over \$1 million in annual fixed cost savings.
 - Dental was marketed in 2006. This led to a carrier change from MetLife to United Concordia (UCCI).
 - Savings yielded \$235,000 over 2-year rate guarantee.
 - Ancillary programs were marketed in 2006. Negotiated \$92,000 of annual savings, which equated to \$276,000 over the 3-year rate guarantee with no change in vendors.
 - Medical Reinsurance was marketed in 2008. No competitive options were available.
 - Medical Administration and Reinsurance were marketed in 2009. Again, no outside carriers were competitive with the incumbent carrier.
 - Medical Reinsurance, Dental and Ancillary Programs are being marketed in 2010.

Landscape in Medical Arena

- Self-Funded Administration is currently handled through Coventry Health Care
 - Coventry acquired Mutual of Omaha effective July 1, 2007

- Insurance carriers such as Aetna, CIGNA, Principal Financial Group and UnitedHealthcare could administer this program
 - Aetna/CIGNA lack a developed proprietary network in Nebraska.
 - BlueCross/Blue Shield of Nebraska (BC/BS) will not quote due to a “conflict of interest” with administering the Educators Health Alliance (EHA) program, where BC/BS is the sole carrier

Landscape in Medical Arena (Cont'd)

- Third Party Administrators (TPA), of which there are many in and outside of Nebraska, could administer this program.

Challenges with using a TPA are as follows;

- TPA must use a Rental Network (e.g. Midland's Choice) where the difference in Provider contracts would result in 3-5% of additional cost to Millard Public Schools' expected claims. This equates to \$450,000-\$750,000 annually.
- With TPAs, the Reinsurance must be outsourced. SSGI has not received any competitive reinsurance proposals when this coverage was marketed in 2008 and 2009.

Comparing Millard Public Schools to Educators Health Alliance

- Millard Public Schools (MPS) provide richer benefits as compared to the Educators Health Alliance (EHA) Program.
 - Out-Of-Pocket maximums are lower than EHA plans.
 - Prescription drug benefits on all the EHA plans are applied toward coinsurance whereas MPS has a standard copayment plan.
- Premiums for EHA comparable plan are significantly higher than MPS

	Employee Only	Family
EHA	\$479.57	\$1,323.63
MPS	\$349.68 (-27.1%)	\$957.60 (-27.7%)

Healthcare Reform

Most immediate impact to the MPS plan are as follows;

- Health Insurance policies that provide dependant coverage must make it available up to age 26.
- Limits on lifetime dollar value of benefits for any individual covered by group plans will be eliminated; currently at \$5,000,000 for the MPS plan.
- Pre-existing condition exclusions will be eliminated for children under age 19.
- Group Health Plan must cover preventative health services with no cost sharing.
- Temporary Reinsurance Programs for early Retiree Health Coverage.
- Over-The-Counter (OTC) medication will not be reimbursable under medical FSA plan .

Leadership Academy

April 2010

The Millard Leadership Academy has been in place since the 1999-2000 school year. It was decided to start the academy in an effort to increase the number of qualified candidates for administrative and teacher-leader positions in the district. When it was begun we started a new class every other year. In 2003 we decided to start classes every year because interest was very high and remains so today. We currently are in the process of interviewing for the 2010-2011 class. We have 36 applicants for approximately 17 positions.

General Program Requirements

The leadership academy (LA) is designed for those who aspire to leadership positions as an administrator or as a teacher-leader in the Millard Public Schools. Teacher-leader positions include CADRE Associate, MEP Facilitator, Instructional Facilitator, Department Head and Team Leaders.

The preferred requirements for admittance to the LA include five years of successful experience in education and three years in Millard. You must also have positive recommendations from your current supervisor and successfully complete the interview process.

1. The LA meets over the course of 2 years.
2. MPS will offer and pay for 6 graduate hours of credit over two years that can be applied to a Master's degree or an endorsement program from the University of Nebraska - Omaha.
3. Classes will meet from 4:00-6:00, twice a month from September through May. Some workshops may be scheduled for Saturdays or during times when school is not in session.
4. First year candidates will discuss leadership in theory and in practice. MPS has teams of people address the theory into practice issues.
5. The second year candidates will attend class and complete an administrative experience and a shadowing experience that allow them to experience the variety of duties they might encounter in leadership positions.
6. Candidates will be responsible for reading various material including books and journals.

Application to the Leadership Academy

Candidates who wish to be considered for the Leadership Academy complete the application process as follows:

1. Candidates write a letter of interest and include a current resume (March).
2. Candidates are required to get a letter of recommendation from their current building principal or another administrator (April).
3. Candidates may be asked to respond to a Gallup leadership phone inventory (To be arranged).
4. A team from the Superintendent's Executive Committee interviews candidates and makes final candidacy recommendations (May).

Program Description

The LA is designed to help individuals put leadership theory into practice. We refer to it and the University of Millard since high-level district administrators share their leadership experiences and

practices in seminars on a variety of topics. The Superintendent has a number of opportunities to share thoughts and practices on leadership.

We also share books and research that is guiding our current practices and programs such as:

- Building Engaged Schools, Gary Gordon
- Good To Great, Jim Collins
- Fierce Conversations, Susan Scott
- Strengths Based Leadership, Tom Rath
- Freakonomics, Stephen Leavitt
- Schools That Learn, Peter Senge
- Outliers, Malcolm Gladwell

Topics for our classes include:

- Strategic and Site Planning
- Leading Change
- Curriculum and Instruction
- Standards and Assessments
- Hiring, evaluating and retaining staff
- General Administration
- Activities, communications and technology
- Gallup – Leading With Strengths
- Staff Development Practices

Program Success

- We have strong pools of candidates for both administrative and teacher-leader positions
- 193 students have gone through the academy since 2001-2002
- 35% of the current administrators received their start through the Millard Leadership Academy
- 45% of the academy students now serve in an administrative or teacher-leader position