



MACHINE TRANSCRIPT • CORAGGIO CONSULTING

Loudoun County Public Schools, Finance & Operations Committee Meeting, Tuesday, June 17, 2025

Date Tuesday, June 17, 2025
Place LCPS Administration Building / School Board Room, Ashburn, Virginia
Length 33m (video)

- Official meeting video (Vimeo / LCPS-TV): <https://player.vimeo.com/video/1094169292?rel=0>

Machine transcript (speech-to-text) produced by Coraggio Consulting. Not an official county record. Names and numbers may be misspelled; check the video at the timestamp before quoting.

Speech-to-text: whisper.cpp, model large-v3-turbo. Produced 2026-10-13. Each paragraph starts with its time [HH:MM:SS] in the meeting video.

[00:01:40] - Good afternoon, everyone. I'd like to call to order this June 17th meeting of the Finance and Operations Committee. My name is Arben Estreffi. I'm the chair of this committee. I'm joined by Chair Mansfield and Mrs. Griffiths. We'll start with public comment. Is there any public comment for today?

[00:01:56] Seeing no public comment, we'll move on to the approval of the meeting minutes from the June 3rd Finance and Operations Committee. Do I have a motion to approve the meeting minutes? - Second. - I move to approve the minutes.

[00:02:12] - And then do I have a second? - Second. motion has been made by Chair Mansfield and properly seconded by Mrs. Griffiths. Thank you. Is there any discussion? Seeing none, we'll go ahead and vote on the approval of the meeting minutes. All those in favor, say aye. Aye. Aye. That motion will pass unanimously. Being on the dais threw me off. I grabbed the... That motion will pass unanimously. The meeting minutes have been approved. We'll move on to the consent agenda. Do I have a motion to approve the consent agenda?

[00:02:50] I move to approve the consent agenda. I would like to take something off the consent agenda first, 4.09, to move to action.

[00:03:07] Oh, that's right. Okay. 4.09 noted. So that will be moved into an action item. And we will go ahead and approve the consent agenda, minus 4.09.

[00:03:27] Do I have a motion? Oh, I think the motion is on the floor. Okay. I'll second the motion. Okay. Motion has been made by Mrs. Griffiths and properly seconded by Chair Mansfield. Any discussion? Seeing none, we'll now vote on the approval of the consent agenda.

[00:03:46] All those in favor, please say aye. Aye. That motion will pass unanimously. The consent agenda has been approved, and we will move on to our action items for today. We'll start with 5.01, Business and Financial Services, RFP R19201, Vehicle Repair Services, Renewal.

[00:04:09] I'll go ahead and make the motion that the Finance and Operations Committee place this item on the school board meeting consent agenda and recommend the Loudoun County School Board renews RFP R19201 vehicle repair services from August 1st, 2025 through July 31st, 2026 to the attached awarded vendor list.

[00:04:28] Do I have a second? Second. Seconded by Chair Mansfield. And then I would like to just pass this on to Mr. Davies to add any additional detail as needed. Sir, Don Traynor, I'll cover for Mr. Davies this evening.

[00:04:48] This item just coming back in for action. And with one follow-up item, you had requested the types of services that this is normally contracted out. And so those have been added into the item tonight. This typically covers towing, windshield replacement, alignments, body work, and then any overflow work where the service time on the vehicle or in-house mechanics just can't get to it fast enough. If a particularly busy time of the year, they would outsource that to one of these vendors, too.

[00:05:18] Thank you very much. Board members, any discussion? Seeing no discussion, we will move to a vote. All those in favor, please say aye.

[00:05:38] Aye. Aye. Sorry, I heard only one voice, unfortunately. I didn't look over. Aye. Okay. That motion will pass unanimously, and then we will move on to 5.02, Business and Financial Services, RFP, R25272, Medicare Advantage.

[00:06:03] I believe this is presented by Ms. Filia. Oh, I'm sorry, we're in action item. Let me go ahead and start with our motion. I move that the Finance and Operations Committee place this item on the school board meeting consent agenda and recommend Loudoun County School Board awards RFP, R25272 to United Healthcare contingent upon contract approval, effective January 1st, 2026 through December 31st 2026 do I have a second second that has been properly seconded by

[00:06:39] by chair Mansfield we'll move on to discussion Ms. Filiot did you have anything to add at this time I have nothing else to add to this item unless there's any questions thank you very much board members any discussion yes Mrs. Griffiths I want to thank Ms. Mansfield for pulling off the pharmacy benefit I didn't realize that was in there but as far as the Medicare advantage this is just this is the health insurance that was reworked does it have the the pharmacy

[00:07:14] information in there as well is that all combined can you just go over it one more time for me you don't mind so the medicare advantage being brought forward tonight is for the health care for retirees who are post 65 it does not include pharmacy the pharmacy is part of the pharmacy rfp um so that's it they're just two separate okay all right thank you any other discussion

[00:07:45] seeing no other discussion we'll go ahead and vote all those in favor please say aye aye aye yes um so all those in favor please say aye uh oh wait we have to take it it's in the motion that's right it's in the

motion but just like i did um mrs griffiths for today took it take it off yeah take it off consent for the because i just want to follow our process because that's

[00:08:21] normally what we do. So if you could just take it off consent if you want more discussion on the dais for I guess next week. Okay. Okay. If that is agreeable we'll take it to a vote. All those in favor please say aye. Aye. Aye. That motion will pass unanimously. Move to 5.03 support services contract award for IFB 25-540 Eastern Welcome Center. I move that the finance and operations

[00:08:58] place this item on the school board meeting consent agenda and recommend to the Loudoun County School Board to approve the contract award of IFB 25-540 Eastern Welcome Center to ADI Construction, Inc. in the amount of \$1,946,729 and authorizes the chair of the

[00:09:19] school board to sign the final contract documents upon presentation. Do I have a second? Second. Seconded by Chair Mansfield and I will go ahead and pass this to Mr. Pasquarelli to see if he has any comments. I would just thank you Mr. Strafi. I just comment that this project was approved in the FY22 CIP.

[00:09:48] We signed a lease with the county in June 4th of last year for the space and now we're ready to start construction and seeking approval for the construction contract. Thank you. Board members, any discussion? Seeing none, we'll go ahead and vote. All those in favor, please say aye. Aye. All those opposed, please say nay. Nay. That motion will pass with myself and Chair Mansfield in support and Ms. Griffiths in opposition. And then going to our

[00:10:25] item that we pulled off of consent, 4.09, Business and Financial Services, RFP R25270, Pharmacy Benefit Administration. I'll go ahead with the motion. I move that the Finance and Operations Committee place this item on the School Board meeting consent agenda and recommend the Loudoun County School Board awards RFP R25270 to CVS Caremark contingent upon contract approval effective January 1st, 2026 through December 31st, 2028. Do I have a second? This is seconded by Chair

[00:11:04] mansfield again this is just to get the conversation going um i will at this point let me pass it to uh miss willoughby to add any context or information thank you since our last finance and operations committee meeting there have been several questions that we have received that we want to take the opportunity to provide an update regarding um you know providing additional information the update will be brief and it's really centered around three areas i will start with sharing a brief legal update regarding a question related to collective bargaining

[00:11:39] then I will hand it over to Ms. Jeanette Evans from Human Resources and Talent Development and Mr. Jamie Roberts who is from our consultant Aon. They will provide information about the contract itself and specifically of how this is really about a vendor change not a benefit change and then lastly we'll hear from Ms. Filial to share information regarding the procurement process and what the next steps are so circling back to the question about collective bargaining we worked with our our legal team and the question of whether or not this falls under collective

[00:12:15] bargaining is that it is not for two primary reasons one is related to timing under the collective bargaining resolution that the school board authorized and second the nature of the contract action itself related to the timing the funding for this pharmacy contract was incorporated in the previously approved FY26 budget, which means any request to bargain over its terms would have needed to be served by March

1st, 2024, and resolved by December 1, 2024. LEA did not and could not meet these deadlines as their certification as an exclusive representative occurred on December

[00:12:53] 24th, 2024, which is obviously after both of those dates had passed. The second piece was related to the nature of the contract itself this rfp represents a change in vendor not a change to the underlying structure of the prescription drug benefit the plan design including coverage eligibility co-insurance levels and the overall scope of prescription coverage remains unchanged and has already been incorporated into the fy26 budget which the board has previously approved so for those two reasons is why we continue to bring forward this action related to awarding

[00:13:29] our pharmacy benefit to this new vendor and with that i will now turn it over to miss evans thank you so as part of our business process this contract is changing the vendor not the benefit part of our fiduciary responsibility is trying to make sure that we always have the best possible pricing and so with that in mind we went out to bid on this contract we are not adding or deleting any benefit that is currently available under pharmacy we are changing the vendor which will

[00:14:04] result in a formulary change even in our current contract formulary changes are made quarterly by our current provider express scripts esi medications are added tiers are changed medication or pharmaceuticals are removed and alternatives offered every vendor has a different relationship with different contract relationship with the manufacturers of medications so formularies are based on those relationships we can't tell the vendors who to contract with

[00:14:39] for medications so the change we are making is to improve the finances for lcps for our self-insurance fund but it should not and will not i believe have a negative impact on employees our disruption is less than 5%, which is considered good in the industry standards, and I'm going to ask Mr. Roberts to just kind of explain a little bit about that.

[00:15:08] Thank you. So as Ms. Evans mentioned, the formularies are a part of each PBM's process. They do update them quarterly, and there is always some disruption, even in a current vendor as that changes. There are equivalent drugs that are offered when a particular drug either changes its tier or is sometimes excluded so that the underlying treatment can be continuous.

[00:15:50] And I'm going to pass it to Ms. Philia. So I bring about the part, what is the next steps from here and why does this need to be approved or not approved by your June 24th meeting? There's a lot work that needs to take place once a vendor is changed we have to prepare for open enrollment first of all open enrollments coming up quickly both for retirees as well as for our employees in preparation for that there's a lot of materials and information that need to be printed there's also changes we have to do in our oracle system in order to transfer the information file

[00:16:28] to the vendor and get it back from the vendor so those items require a lot of work in making the change and we followed the procurement process in that we went out as miss evans stated we went out to try to find a cost savings to find a savings in cost for lcps and that's what we have in the recommended award before you this evening to recommend award of this contract to cvs care mark thank you thank you all very much um before i open it up to the rest of the board members um could you just clarify again i think you touched on it if in this committee

[00:17:06] Or at the full board, if there was an alternate motion to not award this contract, what would then happen? If we were not to award this contract and stay with our current provider, we'd still have to go

to the negotiation table with that provider to enter into an agreement for the 26th calendar year.

[00:17:27] That has not taken place yet. So there is still potential. I cannot predict what would come out of those negotiations, But we would have to go back, negotiate, circle back, bring that contract to the board for approval or denial as we're doing with this process.

[00:17:45] And then was the current provider evaluated as a part of this procurement? In terms of how they sized with the other vendors, I can't recall from the item. Yes, they were part of this process.

[00:18:01] Okay, so we do have some base kind of assumptions around their proposals as well, I imagine? Was that, I'm sorry? So we do have some base, we have their proposal as a part of that procurement as well, I imagine, right? No, we do not. Okay. Their proposals in response to the solicitation we put out, the scope of work we put out, not the current contract that we have in place with them.

[00:18:24] Got it. Members, any other discussion? Okay. Chairman, it's here. Okay, so something that's confusing when you go as a single person and you go and you look at different providers and plans, right?

[00:18:45] You look at the formulary and things like that. And I think where I was getting caught up is that I was wondering if, and I guess that's part of what you do. What was your name again? I'm sorry. Jamie Roberts.

[00:19:03] Mr. Roberts. I'm sorry. I can't call you by their first names while I'm on this, but Mr. Roberts. So what I think we get caught up in is a little bit is do we look at that?

[00:19:19] But then I hear you say, even if we did look at that, it would still be changed regardless of there's no, it can be changed quarterly is what I heard you say. So regardless of whatever you made an agreement for, it will change.

[00:19:38] um the other part is um what about is the um the people who are paying for it like um teachers and staff what about their payments does that go up or down is that one of the things that you looked at as well so i'm going to answer um at least the second half of your question the payments are part of the plan design that was approved as part of the budget we don't discuss that with the vendors that's not part of our conversations with them that actually comes under plan design not under

[00:20:17] in this case of vendor change it's just another way of thinking about this you know um business when you look at it from a business perspective is different than when you would look at it as an individual shopping for plans um i also have a question regarding uh mr allen i see you and Ms. Ewing back there. I heard that it's not a part of collective bargaining because there's a

[00:20:52] deadline that was missed as well as it's this is a benefit pharmacy is a benefit is that correct not a change in vendor doesn't matter. Thank you Ms. Mansfield. Yes what I what I heard and my understanding is that first and foremost that there this is not making the change to a benefit or the nature of the so to the extent the nature of the contract action itself is not affecting or making a change to the actual benefit assuming it was a benefit or a change

[00:21:31] to a benefit still based on timeliness that would be a preclusion so to speak for this being any kind of an impingement in terms of the collective bargaining resolution um from thank you very much um i want to dig into i'm trying to understand when you mentioned

[00:22:09] that there isn't a change to the underlying structure of the prescription drug benefit that makes sense to me um but i'm trying to understand that better and i think one of the questions i wanted to ask is

do we understand what percentage of um prescriptions might shift tiers or is there a way for for a tool or some way of you know helping to understand what that change could be as we shift vendors so our overall disruption is 4.7 percent um and i would have to go back and

[00:22:43] double check the exact number but i believe the tier change was around 2.1 percent so either up or down just tier change that makes sense thank you yeah could you tell me a little bit more about disruption what does that mean so disruption means it could change from one tier to another or you could have to move to a different medication that is in that same treatment family but not that particular brand name for example so it could go from a preferred brand name to a non-preferred

[00:23:18] brand name or it could go from it could be a drug that's excluded which means it's not covered by that PBM but there's an equivalent medication that is provided. So it's not that you can't get medication, it's that it's not the same brand name.

[00:23:39] Some of the things on the disruption and Jamie I think can help me out a little bit here. Some of the items on the disruption are actually discontinued medications. The discontinuation would happen in the transition.

[00:23:56] They're discontinued by the manufacturer. so it wouldn't matter who the PBM was, they're going to be stopped. Yeah, thanks, Ms. Evans. I can expound on that a little bit.

[00:24:12] Just the process that we use when we help our clients evaluate the formulary is, by its nature, there's a time gap. So, in other words, we collect data through a certain point of time. That is then evaluated by the various offerors, And they're comparing the formulary status of drugs that were taken a year ago to their current formulary.

[00:24:36] And so there are potential changes. As we said, they change quarterly. So it's an imperfect way to do it because of that time gap. But it's the only way we have to evaluate apples and apples. Any other questions or discussion?

[00:24:58] One more for Mr. Allen. So is there something that says that benefits is benefits and it's not, like, a change in vendor? Where's that understanding coming from?

[00:25:19] Ms. Evans, if you have a – I was asking Mr. Allen, I think. Thank you, Ms. Mansfield. So I think maybe the distinction here, and I can understand that, but so that the plain understanding is that it's not a change in the benefits, as Ms. Evans, I believe, explained.

[00:25:50] So the benefits, the pharmacy benefit and medication benefit would remain the same. I guess what I'm asking is where is that understanding? Is there some definition of what a change in benefit would be if it's a vendor change or not?

[00:26:10] I guess that's what I'm really trying to grasp. Yeah, and in terms of the collective bargaining resolution benefits, it's not defined. So there's no guidance there. To the extent there could be an impact and effect per se, I know other Virginia collective bargaining resolutions do provide for some guidance there, but the LCPS and the school board collective bargaining resolution doesn't provide for a blanket mandate or exception for impact and implementation bargaining or effects bargaining.

[00:26:46] And I think to the extent there were provided some kind of impact or effects language in the collective bargaining resolution, the board passed that would follow that there could be based on the change in a vendor there could be an impact or an effect effect pertaining to or relating to a benefit but in

terms of the kind of the underlying benefit here it's my understanding based on miss evans explanation is that there's no change to the specific benefit and i'd ask miss evans to provide further

[00:27:25] clarification as a subject matter expert there actually i think i'm going to jump in and perhaps try to provide some clarity the school board when they adopt its annual budget they're adopting the benefit plans and the compensation plans for that upcoming school year so we have actually i think a really good example that recently happened. So part of the proposed budget for FY26 included a change to the retiree health plan, moving retirees from the Medicare Advantage LCPS provided

[00:27:58] plan to the RHRA accounts. That was delayed from the budget discussion. A separate vote was taken by the school board regarding that benefit or that plan design, that actual provision. Once the vote was made in direction from the school board, which was to maintain the Medicare Advantage and not do the RHRA accounts, then that gave direction to staff to then have a contract in place to

[00:28:34] provide that service, to have the vendor, which is why you had earlier on the agenda awarding the Medicare Advantage contract. So that's, I think, hopefully the difference of the action of the school board related to the benefit, which is part of the budget process, which is also why the timeline of the collective bargaining is due in December to impact the budget conversations related to the benefit. Once benefit decisions are made and included in the budget, then you will see us

[00:29:08] bringing forward, if needed, resulting vendor contract changes. For this in particular contract change we are we were seeking no change in the benefits but we were seeking cost savings because you may recall during you know quarterly projections with the self-insurance fund you know we are we're projected to go negative in that fund and it's pharmacy in particular that has really you know outpaced our projections as part of this solicitation with the the new vendor

[00:29:46] they are projecting savings of approximately \$16 million in the first year. That's LCPS's cost. That's the LCPS self-insurance fund savings. And why it's heavily on the self-insurance fund for savings is because LCPS covers the vast majority of the cost share related to prescriptions.

[00:30:10] Employees and retirees don't carry the majority of the cost share related to prescriptions. So this was an effort for us to achieve some cost savings to the fund while still ensuring, as Ms. Evans said, a minimum disruption to service levels and costing incurred by employees and retirees.

[00:30:32] Thank you very much. Any other discussion? Sorry. Last. I think it's just hard to – it's just not the nitty-gritty that you pay attention to. It's the general overall because the nitty-gritty is just going to change.

[00:30:52] So, okay. Thank you for all of that understanding for me, and thank you for being here. Thank you. If there's no other discussion, we'll move on to a vote. All those in favor of the motion, please say aye.

[00:31:12] Aye. That motion will pass unanimously, and then we'll go to our only information item, 6.01. Support services, Watson Mountain Middle School, MS-14, on-site sanitary easement, Fleetwood, presented by Mr. Pasquarelli.

[00:31:38] Thank you, Mr. Shraffi. So the sanitary sewer line that services Watson Mountain Middle School travels back behind Fleetwood Winery across close to their property line. And so the winery has requested to connect to that sanitary sewer line.

[00:31:58] And our engineers have reviewed that and determined that there's no negative effects to our site. And we recommend approval. Thank you. Board members, any questions, discussion?

[00:32:15] Looks like no further discussion. Will pretty much concludes all of our items. Is there any new business? Seeing no new business, we'll now adjourn.

[00:32:31] Thank you very much.



Coraggio Consulting · aguyonx.com