

**Benefits Focus Group Minutes
(5/7/03)**

Committee members, alternates and staff advisors present:

Benita Saldutti
John Glanden
Robert Blinch-Edwards
Stacey Monroe
Gil Fernandez
Veda Mahadi
KayKae Thomas
Dolly Gamble
Joyce Dolan
Dick Minster
Ed Whitehead
Jim Godshall
Kevin Stiff
Karen Lusk
Linsley Pietsch
Pat Horan
Wendy Prell
Linda McKinney (present for first half hour)
April Bryan (present for first half hour)

Benita Saldutti called the meeting to order at 1:00 p.m., May 7, 2003. Roll was called.

The minutes from the April 2, 2003 meeting were approved as written.

Ms. Saldutti and Gil Fernandez reported on the health conference they attended. Mr. Fernandez presented information on consumer-driven healthcare, which shifts some of the costs to the end user to help them make better choices and share in the decision making. Ms. Saldutti shared information about saving costs through improving the general health of the members as in screenings and evaluations for a wellness program. She said many speakers talked about paying persons to “opt” out of insurance (if they have other coverage available) as a way of cutting liability and costs.

Kevin Stiff suggested making the wellness program a subject to be covered in the new employee orientation so everyone would be aware of the program. Linda McKinney suggested communicating information through the department heads so all employees would be aware of wellness screenings and programs. Ms. Saldutti said perhaps this is the time for the City to hire a benefits manager, similar to what the County has, whose responsibility would be the education and implementation of wellness programs. Ms. McKinney said that is something that can be considered in the future.

Ms. Saldutti asked if it would be a good idea for Steve Marcinko, Manager, Employee Benefits & Wellness, from the County to come and speak to the Group about their program. Ms. McKinney said she would contact him and try to schedule him for the next meeting.

Mr. Stiff suggested picking one issue (for example weight loss) and address that as a specific education target. After that is accomplished move on to another topic rather than just talk generally about educating people on the wellness program. The Group agreed to brainstorm and come up with an approach to address the issue of obesity. This will then be forwarded to Human Resources for implementation. Ms. Saldutti suggested that everyone write down some suggestions and bring them to the next meeting along with an open mind and a positive attitude.

Ms. McKinney handed out a monthly comparison spreadsheet showing costs through December 2002. It shows an 11% reduction in medical costs. Dental costs are up 5-6%. Prescription drug costs are up 22%. She said that Viagra was going to be discontinued as a covered prescription.

Ms. Saldutti asked that the next item on the agenda, Wellness Incentives, be set aside until after the presentation by the County's representative.

Dolly Gamble handed out a sheet showing the comparison between last year and the current year 5/1/01-4/30/02 and 5/1/02-4/30/03. She said this is a real picture of the medical fund showing cash in and cash out. This is what is really happening in the fund. Revenues are up. The City has contributed more which is saving the fund right now. If city had not put in that extra money, if the fund balance would only be around \$672,000 right now. That is getting into the danger zone. We need to consider doing something. We can't just think we did so great and did all our work last year. We need to look at a rate increase. And, as much as people don't want to hear it, we need to think about the employees paying something. It is just what is happening in the market.

Mr. Stiff said he doesn't think it is the Group's function to even discuss employee's contributing to the fund. That direction could come from the City Administration. Ms. Gamble said she just wanted to present a reality picture to the group and let people know they needed to keep an open mind to all options and possible changes in the future.

Ms. Saldutti said she had asked the people who work in her department for their opinion on employee contributions. No one was in favor of it because it has always been presented to the employees as a part of their compensation package. If that does happen, then maybe it should apply only to new employees.

Mr. Fernandez suggested that rather than having employee's pay for their coverage, the same effect could be accomplished by increasing costs to the users.

Mr. Stiff asked why the Group was just now being made aware of this information. For the past three months the Group has been coasting because everyone thought the fund is fine. That is what they were told by Ms. McKinney. She said they probably wouldn't have to worry about any increases this year or even next year, but it looks like something drastic needs to be done again. Ms. Gamble said the information has been provided to HR every month by Finance. Mr. Fernandez said that it would be better to wait and talk about this when Ms. McKinney is present to answer questions.

Robert Blinch-Edwards passed out information about strategies to save on cost of prescription medicines. Ms. Saldutti asked the group to review them before next meeting.

Meeting adjourned at 2:15 pm.

Next meeting is June 4, 2003, 1:00 p.m. in the City Commission Chambers.

Items for next meeting:

- Ms. McKinney will contact Steve Marcinko from Sarasota County to make a presentation to the Group
- Work on education plan for weight management program
- Discuss health of medical fund
- Rx Initiatives

Minutes Approved: August 6, 2003

Benita Saldutti, Vice-Chairperson