

**Benefits Focus Group Minutes
(4/10/02)**

Committee members, alternates and staff advisors present:

John Agen
Ed Whitehead
Andy St. John
Pat Horan
Neal Elliott
Dick Minster
Stacey Monroe
Suzy Milburn
John Glanden
Gil Fernandez
Casey Humpert
Mark Trefethen
Janice Cox
Linda McKinney
KayKae Thomas
Robert Blinch-Edwards
Joyce Dolan
Mark Stinson
Norm Stockton
April Bryan

John Agen called meeting to order at 1:05 p.m., April 10, 2002, at Public Works Department meeting room, 1761 12th Street. Roll was called. Mr. Agen said he would like alternates to attend as many meetings as possible so they are familiar with information when they need to sit in for a group member. Mr. Agen said that minutes would be available to the public after draft copies are approved and signed.

Minutes of February 20, February 27 and March 27 were approved without corrections.

Neal Elliott gave a recap of the last meeting where there was discussion about City wellness program, County wellness program and possibilities for long term recommendations.

Linda McKinney reported that she had been asked to provide the cost for EPO vs. PPO at last meeting. Robert Blinch-Edwards will provide that information. She was also asked to research some sort of option for people enrolled in the PPO who have children outside of area. She has not yet come to a solution on that. She is waiting for a response from the TPA. Kurt Gehring has been absent from meetings because of a contract issue. The City is currently In the process of reviewing his contract. By next

meeting, there should be a signed contract to be presented to the Commission for approval. Mr. Gehring's main service is to provide cost for changes made in the health plans. The City will use his actuary. Mr. Robert Blinch-Edwards can provide information on Defined Contribution Plans to the Group.

Ms. McKinney pointed out that by June, when recommended plan changes are due for the budget process, the group will only have figures for January and February 2002. The group will not have impact data from the changes made in April before the June budget process.

Ms. McKinney stated that due to staff oversight, when the Focus Group made their recommendations to the City Manager lab charges for EPO and PPO were not addressed. Currently there is no copay on EPO for lab charges - they are paid at 100%. Her suggestion is to make them at least the same as lab fees for the TeamHealth plan. This cannot be changed in this plan year, the change needs to be included in the group's recommendations for the 2003 plan year. Another issue the group needs to address is paying for doctor prescribed classes for disease management. The current plans do not provide this coverage.

Neal Elliott made wanted to make it clear that everything that is talked about by the Group as far as wellness programs and plan changes are for all participants: actives, retirees and dependents alike.

Mr. Blinch-Edwards distributed the following handouts: "Draft" Wellness Incentive Program and a "Draft" brochure on Stress Management. He asked the Group to review and advise of any changes or corrections. He stressed the importance of sending out Wellness Topics survey that was given to the group at the last meeting.

Mr. Blinch-Edwards gave an overview of the "Draft" Wellness Incentive Program. This is the first attempt to begin designing a wellness program. After the program is further developed, it will be reviewed by legal counsel review to ensure compliance with any applicable laws regarding ADA, etc. Group needs to have draft ready for review by end of May. A financial impact estimate will also be done near the end of May. Information from the wellness program will need to be added to Summary Plan Benefits (SPB) before next plan year.

Deadlines for Group are:

- June for recommendations that will make a financial impact to the budget for the next fiscal year. Will be extremely difficult to get valid numbers.
- August to make any plan changes for implementation in January, 2003.

Mr. Blinch-Edwards continued his discussion of the draft wellness plan addressing confidentiality requirements and incorporating a City Privacy Plan into the SPB.

There was some discussion about Attachment A. This showed a sample credit schedule for wellness points. Points can be awarded and administered as decided by the Group. For example, points could convert to dollars to go into a flexible-spending plan. The group will define the parameters of exactly how credits will be allocated and used.

Discussion followed about physicals and the \$350 benefit in all plans for annual physical/wellness coverage.

Mr. Blinch-Edwards would like the group to submit any ideas to him or Ms. McKinney to incorporate into the draft for future meetings.

Next handouts distributed showed a breakdown of City medical expenses through end of November 2001 for both EPO and PPO. December figures should be available for next meeting.

Per Employee Per Month (PEPM), medical costs were \$363.77 for EPO and \$398.25 for PPO.

Next handouts:

- Sarasota County School Board Group Health Insurance Rates for PPO, HMO and Catastrophic health plans
- Copy of actual plans and amounts of coverage
- AOL newsletter with health and medical information (link from Healthcare Sarasota's web page at www.hcsrq.com)
- Information about HIPPA teleconference on 4/18/02
- Current legislation regarding key health bills currently in Congress – both State and Federal.

Ms. McKinney asked for a motion about changes to lab charges. Mr. Agen said he did not feel there needed to be a formal motion on each item, but that the group should make a list of proposed recommendations. Mr. Elliott said he thought there should be some difference between the charge for EPO, PPO, and TeamHealth. Since fees for other services are staggered, the group needs to be consistent. Ms. McKinney pointed out that some charges are the same for all plans, such as prescriptions.

Mr. Blinch-Edwards said he had finally been successful in getting Caremark to charge only the cost of the prescription for those medicines that are less than the copay amounts. This applies to mail order prescriptions only.

John Agen asked for any input from the audience. No one responded.

Mark Trefethen asked about active fire fighters that will retire and the fund for that purpose. Ms. McKinney said that she was under the impression that Benita Saldutti was going to check into the transitioning of that money as people come into the plan.

Mr. Elliott suggested that the firefighter's pension actuary could make a recommendation on the utilization of that money. Ms. McKinney said the Finance Director needs to be consulted first for a recommendation. Mr. Agen asked if Ms. McKinney would get with the Finance Director to see if we can determine a dollar amount to be contributed to the medical insurance fund.

Agenda for next week:

Mr. Blinch-Edwards will give a breakdown and summary on defined contributions and provide the following:

“Draft 2” of Wellness Incentive Program for City
cost code group - age banded as requested
final figures for 2001
Comparison between City, County and Hospital costs
Brochure on another health/wellness topic

Charles Senf asked for and was provided the opportunity to address the group regarding his perception of the their work to date.

Next meeting is April 17, 2002, at 1:00 p.m., in the City Commission Chambers, City Hall..

Meeting adjourned at 2:55 p.m.

Minutes Approved: April 17, 2002

John Agen, Chairperson