

**Benefits Focus Group Minutes  
(4/04/07)**

**Note: BFG member who attend are listed; non-members may attend but are not always listed.**

<u>Regular Members</u>	<u>Alternate Members</u>	<u>Staff Advisors</u>	<u>Recorder</u>
Janice Cox	none	Robert Blinch-Edwards - HCS	Diane Vanderwest
Cindy Cumbie		Kurt Hoverter	
Susie Daniels		Linda McKinney	
Dolly Gamble			
John Glanden			
Jim Godshall			
Carol Karr		Guest	
Sue Martin		Tom Dolsak - WEBTPA	
Benita Saldutti		Jack Tomalis - HCS	
Javier Vargas			
Ed Whitehead			
Al Woodle - Chairperson			Members and Advisors Present= 15

**Call to Order - Chairperson**

Al Woodle called the meeting to order at 1:05 pm. Wednesday, April 4, 2007.

**Roll Call**

Diane Vanderwest called the roll and recorded the meeting.

**Approval of Minutes from 12/06/06**

Al Woodle called for and received approval of the minutes from the previous meeting on 2/07/07.

**Monthly Costs Update – Linda McKinney**

Linda reviewed the monthly medical costs. She also advised we will be receiving the first retiree subsidy check through the Retiree Drug Subsidy (RDS) organization in the amount of \$155,000 for the year 2006. Since the City provides retiree drug coverage in lieu of Medicare Part D, we are able to apply for the subsidy. This check is the end result of a complicated application process that is now in place for future subsidy requests. The \$155,000 check will be applied to the OPEBS Trust Fund since it is all retiree drug related.

Also, every month the City puts \$199,000 into the OPEBS Trust Fund under the title of *General Fund Advance Funding*. This is above and beyond the normal City contributions to this fund.

Kurt handed out and reviewed the *Medical Flat Rate Proposal*, dated 02-28-07, showing the current rates and the next three years' projected rate proposals for employee medical costs with each of the coverage choices: Navigator, EPO1, EPO2 and PPO, with the various tiers: Employee only, Employee + 1 Dep., and Employee + Family. The PBA recently ratified a 3-year contract through their negotiations, approving these costs through 2009. The Family coverage for all choices takes the 2006 rate and adds

10% for the 2007 rate; takes the 2007 rate and adds 8% for the 2008 rate; and takes the 2008 rate and adds 8% for the 2009 rate. Retro pay is being prepared for PBA members and medical contributions owed will be deducted from retro pay owed.

Kurt also reviewed some highlights on the *Caremark Annual Report*. The total prescription costs for the entire City of Sarasota group (2200 members) is \$2.3 mil. Our BioTech users went from 68 to 91, a 33% increase and from \$181,000 to \$223,000 in BioTech costs, a 23% increase. One member's cost is \$62,000 for a BioTech cancer drug; the daily supply cost is \$180 for this drug. That is No. 1 on our BioTech usage list and its No. 2 on our total cost usage. The only one that is higher than that as a grouping is Lipitor and that is \$40,000 higher, but 459 people take Lipitor and 1 person is taking the BioTech drug. This report is available in its entirety in HR.

### **Linda – Nurse Resignation**

Linda announced that Nancy Tolsma, the City's nurse, has chosen to resign due to a personal family situation. While Nancy was here only a short time, she made great strides in establishing a vaccine program for our Police dept; setting up a procedure for us to be able to purchase vaccine through the Center for Disease Control; and establishing a good protocol for the medical files.

Going forward, we were able to get a solidified relationship with Dr. Tobias through US Healthworks as the supervising physician consultant for the City. We have a contract with Dr. Tobias @ \$250/month for this responsibility. He also functions as the Infection Control Officer when questions arise in dealing with bloodborne pathogens. Linda advised we have been working with Lt. McVay on that.

### **Other Business**

Benita and Chairperson Woodle announced that member Bill Tatum passed away and asked that a letter of appreciation for his work in this group be sent to his family.

There was a concept draft presentation by Tom Dolsak of WEBTPA and Robert Blinch-Edwards of HCS entitled, *City of Sarasota, Medical and Prescription Benefits*, with sub-topics of: Medical Management, Medical Plan Design, and Prescription Plan Design. The presentation helped to explain the process of the components that are in place within that management and proposals of plan design changes.

Medical Management - Mr. Dolsak talked about the local aspect of this management being at SMH where 90% of the claims go; the effective date is proposed for 01/01/08; he discussed the Health Risk Assessment, Disease Management and the Online Health Dashboard. Tom Dolsak introduced Jack Tomalis, from Health Care Strategy who will be available after this meeting to demonstrate the online Health Dashboard for those that wish to stay.

The Medical Management components will help any member manage and learn more about a disease and identify their own risk factors associated with their own health and get a personal health assessment through a series of questions and their results. Online courses (15 minutes long) on subjects regarding the risk factor answers are then prompted for the member to take and receive credit for; also, advice is given on information to improve the member's health. The key to this local process is the integration between systems.

Susie Daniels distributed roll-out drafts of how this may be communicated in the form of a tri-fold, a letter and a flow chart of what the management team does for the HCS Medical Management.

Possible Medical Plan Design Changes – The Navigator Plan will no longer be offered under that name, but will be replaced with the Basic plan at low cost (or no cost for employee only). This managed plan would still be driven through a primary care physician, but with more choices available through an

increased provider network. Exclusions will be standard and in place for the Basic plan developed from Navigator.

Possible Prescription Changes Mr. Dolsak presented information on possible prescription changes which would include selecting Medical and Rx plans individually (cafeteria style). He also introduced the idea of a GAP Rx Plan, also called a Donut Plan and similar to Medicare Part D. This GAP Rx Plan would help to cover costs after the initial benefit cost amount is met and there is still a balance due.

The presentation given today was a concept of possible changes for our medical plan for 01/01/2008.

Al Woodle asked about choosing generic drugs to save money vs. more expensive brand-name drugs. You can call Caremark any time about the availability of a generic drug.

Susie advised that the Smoking Cessation program has helped 41 people who have attended since June 2006.

Robert Blinch-Edward will be moderating an educational forum on affordable health coverage options for uninsured small businesses and individuals under 65. The forum will be April 24, 8:30-10:00 at the Waldemere Auditorium, 1700 S. Trail.

There was a brief discussion on different wellness measures or prevention of further costs to the plan, such as tetanus shots, not being covered in our plan under wellness. Also, there are some procedures for female physicals that are not covered under wellness. Linda advised that Susie will draft a list of those issues and bring them back to the group at the next meeting for plan enhancements.

#### **Adjournment and Next Meeting**

Al Woodle adjourned the meeting at approximately 2:10 p.m. The next regular BFG meeting is scheduled to be **Wednesday, June 6, 2007**, 1:00-3:00 p.m. in Room #100 of the Federal Building.

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