

**Benefits Committee Meeting**  
**August 3, 2016**  
**MSB Conference Room 130**

Start time: 2:00 pm

**Committee Members in Attendance:** Steve Finney, CWA; Matt McCombs, CWA; Mike Head, CWA; Roberta Gluski, CWA; Lt. Richard Harris (for Sgt. Joel Morley), FOP Supervisors; Stephen Colbert, IAFF; Lisa Brown, SAMP; Sandra Clayton, SAMP; Gina Clayton, SAMP; Jay Ravins, SAMP; Karen Dombrowski, Retirees

**Committee Members Not In Attendance:** Phil Hughes, CWA; Jonathan Walser, FOP Officers; Christopher Precious, FOP Officers; Matt Schad, IAFF

**Non-Committee Members In Attendance:** Shawn Fleming, Gehring Group; Michelle Kutch, Human Resources; Joe Roseto, Human Resources; Lisa Goodrich, Human Resources; Donna Cacciatore, Human Resources; Morgan Douglass, Human Resources; Stacy Lambert, Cigna Representative

Michelle Kutch, Human Resources Manager, opened the meeting and announced that we had two new committee members. She welcomed Lisa Brown-Friday and Gina Clayton to the Benefits Committee who will both be representing SAMP members. Ms. Kutch stated that as of today (August 3, 2016) there have been new EEOC rulings that came out within the last day or two that will affect the structure of the 2017 City of Clearwater medical plans and we will discuss that later in the meeting.

Gehring Group Representative Shawn Fleming stated that he wanted to discuss the Diagnostic Clinic with the committee as there has been questions and concerns raised since the Diagnostic Clinic has dropped out of Cigna's networks in January 2016. Mr. Fleming stated that the Gehring Group has run reports and have found that the utilization rate of the Diagnostic Clinic in 2015 was a lot lower than expected, and out of the \$14,000,000 in the City's 2015 claims, the Diagnostic Clinic only accounted for \$200,000 of those and around 200 plan members had utilized the Diagnostic Clinic in 2015. Mr. Fleming stated that one thing Cigna is able to do is create a "client specific network" where Cigna is able to put someone in the network solely for City of Clearwater plan members. Cigna was able to approach Diagnostic Clinic to try and negotiate a deal just for City of Clearwater plan members to have the Diagnostic Clinic added back into the network. Mr. Fleming stated that these negotiations are still ongoing but are looking favorable. Mr. Fleming added that the Diagnostic Clinic has even given us a verbal agreement and he believes by January 1, 2017, the Diagnostic Clinic will be back in network for City of Clearwater plan members. Mr. Fleming stated that this deal is favorable because the City will be getting an independent agreement and will not be affected by changes in the insurance Diagnostic Clinic accepts. Mr. Fleming stated on the employee side, it will be transparent and they would continue to pay the same co-pays at the Diagnostic Clinic as they would with any other provider.

Mr. Fleming went on to state that in terms of the 2017 medical renewal, Cigna is not offering any increase in their administrative costs and the stop loss or reinsurance fees will be going up 5%. Mr. Fleming explained that the reinsurance covers the City for claims that exceed the \$300,000 mark and that the 5% increase is good as they are seeing increases on stop loss insurance in the market at an upwards of 15%.

Mr. Fleming stated that they have projected the premium needed for the 2017 medical plan at about 17.6 million and added that currently, the City has 17.4 million in funding which means we will have a projected increase of 2% which is significantly lower than the increases we have had in the past years. Mr. Fleming stated that the City will still remain in the Cigna Open Access Plus plan for 2017 and may have the possibility of the Diagnostic Clinic as well. Joe Roseto, Human Resources Director, added that the activity at the Health Center has helped keep the claims lower which helps overall with costs.

Mr. Fleming went on to discuss the new EEOC rulings that could have an effect on the City of Clearwater current Medical plans. Mr. Fleming stated that wellness initiatives are covered under HIPAA and that the EEOC under the accordance of the Americans with Disabilities Act has ruled that they are not in favor of employers having employees complete a health assessment in order to be placed in a better plan (just as the City does with the PHA plan). Mr. Fleming stated that there is a possibility that the City will only need to not require the health assessment. Mr. Fleming stated the City could still advertise the PHA blood work and incentivize the completion with a gift card. Ms. Kutch added that there were only about 150 employees enrolled in the base plan this year while around 1360 employees completed the health assessment and are enrolled in the PHA plan. Ms. Kutch expressed the benefits of completing the health assessment as it helps employees gain knowledge of their personal health and she would still want to encourage employees to get a PHA. Ms. Kutch also added at this point there may be a possibility based on the EEOC ruling that the PHA will not be required to be placed in the PHA plan and there may only be one plan offered in 2017.

Mr. Fleming continued by stating the projected increases for dental and vision as follows:

- Humana Compbenefits CS150 plan & Advantage plans: No changes to the plan and no increase to premiums.
- Humana Dental PPO Plan: An increase of 3.4%, which is equal to (for employee only) \$1.34 a month or 67 cents per pay.
- Assurant has not submitted a proposal yet and will be discussed at next meeting.
- The current Humana VisionCare plan is retiring and the City will rollover into a new plan with basically the same schedule of benefits, except for the benefits on eyeglass frames. Prior benefit gave \$45 (wholesale value) toward employee purchase and will now have a flat \$120 (retail value) toward employee purchase of the frame.
- The vision will increase 4.4%, which is equal to (for employee only) 26 cents a month, or 13 cents increase per pay.

Mr. Roseto added that the Human Resources Department will be distributing the meeting minutes so employees can read about the proposed changes and increases. Mr. Roseto added employees are encouraged to speak to their benefit committee representative about any questions or concerns they may have before the next meeting and the formal vote to accept these proposed changes.

There was a motion made by Stephen Colbert, to preliminarily accept the current proposal and increases for all the plans as well as adding the Diagnostic Clinic as an in network provider until the formal vote at the next committee meeting. The motion was seconded and the committee voted unanimously in favor of this proposal and with no one opposed.

Mr. Roseto shared with the committee that the City of Dunedin (who partners in the Employee Health Center with the City) has made a preliminary decision to pull out of the Employee Health Center. Mr. Roseto stated that this change will not affect how the clinic is run and thinks the City of Dunedin may no longer be utilizing the clinic after the end of August. Mr. Roseto further stated that if this decision is official, it will be formally announced and that the potential loss of the partnership with the City of Dunedin will not affect the clinic.

Ms. Kutch asked if anyone else had any further questions or discussion and there were none. Ms. Kutch stated the information from today's meeting will be distributed to the City employees and the benefits committee members may be receiving questions from the groups they represent. She then stated a follow up meeting will be scheduled where we can discuss any concerns received and could possibly have a formal vote regarding the 2017 benefits renewal.