

Benefits Committee Meeting
March 7, 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; Christopher Precious, FOP Officers; Sgt. Joel Morley, FOP Supervisors; Stephen Colbert, IAFF; Susan Chase, SAMP; Jim Donnelly, SAMP; Monica Mitchell, SAMP; Chad Read, FOP Officers; Sandra Clayton, SAMP; Karen Dombrowski, Retirees

Committee Members Not In Attendance: Phil Hughes, CWA; Jonathan Walser, FOP Officers; Matt Schad, IAFF; Jay Ravins, SAMP

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

Michelle Kutch, Human Resources Manager, opened the meeting and discussed some of the topics from the previous meeting that was held approximately 3 weeks prior. She reminded the group that the Cigna and the Diagnostic Clinic had not come to a contractual agreement, therefore, employees in the Local Plus network lost over 100 specialists in Pinellas County. She explained that the City had approached the Gehring Group to see if there was anything that Cigna could do, such as open the network up or allow employees to change networks, but that the Local Plus network was now very limited and no longer a viable option. Ms. Kutch then asked Shawn Fleming, of the Gehring Group, to expand on what he did with that information and what Cigna felt they were willing to do for the City.

Mr. Fleming stated that The City as well as The Gehring Group has heard the concerns regarding the Diagnostic Clinic. Cigna had discussed adding some specialists back into the LocalPlus network that were currently being covered under the Open Access Plus (OAP) network, but that process has many steps such as credentialing and that solution is not as immediate as we would like. With the limited number of physicians in the LocalPlus network, the Gehring Group decided to go back to Cigna and see about having everyone moved from LocalPlus into the OAP network to have a broader access to physicians and specialists. The Gehring Group did an analysis on the extra cost of placing all participants into the OAP plan for the remainder of the eight months of the 2016 plan year and the projected cost is \$225,000 to \$250,000 dollars. Mr. Fleming stated that they were able to go back to Cigna with that estimate in mind and Cigna was willing to waive \$225,000 of the City's administrative fees to offset that \$225,000 - \$250,000 increase. Mr. Fleming went on to state that he believes there is a good chance that Cigna and the Diagnostic Clinic will come to an agreement in the future, The City and The Gehring Group did not want to wait for that agreement, and wanted to make sure the participants were taken care of and had adequate access to providers.

Ms. Kutch stated that Cigna has offered to move everyone on the City medical plan from the LocalPlus network into the OAP network. Ms. Kutch stated that Stacy Lambert, Onsite Cigna Rep, provided a report breaking down the number of physicians in each network in Pinellas County. In the LocalPlus network there are 804 providers while in the OAP network there are 1,871 providers. Committee member, Sandra Clayton, asked if some of those providers in the OAP network were the same as in the LocalPlus network. Mr. Fleming answered yes, that a provider that is covered in the LocalPlus network is also covered in the OAP network. Mr. Fleming stated aside from the overlap of providers, by moving to the OAP network, there will be about 1,000 extra providers in Pinellas County for employees to choose from. Ms. Kutch added that is very important to remember that even with the change of network, at this time, all Cigna plans are not being accepted by the Diagnostic Clinic, unless they reach an agreement in the future.

Committee member, Karen Dombrowski, asked if the copays were the same on both plans. Joseph Roseto, Human Resources Director, stated that the plan designs will not change, with one exception, that the employees who chose the OAP Buy-Up plan during Open Enrollment will have a change in their schedule of benefits. Ms. Kutch added that currently, the schedule of benefits for the OAP Buy-Up plan mirror the LocalPlus Base plan, meaning that they have higher co-pays, deductibles, etc. but with the change of network, those OAP buy-up plan participants schedule of benefits will be changed to mirror the LocalPlus PHA plan (with lower co-pays, deductibles, etc.) because those participants had to complete a PHA to be enrolled in the OAP Buy-Up plan. Ms. Kutch added that the participants of the Buy-Up plan will also benefit because until now, they were paying an increased biweekly premium, even for employee only; and with this change, the increased biweekly premium, they will be charged lower premiums and they will be receiving the richer schedule of benefits. Ms. Kutch added that the number of employees that selected the OAP Buy-Up plan during open enrollment for the 2016 plan year was only 34 people.

Mr. Roseto stated that we need to remember that the negotiation with the Diagnostic Clinic is between the Diagnostic Clinic and Cigna. Mr. Roseto added that the City has no involvement with the negotiation, but the City wanted to minimize the impact of the loss of the Diagnostic Clinic and to do so, would like to implement the larger OAP network to all City employees. Mr. Roseto stated that the Gehring Group was able to work with Cigna to achieve this concession for us. Mr. Roseto added that this change in the network is for the current 2016 plan year and it does not necessarily mean that we will only offer the OAP plan next year as we have to go through the renewal process. Mr. Roseto advised committee members to remember that employees may expect that since if the City changes to the OAP network, that it will remain that way for the coming year, but in reality, the City must reevaluate the plan options every year before Open Enrollment.

Mr. Roseto stated that we have worked with IT and Cigna, so if the Benefits Committee chooses to accept this change, the OAP network change will be effective April 1, 2016 through the end of the year.

Stephen Colbert, Committee member, asked if there will be and additional costs to the employees with this change. Ms. Kutch said no, that the employees currently in the OAP buy up, will see a decrease in

their premiums and the schedule of benefits and your co-pays, deductibles, and out of pocket maximums, will depend on whether you completed your Personal Health Assessment or not. Ms. Kutch added the only people that will see a monetary change is the 34 employees that selected the OAP Buy-Up plan during open enrollment, they will have a decrease of premiums and stated that effective April 1 their schedule of benefits mirror the LocalPlus PHA schedule of benefits, they will see a reduction in the bi-weekly premium costs, and a change in the schedule of benefits.

Susan Chase, Committee member, asked what would happen if the Diagnostic Clinic and Cigna came to an agreement after the change of network was implemented? Ms. Kutch responded that the City is on the course to make the change from the LocalPlus network to the OAP network and if it is approved, it will remain that way for the whole year, regardless of what the outcome is to the negotiation with Diagnostic Clinic and Cigna.

Mr. Colbert asked if the change is effective, will Cigna issue new ID cards. Ms. Kutch stated yes, that everyone will receive new id cards since the network is changing. She added, current ID #'s will not change, therefore if there is an urgent need, the employee can print out a temporary card, or the provider can call in to Cigna to verify their benefits using the employees current ID # or ss#.

At this point in the meeting, Ms. Kutch asked if there were any further questions and there were not. She asked if someone would like to make a motion to vote on the change of networks.

Mr. Colbert made a motion to accept the network change and move employees enrolled in the LocalPlus plans into the OAP plan. All Committee members accepted and passed the motion unanimously.

Mr. Roseto added that Human Resources would communicate to all employees announcing the changes in the following week and will direct employees to refer the questions to the Committee members. Mr. Roseto stated that if the Benefits Committee member is unsure how to answer the employee's question, they can refer the employee to the Benefits team in Human Resources.