APPROVED

Regular Meeting Minutes
January 17, 2017 @ 9:00am
City Hall 2nd Floor Conference Room

Rusty Whisenhunt called the meeting to order at 9:02am

I. Roll Call

Members Present: Rusty Whisenhunt, Albert Ozuna, Bruce Kizarr, Bob Bigham, Richard Rogalski, (@ 9:08am) John Schwenk

Others Present: Tiffani Burk (HR Generalist), Chase Massie (HR Director), Hanna Carter (Finance), April Bortmess (BCBS), Rachel Kanady (NFP), Kelley Harmon (NFP), Courteney Cacho (City Manager's Receptionist)

Member Absent: James Churchwell

II. Minutes (12/20/16)

Motion to approve minutes by Richard Rogalski with second by Albert Ozuna Ayes: Ozuna, Bigham, Rogalski Abstain: Kizarr Nays: NONE **Motion carried**

III, Review Reports

A) Financial Reports

Supplemental Bank Reconciliation

Bank balance as of 12/31/16	$440,681.47
Outstanding Deposits	$35,387.87
Cleared Checks as of 1/12/17	$26,637.48
Outstanding Claims (Self-Funded)	$1,074,849.36
Outstanding Claims (Pass Through)	$21,141.82
Outstanding Claims Total……...$1,095,991.18	
Deposit(s) in Transit	$397,226.69
Adjusted Balance as of 1/12/17	**$(249,332.63)***

**** This balance does not reflect the actual amount of available funds in this account. It is only informational in nature and only for the use of the health committee. This is a compilation of all known outstanding debts and revenues for this account to date.***

Rogalski asked if this was a trend. Whisenhunt answered it's been trending this way for (2) two months since we started the increases. December is always a low month of the year. It's improving and we are headed in the right direction. It's a tremendous change with the ($1000) thousand dollar deductible.

Motion to approve financial report by Albert Ozuna with second by Richard Rogalski Ayes: Ozuna, Rogalski, Bigham Nays: None **Motion carried**

IV. Wellness Committee

A) Update

Massie said we are entering into our (3rd) third quarter of the Wellness Program with part of it focusing on nutrient. We will have (3) three different healthy cooking demos with a registered dietician, Ashley Lazzerini.

January 24th – Breakfast Food Demo 9:00am – 10:30am
February 10th – Lunch Food Demo 11:30am – 1:00pm
March 21st – Dinner Food Demo 5:30pm – 7:00pm (Family Invited)

She'll prep and cook in the demos. She'll have someone time her and show how quickly it can be done. She'll show how to prep for (4) four days and employees can also sample the food. She'll go over calorie and sugar intake. Lazzerini also prepared (2) two different flyers on what to eat at fast food restaurants and gas stations. For the dinner demo, we would encourage employees to bring their spouse and

child(ren). We realize many times it's the spouse who is doing most of the cooking and we want them to hear this information as well. February (3rd) third, BlueCross BlueShield will be hosting a seminar on diabetes and blood pressure awareness. It's consistent that (1) one of our problem areas is high blood pressure. We also want to address diabetes on a regular basis. There will be (2) two different times you can attend that day, 10am and 2pm. Our next Blood Drive is scheduled for February (23rd) twenty-third from 12pm to 4pm in the Banquet Hall. We'll have signup sheets coming out. Our newsletter has a complete calendar of upcoming events.

V. Old Business

A) Different Plans for the Private Exchange

Bortmess passed out an External Plan Offering for City of Lawton 2017 Comparison of (5) Five Plans Selected by Liazon and NFP chart. Massie said at the last meeting we talked about trying to do a comparison of the (4) four optional plans in addition to the custom plan. The (1) one plan out of the (5) five would be the exact same plan we have today. Bortmess said what she put together was a chart showing what the options will be.

1st Option: Current Plan
Other (4) Four Plans: Recommended by Liazon & NFP

The City is currently on the BlueOptions Network. There's another BlueOptions plan and the others are BlueChoice, which is our broadest Network. There are (3) three Networks within the BlueOptions plan: Choice, Preferred, and Traditional. It's at an (80%) eighty percent co-insurance no matter where you go. Whisenhunt asked if we could go on their website and look at the providers who fall under that. Bortmess answered yes. On the high deductible plan there would be no co-pays. We have a tool called the Cost Estimator to give you an idea of what it would cost. Whisenhunt asked for all of these plans, will the Cost Estimator Tool be available. Bortmess answered yes. Kizarr said on the high deductible plan, it says (100%) one hundred percent after deductible and then there are (2) two different deductibles. Bortmess said you'll have an individual and a family deductible. Kizarr asked if the Out-of-Network was the highest deductible. Bortmess answered your Out-of-Network is the same because they were selected for this (100%) one hundred percent high deductible plan. Sometimes you'll still have your co-insurance even after you've met your deductible but in this case, the plans selected were (100%) one hundred percent deductible plans. Once you've met the deductible and the Out-of-Pocket, it'll pay (100%) one hundred percent. Kizarr said if you are an individual and select plan (4) four. You'll pay (2600) twenty-six hundred even though it says In-Network Out-of-Pocket. Kizarr asked if you don't have to meet (5000) five thousand but only the (2600) twenty-six hundred. Bortmess answered right. Whisenhunt asked if it included the prescription cost. Bortmess answered yes. She did a prescription side of it on the chart as well that shows which plans are integrated with your medical and which have their own separate Out-of-Pocket maximum. (2) Two of the PPO plans have a separate Out-of-Pocket maximum and the others are integrated with your medical. If you are taking prescriptions it would also go towards that (2600) twenty-six hundred and ($5000) five thousand dollar deductible. Whisenhunt asked on plans (4) four and (5) five, if an HSA was available. Bortmess answered yes and it would be something the City of Lawton would have to setup. Whisenhunt asked on the HSA, what are the limits on plans (4) four and (5) five. Bortmess answered federal limits. You could put up to the maximum even if it's past your deductible because that money can be there for you in the future. It will keep going like your FSA. Kanady said there are federal limits on an HSA where they stand by themselves. You could put up to (3400) thirty-four hundred per individual or (6750) six thousand seven hundred fifty per family. A lot of people put money in for a tax savings because it reduces their taxable earnings.

Kizarr asked if you can roll over money from another fund into your HSA. Kanady answered you can and once the balance gets over a certain amount it can be invested. There's flexibility in an HSA but the (1) one negative is its not front dollar. Everything's not loaded on day (1) one like a flexible spending account, its money in and money out. The rest of the advantages are equal to or better than the flex. Kizarr asked on plan (3) three the (80) eighty, (70) seventy, (60) sixty in the co-insurance, what does those mean. Bortmess answered it's the BlueOptions that the City has today. The City of Lawton has it setup no matter where you go it'll be (80%) eighty percent co-insurance. With this particular plan, depending on the facility you choose, what Network they are in, and that would be the co-insurance. If you choose BluePreferred it's going to be (80%) eighty percent verses if you choose BlueChoice at (70%) seventy percent. We don't often see the (60%) sixty percent. Whisenhunt said by the looks of this most people in Lawton are on the BluePreferred Network. Bortmess said the other thing she put on the chart was the RX Network. Right now the City of Lawton's current plan is our broadest Network including CVS. That is (1) one change was made as of 2011. For some of our Networks we've removed CVS. This would be the standard plans outside of the custom (1) one we would design on the Preferred Network. It will not have CVS in it which would be the (1) one change. It would be the exact same formulary because the City of Lawton currently moved to the Generics Plus formulary in 2017. We are calling it Performance. Another difference would be on the compounds and the PPI brands. Right now, you haven't excluded compounds but you did put a PA in if it was over ($300) three hundred dollars it needed prior authorization. Excluded would be the standard plans, compounds and the PPI brands. The member pays the difference; currently the City doesn't have that in place. It's called a DAW1, when the member requested a brand name prescription even though a generic available. They would have to pay the co-payment of the brand plus the difference of what it would have cost for the generic. Whisenhunt asked on CVS, what the reason was. Bortmess answered cost. We negotiate our contracts just like we do for the hospitals and doctors. They wanted to charge more and receive a higher reimbursement for generics. CVS weren't able to come to an agreement on it. It's not excluded from all of our Networks just some. Whisenhunt asked what the difference in the charge is. Bortmess answered she can look into it and see if they'll give her some details on

it. Schwenk asked if plan (1) one is the richest plan. Bortmess answered it really depends on your needs. Kanady said plan (4) four, after the ($2600) twenty-six hundred dollar deductible, a member at (2601) twenty-six hundred and one, everything is paid for after that.

Kizarr asked why would you choose plan (3) three and not plan (4) four. You're going to have to meet that (2500) twenty-five hundred individual deductible. Kanady answered a lot of people are still comfortable with co-pays. They're not ready to pay the price of service at either the pharmacy or the doctor's visit. Kizarr asked if you would still get benefits from the percentage of the co-insurance even though you haven't met your ($2500) twenty-five hundred dollar deductible. Bortmess answered yes, because it's still a PPO plan. If you are going in for an office visit it would be a co-pay of ($35) thirty-five dollars. If you are going to the pharmacy to pick up a generic you'll just pay the ($12) twelve dollar co-pay. You wouldn't have to meet that deductible. If you were going to do something major, like surgery, then your deductible and co-insurance would have to be met. Kanady said another rich plan is (2) two. We look at deductibles a lot of times when we select our plans and underwriters don't always do that because (80%) eighty percent don't meet their deductible. It does have a lower Out-of-Pocket and the office visits are reduced a little bit. Your current plan is kind of in the middle. You have a little bit of buy down and a little bit of buy up. Schwenk said if you have a ($1500) fifteen hundred dollar deductible then you're going to have to make (25) twenty-five more office visits a year to break even on the (1st) first plan. Kanady said it truly depends on how people use them. Plan (4) four could be the richest with the underwriters which is going to be (1) one of the expensive plans from what she sees because of its richness. Schwenk said if you have plan (3) three which is a ($2500) twenty-five hundred dollar deductible with (80%) eighty percent paid. You're hospitalized for (3) three days and receive a ($50,000) fifty thousand dollar bill. You'll still have to pay (20%) twenty percent of that. Whereas if you had a deductible that was a ($100) hundred dollars more. Massie said if he hadn't been to the hospital in (5) five years and in his mind he's not going next year. He doesn't want to pay a (100%) hundred percent or a ($185) hundred eighty-five dollar office visit (4) four times a year when he can just pay ($35) thirty-five dollars. Kizarr said what scares him is you can shop around every year and cost the plan more money than you would if you didn't have a choice. Kanady said the rates would still be set by underwriters and actuaries just like they are today. We are going to make sure the right people are setting the rates to protect your plan against the adverse selection. Kizarr asked if we had a premium cost yet. Massie answered no we don't. Schwenk asked Kanady what an adverse selection means. Kanady answered an adverse selection is like everybody piles into (1) one plan and it not being priced adequately. Schwenk said Liazon said (95%) ninety-five percent will pick the higher deductible with lower premium.

Kanady said they said (95%) ninety-five percent buy down but (95%) ninety-five percent isn't going to pick (1) one plan. Rogalski said you can have a large percentage stay within the current plan because it's scary. Massie said right, especially in year (1) one. Schwenk asked if BlueCross or Liazon came up with these plans. Kanady answered these are all BlueCross' plans. Liazon is just for the technology. Schwenk asked what we were paying Liazon for. Massie answered for the algorithm, the questionnaire, to help us recommend a plan, the online shopping cart, for all of the file fees that will go to the carriers, and the technology piece. He doesn't know if it has been decided whether employees would be paying anything yet. Schwenk asked would the City of Lawton. Massie answered yes, ($5.50) five dollars and fifty cents per employee per month. Whisenhunt said with our financial situation improving, his perspective with our current plan is to continue watching it where it is. He doesn't see this Committee making a recommendation for a premium change on our current plan. These others will be based upon where those premiums run using our current plan. We need to start putting some numbers together. Schwenk said we were told our price wouldn't go up on our premiums. Whisenhunt said where our finances are going unless we see something change we're on a good projection to becoming solid. Massie said he's hoping to have the current plan at the same cost with the same premiums but we are a little early. Rogalski asked if the purpose for today's discussion is to give input as to what kind of plans the Committee wants to offer. Massie answered it was just to answer any questions and make sure the Committee is comfortable with the (4) four optional plans. Whisenhunt said the previous vote of this Committee was that this Committee needs to be making those recommendations of what plans we want. Rogalski asked do we want a lower deductible option. Kizarr answered it would depend on our claims to determine if the plan is rich or not. The high deductible plans are for catastrophic insurance. It's like car insurance, people will buy the cheapest insurance they can get and hope nothing happens. Harmon said to Kizarr about him mentioning the HSA being more for catastrophic, not necessarily. If you're an individual who might take (5) five or (6) six medications a month with these high co-pays it might be better for you to have a high deductible. You will only pay (2600) twenty-six hundred Out-of-Pocket for your medical and your prescriptions. When you start adding all of those co-pays sometimes it could be a better benefit.

Kizarr said if you know what your Out-of-Pocket is going to be per year and it's over (2600) twenty-six hundred you would choose plan (4) four because you're going to be spending (2600) twenty-six hundred every year anyway. Whisenhunt said the actuarial work will have to be done to it so it maintains our existing plan financially where it is now and if necessary to underwrite some additional costs. Whisenhunt asked if this is how it was going to be put together. Kanady answered correct. We'll get the premium equivalents recommended by BlueCross' underwriting team. Whisenhunt said to look at a total cost projected under those other plans to set those premium amounts and use our current plan cost for the current plan. Whisenhunt asked will it set those premium amounts. Kanady answered what you charge employees would be your decision. How the plans are rated will be what BlueCross and Liazon contribute. How much you want to subsidize for each of the plans will be up to the City of Lawton. They'll give you recommendations naturally to help steer your discussion. Schwenk asked what the possibility of getting a lower deductible plan. Kanady answered we can do that. BlueCross only has a certain amount they'll put on the Exchange but we will see if there's (1) one under a ($1000) thousand dollars. Schwenk said the City of Norman had a change in their family deductible. It's only ($300) three hundred dollars. Bortmess said there is a

($500) five hundred dollar deductible plan available. Schwenk asked if Norman has BlueCross. Bortmess answered she's not sure and she doesn't have them. Schwenk said he was curious how they have higher rates and lower deductibles. Massie said they have a ($1,000,000) million dollars in reserve and not a negative balance. Schwenk asked if we had the highest sales tax in the state. Rogalski answered it's not the rate it's the amount that's collected. The City of Norman can pay more because they get a lot in sales tax. Burk said a lot of people go to Norman to shop. Schwenk said because they have a lower sales tax. Massie said we don't have a massive University with a top (5) five football team to draw every weekend for (3) three months. Rogalski said plus they are on I-35. Kizarr said and they're not tolled. Bigham said they just have more money up there. Kizarr said having a lower deductible makes the premiums so high that no one is going to choose it. Kanady and Rogalski both said some people might. Kanady said your goal is to offer enough plan choices so there's something for everybody. Whisenhunt said these are really the same plans but it's going to come down to the premiums on how that migration occurs. Schwenk said he's shared the projections with both civilians and police at the Police Department. They're very opposed to this because nobody wants to change the plan. Massie said they wouldn't have to, that's why we have the custom plan. Schwenk said then the plan is going to go up. Massie said the custom plan will stay the exact same rate. Schwenk asked if it will because initially Massie said he hoped. Massie answered it depends on the claims. He doesn't know a better way to tell employees that they'll have the same exact plan as we have today. Rogalski said as you've seen today in our financials we are doing better. There wouldn't be a reason to change the plan. Schwenk asked why we are changing it. Rogalski answered because we are giving employees options for the long run.

Burk said we are not changing the plan. Schwenk said like he mentioned at the last meeting, we are (200,000) two hundred thousand in the hole instead of letting it run awhile and seeing what happens. It was voted last meeting to raise the retirees up to a (100%) hundred percent which will be an extra amount coming in. We're going to be above soon but yet we want to change. It could go really good or really bad. Massie said we want to be able to offer our employees a savings if we can because not every employee is in the same situation. We can offer them a choice on what plan best fits their needs. Schwenk asked what the benefit was to the City. Whisenhunt answered the current plan stays the same ratio. Plans (2) two through (5) five do not have to stay the same ratio. The benefit would be the City's contribution can be less. Rogalski said the reason for doing this is to create the idea that employees have control over their healthcare, a consumer with a choice. Employees would start choosing a little more wisely and taking part in their healthcare. What you are looking for (10) ten years down the road is a better educated workforce in terms of healthcare and they'll start making better decisions. Schwenk said but nobody knows what's going to happen next year. You would be taking a gamble. Whisenhunt said when you're self-insured you're always taking a gamble. Rogalski said in life you're taking a gamble. You might lose your house or your job. The idea is to provide a shopping cart for employees. Our costs are still increasing, we have raised premiums and now we are gaining ground. Healthcare costs are still rising across the country. The best thing you can do is have a healthier workforce, that's why we have the health initiative and a workforce with a choice. Burk said even if we don't change there's no guarantee that our premiums are going to stay the same on the current plan. Schwenk said then you're telling the Police Department who already doesn't like change that the insurance is going up and we are changing the plan. They are going to be pretty upset. Bortmess said what Burk is saying is if you go with Liazon's platform or keep (1) one plan, there's no guarantee what the current plan is going to do. We don't know how the claims are going to come in. Kizarr said we are diversifying our liability. By having (1) one plan our liability is what it is and we are spreading it out. We hope to save money by spreading that liability out throughout these plans. Schwenk said like a money market. Kizarr said you can compare it to a stock market by being invested in (1) one. If you diversify there's a chance you can ride the humps better than we've been able to. You are spreading the liability to the employee with these plans but you are also allowing them to save per month out of their check. It'll be their choice on where they want to go. It can save employees some money but it could cost them if they don't know what they are doing.

Harmon said that's why we are changing the software we recommended to help the employees. It's not going to make those recommendations if they answer the questions a certain way. That's (1) one reason why we felt the Liazon platform was good for employees in offering options. Kizarr said to get the best benefit out of this you're going to have to think about it and plan ahead. Harmon said that's part of our education process. Every employee has access to the BlueCross BlueShield website and they can look back at what their claims have been in the past few years to help them determine what plan would be a good route. There's always going to be those unexpectance. That's where education comes in and we want to get started once the Committee approves. Burk said this is also going to give you the option to buy the accident insurance if you have a cheaper premium. Whisenhunt said looking at the estimated premiums, plan (2) two is going to cost about ($90) ninety dollars more a month than what we pay now based on what was provided (4) four months ago. He doesn't see anybody going to that plan and doesn't think it's worth putting in. Massie asked if Whisenhunt wants to look at removing that plan and replacing it with a lower deductible around ($500) five hundred dollars. Whisenhunt answered it'll still be higher. If they pick up it's a richer plan because of the ($90) ninety dollars a month difference. He doesn't see anyone enrolling in it. Rogalski asked if it was ($90) ninety dollars per individual or family. Whisenhunt answered per family. Rogalski said the lower deductible plan also does the (20/20) twenty, twenty. A lot of people look at that deductible. Schwenk asked about plan (4) four, are we projecting it's going to be more or less than our current plan. Whisenhunt answered a little bit more. Kanady said more because it's richer. Schwenk asked by how much. Whisenhunt answered we don't know but before it was projected several months ago it was going to cost ($20) twenty dollars more. Schwenk asked if you meet your (2600) twenty-six hundred deductible anything and everything after that will be (100%) one hundred percent paid for. Kanady answered correct including pharmacy. Massie said he hesitates throwing numbers out at all at this point because he doesn't want it to comeback in (2) two months being ($40) forty dollars more. Schwenk asked if our current plan was the custom plan. Whisenhunt answered yes. Schwenk asked if it was now going up. Massie answered the plan is

staying the exact same as far as the plan design. The goal of City of Lawton, Liazon, BlueCross, and NFP is to keep that plan at the same cost. We just can't commit to it yet. Whisenhunt said it will be up to this Committee to make the recommendation of that increase, if necessary. In the next (6) six months there are going to be so many changes, no one knows what's going to happen. Kanady asked knowing we are in the process of renewal negotiations, if the Committee wants a richer plan than plan (2) two in its place. Would you prefer a ($500) five hundred dollar deductible plan that's going to be more expensive than plan (2) two in your sweep of products? Schwenk said he doesn't see how anyone would see plan (2) two as being richer. Kanady asked if a ($500) five hundred dollar deductible plan would be worse than that. Whisenhunt answered they can see it's a richer plan but it's whether or not they can afford it. Kanady said the whole algorithm is going to help them anyway.

Schwenk said plan (2) two is not richer unless you move that ($2500) twenty-five hundred dollar Out-of-Pocket. Bortmess said the deductible is going to be different out of the ($500) five hundred dollar individual and the ($1500) fifteen hundred dollar family. You're still going to have your (80%) eighty percent co-insurance. Instead of being (4500) forty-five hundred your In-Network Out-of-Pocket is going to be (3500) thirty-five hundred. For family it's going to stay the same. It's still going to be (10,200) ten thousand two hundred. Your co-pays are going to be the same, ($20) twenty dollars and ($20) twenty dollars. You'll still be on BlueChoice and your prescriptions are going to be the exact same. It'll be the (10) ten, (25) twenty-five, (30%) thirty percent. The prescription drug and the Out-of-Pocket maximum will be (1000) thousand and (3000) three thousand. The only difference will be your deductible, your individual Out-of-Pocket maximums, and CVS. Schwenk asked if plan (2) two is projected as being more. Bortmess answered it will be more. Schwenk said he doesn't see anyone picking that (1) one if they have a high deductible on the frontend. No one will realize you have to get on the backend of that ($4500) forty-five hundred dollar Out-of-Pocket before you start saving money. Burk said you're saving a little on the co-pay. Schwenk said only on specialist. Whisenhunt said the question is do we just go to (4) four plans and scratch that (1) one. Bigham asked if we could make a decision once we see the premium. Kanady answered yes, let's leave it in there for now since it's what's been modeled this past year and if the Committee doesn't like it we could always scratch it later. Bortmess said you can have up to (5) five plans on it and the minimum is (3) three. Whisenhunt asked as far as Liazon building their platform, will it make a difference. Harmon answered you would know before it gets billed. Kanady said all of these are pre-billed except for your custom which Harmon is working to get the SBC for now. Whisenhunt said that decision doesn't have to be made until we see the numbers. Rogalski asked do we want to see the numbers on the ($500) five hundred dollar deductible. Kanady answered we will get it quoted and Bortmess will just commit to not going over the (5) five that you allow. We don't know if plan (2) two is going to hold or the ($500) five hundred dollar plan. Whisenhunt said once we get the premiums, we'll leave the current along with (3) three, (4) four and (5) five. We'll get the numbers for plan (2) two or delete it completely. The Liazon portion of the standard plan is already built. He likes that concept of the additional benefits of telemedicine. He would also like to see the accident coverage. Massie said we should have in the coming months some information on it. He's got going to Council on Tuesday a request to go out to market for the insulated and additional products. We'll go out to market and they would be able to bring recommendations to the Committee. Burk asked if we get these plans and someone wants to appeal, can they only appeal it if they're on our custom plan. Bortmess answered yes and the plan would make the decision if they want to pay it.

VI. New Business

A) Elect Chairman

Motion to elect Rusty Whisenhunt as Chairman by Richard Rogalski with second by John Schwenk Ayes: Kizarr, Ozuna, Rogalski, Bigham, Schwenk Nays: None **Motion carried**

B) Elect Vice Chairman

Motion to elect Bruce Kizarr as Vice Chairman by Richard Rogalski with second by Albert Ozuna Ayes: Schwenk, Ozuna, Rogalski, Bigham Abstain: Kizarr Nays: Schwenk **Motion carried**

VII. Comments/Discussion

***** Whisenhunt said Chris Engelman (BlueCross BlueShield) hasn't been to several of our meetings. It was told to him that Engelman was disinvited. Engelman has been a resource to this Committee an excess of (10) ten years and he knows our plan better than any consultant or anyone within the City. As a Committee, we want him at these meetings. It angers him that Engleman is being disinvited without talking to the Committee. It makes it look like somebody is trying to cover things up and not give the whole story. Massie said there's obviously nothing we are trying to cover up because we have BlueCross BlueShield at every meeting. We have Bortmess here today. Just because Engelman isn't here doesn't mean we are hiding something. Whisenhunt said Bortmess is very good and no disrespect to her but Engleman knows more about how the plan functions for a long time. There is nobody who has more experience with our plan than Engelman. Massie said we will not have BlueCross BlueShield at every meeting because we may not be discussing insurance. Whisenhunt said if it's discussing their contract, that's different. If we are trying to make decisions by looking at our plan and where we are going within the BlueCross Network then Engelman's resources is a critical asset to this Committee. Massie said ok. Kanady said there were a couple times over the past year where Engelman spoke up and was inaccurate. (1) One of those times was when the actuary had their

presentation. We have modeled the BlueCross plans. We looked at current which was outside of his skill setting and we spoke to him about it. Then the following month, Engleman had comments about the negotiations, specifically the plans. We felt those (2) two occasions were out of line for him to speak up in the Committee meeting. It truly resides with the Committee and more importantly the City of Lawton's leadership on what they want to do. Whisenhunt said that's this Committee's decision, not someone else's. Kanady said absolutely. We've worked with Bortmess so BlueCross has not been disinvited. It is important when you are hearing from experts in the field that those who don't have expertise in that area don't speak up and contradict. When she saw that take place, especially at the Private Exchange meeting, it was her recommendation to Massie that we just have Bortmess. She has seen with Bortmess her significant expertise. It's not always about your plan; it's about what's going on in the market. Kanady apologized for any part she had in it. Our goal is to make sure the Committee is educated and is hearing from all standpoints. Whisenhunt said this Committee is very independent in their thinking. We've heard things from NFP we don't agree with and we think are inaccurate. We've heard things from BlueCross before that we didn't agree with. From everybody's point of view they were saying what they thought was best but that's this Committee's job. This Committee needs those resources and we need to be the ones to determine if it is accurate or not. Schwenk asked if Engleman wasn't invited. Kanady answered yes, so we asked Bortmess to come in his spot based off of his incorrect information. It was outside of BlueCross' scope. Whisenhunt said to Kanady he feels that request was outside of their scope too.

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* Massie asked on the Health Committee, if there were term limit guidelines as far as elections. Whisenhunt answered no. This would be his (3rd) third round. Kizarr said he thinks there are no terms because as president he gets to appoint (2) two people from his department the same with the police president. Massie said his concern is (6) six months from now if everybody decides to retire and there's an influx then we'll end up with a new Committee without experience. Whisenhunt said this is not a real quick learn. Massie said it takes years to get a handle on.

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* Kizarr asked when the premiums would be in. Massie answered maybe we'll have them by the next meeting. Bigham asked if these were existing plans. Whisenhunt answered except for our current plan. Bigham asked if the underwriters have looked at these and do they have prices. Bortmess answered we would have to look at the claims. We're not going fully insured. Bigham asked if he were to call BlueCross BlueShield and ask for a particular plan will they give a price. Bortmess answered yes. Kizarr said we have to look at what it'll cost us to do it. Kanady said every plan has to be underwritten whether it's fully insured or over a certain amount. Bigham asked will they give him an amount on an individual basis. Bortmess answered yes, for an individual. On a group, it has to be rated whether it's fully insured or self-funded.

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* Whisenhunt asked with Affordable Healthcare Act, does anyone know what it is going to be. Burk answered the news and the newspaper said the Republicans don't have a plan to make those changes. Whisenhunt said he went online and they do have a plan. Part of it is available to look at online through the Republican Congressional website. Whisenhunt asked what would happen if they did a total repeal. Kanady answered it's a multi-billions of dollars. What we do know is there will be some changes. It's not physically possible for all insurance companies to move back into the market because of all the coding that has to take place. The City is good this year. Massie said to answer Whisenhunt's question, we don't know and we aren't in the position to make those changes. Kizarr said how it's affecting us benefit wise is we had to take the previous in-conditions or no lifetime maximum. If they changed it back tomorrow that's all we lose. Massie said he could imagine if ACA goes completely away. We would then probably take a stronger look at going fully-insured because the penalties would go away. A group our size would be better off fully-insured than self-insured. Kanady said its (1) one of the strong cases of being taken back to the employer and the individual mandates. If that takes place then you're not making decisions based on penalties. Whisenhunt said like Cadillac Tax and the penalties that go along with that. Some of the preparations we were getting prepared to be able to defeat it. Kanady said hopefully it would relieve some of the headache the City has experienced over the last few years. It would be nice if the cost went down too because when you are covering more you're paying more too. Kizarr said it's not going to go down no matter what they do. Whisenhunt said the (1) one thing that affected our cost more than anything were the private providers getting out of business because they didn't know what was going to happen. Burk said she thinks everybody paying the penalty for not having insurance will go away. Then we'll have people who don't have insurance again. Bigham said but we have that now. Burk said they are supposed to pay a penalty if they don't have insurance. Bigham asked if they don't have the money how can the penalty get paid. They get more back in their tax refund than we do. Burk answered they pay less in penalties than they would premiums.

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* Whisenhunt said next meeting is scheduled February (21st) twenty-first and we hope to see Engleman at our next meeting.

VIII. Adjournment

Rusty Whisenhunt announced the adjournment at 10:22am.
Motion by Albert Ozuna with second by Richard Rogalski to adjourn Ayes: All Nays: None **Motion carried**