APPROVED

Special Meeting Minutes
May 4, 2016 @ 10:00am
City Hall 2nd Floor Conference Room

Rusty Whisenhunt called the meeting to order at 10:12am

I. Roll Call

Members Present: Rusty Whisenhunt, Albert Ozuna, John Schwenk, (10:27am) Richard Rogalski, Bob Bigham

Members Absent: Bruce Kizarr, James Churchwell

Others Present: Tim Wilson (City Attorney), Tiffani Burk (HR Generalist), Chase Massie (HR Director), Kelley Harmon (NFP), Brady Ayala (NFP), Courteney Cacho (City Manager's Receptionist)

II. New Business

A) Health:

Massie passed out a 2016 NFP Presentation. Massie said he's covered these with the City Manager. We want to make sure that the Health Committee didn't have any concerns and we're on board with the recommendations. We are looking at a couple of things; Medical Network along with the (3rd) third party administration and the stop loss coverage. For the Medical Network, the recommendation is to stay with BlueCross BlueShield. With Edna, their administration costs are considerably cheaper. There are (2) two things on the Edna side. (1) One, we have an ($800,000) eight hundred thousand dollar debt we can't afford to come up with if we made a switch. (2) Two, as of today the preferred network with BlueCross BlueShield cost is a better network than what Edna has in this area. It would be like getting cheaper administration fees for putting ourselves at more risk with our network because it would cost us more in that aspect of it. That's why the recommendation is BlueCross BlueShield for the medical, pharmacy, and the (3rd) third part administration.

(1) One small change is the recommendation for the Stop Loss coverage. That recommendation is for Access Reinsurance. They came in with a lower stop loss premium as well as a lower max liability overall.

Ayala said there are (4) four main parts when you're self-funded. (1) One is the TPA, the (3rd) third party administer pays all of the claims which is BlueCross. (2) Two is your Pharmacy Benefit Manager, PBM, who handles all of the prescriptions. (3rd) Third is your network. As long as BlueCross is your TPA, (3rd) third party administer pays the claims, but you also have the BlueCross Network. The (4th) forth piece of it is your Stop Loss or your Reinsurance. Currently all (4) four of those are under the BlueCross BlueShield umbrella. We looked at reinsurance companies, that's just the company that pays in an event you have that high cost claimant. If you have a high cost year and you meet an access of your Stop Loss.

Whisenhunt asked who they are because the other one's he knows.

Ayala answered Access Reinsurance is specifically a reinsurance carrier. They are underwriting with Sirius and a general company that managers a lot of different underwriters.

Whisenhunt asked if it was only underwritten by a quality company.

Ayala answered correct. In keeping everything BlueCross BlueShield, it doesn't really change your claim. By changing and moving to the Access Reinsurance, the claims are still your claims. You'll still get (50%) fifty percent discount for 'X', 'Y', 'Z' service. It does (2) two things. (1) One, the Stop Loss rates are a little lower. From an administrative stand point, there is the savings right around (60) sixty - something thousand dollars for the fixed cost. The liability is lower with Access Reinsurance. All though your plan stays the same in an event that you have a catastrophic year, you hit your maximum. You would reach that a lot sooner than you would with that Access Reinsurance. There are a couple of moving parts that we are still trying to finalize with them. Right now, it's the direction. You'll save on the fixed cost and the ultimate liability is lower. There are a couple of things that we are trying to get them to lock in at, we are expecting to hear back. It's a solid carrier, it is one that we do business with throughout the country and we feel good about it. It is also a fully paid (24) twenty-four (12) twelve contract.

Massie said from an employee stand point, they wouldn't notice a change. It'll be the same cards, the same BlueCross BlueShield network and even from our stand point, we really see no change.

Whisenhunt said Edna has a small network looking at the Access Reinsurance. It's showing (2) two BlueCross BlueShield.

Ayala said correct.

Whisenhunt asked what the difference was.

Ayala answered the (1st) first BlueCross is if you hadn't made any of the changes to the plan design. Moving fire and police to a ($1000) thousand dollar deductible and everything stayed the same that's were that number would have been. The option (1) one is what has been voted and agreed upon the direction that the plan is moving.

Whisenhunt said they really aren't charging anymore for Plan (1) one and Plan (2) two based off of Ayala's numbers.

Ayala said it's a liability and your claims are expected to be substantially lower.

Whisenhunt asked if liability was the only part.

Ayala answered yes, from a Stop Loss Perspective, an administrative cost from a fixed cost perspective is the same.

Massie said because it's the same number of members. By combining those, we're going to decrease the liability because we've raised the out-of-pocket max.

Schwenk asked why BlueCross wanted to raise their premiums on the Stop Loss.

Ayala answered because of expected claims and things that they paid out on this past year.

Schwenk asked even thought the claims are expected to go down.

Ayala answered Stop Loss kicks in and has more to do with high cost claimants unless with the overall claims. It has to do with how many times they've paid on individual claimants and what they expect to pay on those individual high cost claimants. The Claims Liability actually doesn't factor in a Stop Loss reimbursement. Those are the claims that are expected to hit under that Stop Loss number.

Schwenk asked why the claims are expected to go up.

Ayala answered because you ran high over the past year and naturally there's a trend number that's built in. There are a couple of major parts. (1) One, there's utilization. Utilization naturally goes up year over year. The other is the cost of services increase naturally year over year. Medical insurance increase substantially than anything else out there. Pharmacy, we've talked about over and over that keeps increasing a lot. Right now the City's co-pay is ($20) twenty dollars and we are not changing that next year. Let's say an office visit is ($100) one hundred dollars, member pays (20) twenty, the plan pays (80) eighty. Since we don't change that next year, the cost of services goes up. Next year that cost could be (110) one hundred ten, members are still paying (20) twenty, and now the plan is paying (90) ninety. Some of those things naturally add to the cost. There are things that we can do to that flat or reduce but there's a natural trend.

Schwenk asked by a (40%) forty percent increase.

Massie answered they are looking at this years claim history and seeing how much our claims have gone up. They are doing it to help cover themselves because they are an insurance company. If we have a big storm come through, our property insurance is going to go up. Our claims are running a lot higher than normal and it's not a surprise based off of where our health fund is.

Ayala said (24%) twenty-four percent is what they expect the claims to increase.

Whisenhunt said (23.2) twenty-three point two.

Harmon said one thing with BlueCross; they are aware what claims are sitting out there. There maybe some claimants who might not hit that large claim that we reported to Access Reinsurance for their large claimants. If they didn't show up on the report, they maybe aware of them, and maybe they are anticipating those claims to come through. There could be a diagnosis that we aren't aware of. They are running those claims out and estimating what they are going to be. BlueCross has that history where Access Reinsurance doesn't. That also can be taken into play when we're doing renewals.

Whisenhunt said the one number that really jumped out at him was the expected annualized cost of (3.9) three point nine million and this year (7.2) seven point two. We need to project our income at (8.9) eight point nine million. Whisenhunt asked if that was what he was seeing.

Ayala answered correct. The expected premium equivalents at that number to what you were funding last year, was higher than that (7.2) seven point two. When we look at it and try to project where does our premium equivalent needs to be built; what does the contribution from the City's numbers need to look like moving forward. To be able to fund higher than that (8.9) eight point nine, we typically like to fund between the expected and the maximum about (10%) ten percent. That number is actually going to be about a (14%) fourteen percent increase because you are funding higher last year as well. Even though that actual is at (23%) twenty-three percent, when we look at our premium equivalents it breaks down to about (14%) fourteen percent.

Whisenhunt asked if everything here is without dental.

Massie answered everything's without dental.

Whisenhunt asked about the current comparisons, was that without dental or does it have dental.

Massie answered it does not have dental in it.

Ayala said he'll back track. One of the things that Massie was talking about before is Edna is really putting together some really good numbers out there for us. It would be a good opportunity to move to that Edna plan. Edna is working really hard with Comanche County Memorial Hospital on some pretty unique things that will be very beneficial to the City. In the position that you are in right now, you literally can't take advantage of it because you would have to pay off what's owed in order to move forward.

Whisenhunt said an extremely small network.

Ayala said they do have a big network here. The discounts are going to be very similar. Comanche County Memorial Hospital is already taking so much of your participation, so many members are already going there, and they are in the preferred BlueCross network. You're getting such a great discount there that by moving to Edna you wouldn't get a huge discount benefit. Next year once they have their new ACO model in place which is their Accountable Care Organization model, there's going to be a big driver that the discounts are going to be substantially better. Our goal and our conversation would be to revisit this next year and hopefully that negative is back to flat.

> <u>**Motion to recommend the City Manager accepts proposal for Option (1) one BlueCross BlueShield and Stop Loss Access Reinsurance by Albert Ozuna with second by John Schwenk Ayes**: Ozuna, Schwenk, Rogalski, Bigham Nays: None **Motion carried**</u>

B) <u>Dental:</u>

Massie said we looked at a lot of them and it really came down to (2) two that were very comparable. That was BlueCross BlueShield, who we are currently with, and Delta Dental. (1) One of the things that Burk and he did was talk to some of the local dentists and they all recommended Delta Dental. They've had better claims exchange with Delta Dental and we'd have a bigger network. More dentists in town take Delta Dental. This was something that the City experienced that dentists were no longer accepting BlueCross BlueShield or won't take it unless you were a current patient.

Bigham asked if that included specialist dentist.

Harmon answered yes; we did look at those as well. There are (5) five orthodontist who are covered and periodontist there were (3) three. We had a lot more than what we have with BlueCross BlueShield.

Massie said the plans are all very similar and really no change there for employees. Other than employee with children, which is the smallest group that we have; everything else was a savings on the employee compared to what fully-insured renewal rate was going to be with BlueCross BlueShield. These are monthly costs not biweekly.

Whisenhunt said it was real comparable to where we are.

Massie said very close to where we are at. The nice thing is that this comes off the health fund. We would get a larger network with Delta and you will see some changes when we do the Wellness Fair. We'll have more of a presence from Delta. We'll get Biometric Health

Screenings this year. Delta will come in and do those screenings.

Burk said she doesn't know where these amounts came from. We don't have it broke out now with employee/spouse and employee/children.

Schwenk said it's all grouped with the health cost.

Ayala said this would probably be what BlueCross's premium equivalent would be since you're currently self-funded. BlueCross puts their recommended fully-insured style premium equivalent and what those numbers would be. Delta Dental, where it says PPO, is the driving force behind the larger network. They have (2) two networks. (1) One is PPO Network, which is going to be similar to what you have now. It maybe a little larger than BlueCross is. The other is Premiere Network. Under the PPO Network it captures (52%) fifty-two percent of the dentists in the state. When you add Premiere Network on top of it; they have about (96%) ninety-six percent of the dentists in the state. That's including general dentist as well as specialist. The Access increases quite a bit. Often times when we move to Delta Dental there's an increase in Access and Premiere does get as good as a discount as PPO. When we come out and educate we're going to drive people into the PPO. You want your ($2000) two thousand dollar benefit to go as far as it can save money; you would want to be in that PPO Network. Now you have the ability to go outside of that and into that Premiere Network.

Whisenhunt said even with BlueCross BlueShield those private dentists; there are some that are in our network. If their Premiere Network is only for walk-in type clinics then that's not what we are looking for.

Massie said we want the PPO.

Whisenhunt said we want the PPO but we don't really want that to be the only thing we have an option to use.

Ayala said a lot of those "My Dentist" and places like that may be in that PPO Network but you'll wind up getting a lot of the independent dentists.

Whisenhunt said that was his concern. BlueCross BlueShield listed (200) two hundred dentist in town, (180) one hundred eighty were within Network.

Ayala said you would have a much larger access to providers. (1) One of the things that we see with that Access is an increase in utilization in claims. Since we are fully-insured, you have a maximum liability which is ($27.38) twenty-seven dollars and thirty-eight cents per employee only. We also negotiated a (3) three year rate guarantee. Although very often within that (1st) first year we see a spike in utilization because of that Access and it will start leveling off within that year (2) two or that (3) three year period. Its leveled by the time we get a renewal (4th) forth year and then we are in much better negotiating positions.

Whisenhunt said our current employees pay for employee with dependents ($28.45) twenty-eight dollars and forty-five cents and the City pays ($13.71) thirteen dollars and seventy-one cents, semi-monthly. That's ($42) forty-two dollars and what they are calling current isn't the right numbers or what we are actually charging. (1st) First line we are charging ($28.45) twenty-eight dollars and forty-five cents.

Burk said and ($7.26) seven dollars and twenty-six, if you include the (2) two.

Whisenhunt said of course the employee isn't paying anything for that employee coverage. ($28.45) Twenty-eight dollars and forty-five cents, if the employee has no health and the other (3) three are paying, basically, ($42) forty-two dollars.

Burk said double that amount because some are monthly.

Whisenhunt said it would be ($42) forty-two dollars. It's real comparable for family.

Ayala said ($29.71) Twenty-nine dollars and seventy-one cents looks like that's what it is now.

Burk said a current employee isn't going to pay anything. They are just going to pay ($28.45) twenty-eight dollars and forty-five cents a pay period. If they have the health then it's included. A family is going to pay just ($28.45) twenty-eight dollars and forty-five cents for dental.

Whisenhunt said plus the City's portion.

Burk said that's not including the City's portion.

Massie said because they aren't paying it but its being paid.

Ayala asked right now, where you have your dental employee-only amount ($29.71) twenty-nine dollars and seventy-one cents, is there no health.

Massie said the recommendation is to break it down just like we do our health. The employees will come off better doing that as oppose to paying the (84) eighty-four and only having a spouse.

Burk said if you want to say what the City's cost is for family is ($91) ninety-one dollars every (2) two weeks.

Ayala said realistically the rates themselves go down because it's ($91.35) ninety-one dollars and thirty-five cents for employee to cover any dependents and a spouse. If you are just covering a spouse you'll save a substantial amount of money at ($54.72) fifty-four dollars and seventy-two cents. You still save quite a bit even if you're covering children from ($91.35) ninety-one dollars and thirty-five cents to ($60.18) sixty dollars and eighteen cents. Full family, you're still saving from ($91.35) ninety-one dollars and thirty-five cents to ($84.02) eighty-four dollars and two cents.

Burk said the employee isn't going to see that because their price is going up.

Whisenhunt said that's a separate argument.

Schwenk asked whenever he starts paying the bill part, doesn't the health part goes down if we are taking dental out.

Massie answered no.

Schwenk asked if the health premiums stay the same.

Massie answered the health premiums stay the same.

Schwenk asked even without dental.

Burk answered you haven't been paying for dental; the City's been paying for it. The premium would not go down because it wasn't included in that price.

Massie said because the City has been picking up that portion of it.

Schwenk asked if employee/family is going to all of a sudden start paying ($84.02) eighty-four dollars and two cents a month extra.

Massie answered no. They are paying something now so it's not the difference.

Ayala said right now without the City's portion, what the employees are actually paying to have a spouse or children, ($61.64) sixty-one dollars and sixty-four cents per month. (88) Eighty-eight employees are actually going to see a decrease to ($54.72) fifty-four dollars and seventy-two cents. (44) Forty-four employees who are covering their children will also see a decrease from ($61.64) sixty-one dollars and sixty-four cents to ($60.18) sixty dollars and eighteen cents. The one's covering a full family will see a slight increase from ($61.64) sixty-one dollars and sixty-four cents to ($84.02) eighty-four dollars and two cents. It equals ($22.38) twenty-two dollars and thirty-eight cents a month. They'll see a ($10.33) ten dollar and thirty-three cent increase per pay period. With pre-tax, it would be like ($7) seven dollars at the most.

Schwenk asked only (7) seven or ($8) eight dollars a pay period.

Ayala answered yes, (7) seven or (8) eight pre-tax which is what they will feel. It's a pre-tax benefit that they'll feel per pay period. The one's who are covering spouse and children will get a decrease. The ones who are covering themselves will see an increase of ($27.38) twenty-seven dollars and thirty-eight cents.

Whisenhunt said as far as this Committee, we could still make the recommendation to go with the Delta Dental with the City continuing to pay the same amount. Makes a recommendation to maintain the City's current contribution.

Bigham asked if this would become the plan for the retirees.

Massie answered yes.

Bigham asked if it was going to be the ($27.38) twenty-seven dollars and thirty-eight cents price.

Burk answered they are currently paying ($22.66) twenty-two dollars and sixty-six cents or ($69.68) sixty-nine dollars and sixty-eight cents for dependents. We are at ($28.45) twenty-eight dollars and forty-five cents. Really it's more than that if you add ($28.45) twenty-eight dollars and forty-five cents and ($13.71) thirteen dollars and seventy-one twice.

Rogalski asked if the employee-only is included in health rate right now.

Whisenhunt answered yes.

Rogalski said we are moving the dental plan from the health plan. Rogalski asked if the cost of the health plan is going down.

Burk answered that's not really included in this. It's just that they are getting it for free. The City's paying it.

Rogalski asked if there was a certain amount that the City's paying.

Massie answered correct.

Rogalski asked if we knew what that amount was.

Whisenhunt answered the City is paying ($12.90) twelve dollars and ninety cents for employee only.

Massie said this would be (1) one thing that will fix it by going fully-insured and we won't have to worry about it hitting the health fund.

Whisenhunt said we'll lose about somewhere around (60) sixty to a ($100,000) hundred thousand dollars a year in our health plan cost. Doesn't have a problem with Delta Dental and already checked into them. Talked to (2) two businesses and their clients. Some of them may pay a little more than others but as far as Network, it's a good network that is available out there in Lawton.

Massie said he pulled their PPO Network, within (15) fifteen miles they've got (25) twenty-five dentists.

Whisenhunt said BlueCross BlueShield lumps them individually, which makes your Network look bigger.

Ayala said currently if you are on the health plan the City is funding both of these numbers.

Rogalski said currently the City is paying ($54.84) fifty-four dollars and eighty-four cents per month. The Delta premium for a family would be ($84.02) eighty-four dollars and two cents. Right now, its ($27.38) twenty-seven dollars and thirty-eight cents. For those (544) five hundred forty-four people who don't care about their teeth, right now are paying (0) zero.

Massie said it could be a big number who doesn't care about their teeth because it is free and it comes with it. That number would come down because this will be a voluntary benefit.

Rogalski asked if those people are going to pay some of that ($27.28) twenty-seven dollars and thirty-eight cents.

Massie answered the recommendation from the City Manager would be that whole amount because we've got contracts with fire and police. We worked so hard to get everyone on the same playing field for the City Manager to say fire and police are going to pay it but general employees aren't. People overall will be happier because they'll have more access.

Rogalski asked if fire and police were paying the whole thing.

Massie answered effective July (1^{st}) first.

Ayala said its ($13.69) thirteen dollars and sixty-nine cents per pay period. If you take out the tax portion it'll be around ($10) ten dollars or so per pay period. They are good benefits and the benefits themselves haven't changed. Although nobody likes paying more, it's a pretty big benefit.

Rogalski said from what he recalls, there was a reason why we needed to separate the dental from the health fund.

Massie said we separated it to get it off of the health fund. It was one of those things were majority of municipalities and other companies have it separated as a voluntary benefit.

Whisenhunt said it really depends on how the Cadillac tax finally shakes out. Whether it's part of it or going to count against us but if it's not part of it, it doesn't count against us. We are not going to know until that time gets here.

Rogalski said we are kind of in an agreement that Delta is where we need to go.

Whisenhunt said his understanding that police and fire did sign that they would accept the full amount when they did the contract on the dental.

Schwenk said there's a PDF but has to see what the numbers are.

Burk said they probably didn't agree on any numbers but just agreed to have it.

Schwenk said there's a PDF saying that we agreed to it and has the numbers written out.

Whisenhunt said their contracts usually show the rates.

Wilson said Schwenk is right, there is a PDF. We said we were going to separate dental and there's a PDF that talks about what the rates are. There was never anything stating what the dental was going to cost. It's a separate benefit like vision.

Massie said they are voluntary benefits.

Whisenhunt said the family is very close to breaking even without the City's contribution but it's the employee-only.

Rogalski asked if the City Manager is recommending the City not pay anything for dental.

Massie answered correct. It will be treated as a voluntary benefit just like we don't contribute anything to vision.

Whisenhunt said for employee/spouse and employee/children/family it's not going to hit their out-of-pocket anymore for the premium. The employee-only would have to come out-of-pocket.

Burk said ($13.69) thirteen dollars and sixty-nine cents per pay period.

Schwenk asked if the ($84.02) eighty-four dollars and two cents for a month.

Massie answered yes.

Schwenk asked how much we pay a month now per dental family.

Burk said for a family ($56.90) fifty-six dollars and ninety cents.

Schwenk asked if the employee does.

Whisenhunt answered yes.

Schwenk asked if we would be paying almost ($30) thirty dollars more a month.

Whisenhunt answered ($28) twenty-eight dollars. The employee/spouse would be ($3) three dollars less per month.

Rogalski asked when it would go into effect.

Massie answered July (1st) first.

Burk said employee/children would be paying ($3.58) three dollars and fifty-eight cents more per month.

Whisenhunt said the only one that's less is employee/spouse. The employee-only will be taking the big hit than the employee/family.

Rogalski said a majority of the employees will take a hit.

Whisenhunt said (88) eighty-eight people are the one's who won't. This Committee should ask the City to fund part of it. A Committee representing employees, moving to fully-insured helps our medical plan which is something that we need to be concerned about.

Rogalski said if police and fire have already agreed to pay this additional amount, he has a hard time recommending any different. We should always strive to keep the equality amongst the (2) two contract as well as how general employees are treated. It's not a good thing that we are asking employees to pay more but there must be a reason why fire and police agreed to it.

Whisenhunt said it's called monetary.

Schwenk said even thought police had agreed to it the majority of the officers didn't realize it was in there.

Rogalski said it's called not reading the fine print.

Burk asked Wilson if there was a (2) two year contract with fire.

Wilson answered yes.

Whisenhunt said just because it's in the contract doesn't mean the City can't contribute to their insurance.

> **Motion to recommend to the City Manager to accept proposal for Option (1) one, Delta Dental Fully Insured with City's contribution equal among all (3) three pay groups by Richard Rogalski with second by Albert Ozuna** Ayes: Ozuna, Schwenk, Rogalski, Bigham Nays: None **Motion carried**

C) Vision:

Massie said currently we are with Superior. Our recommendation is to switch that to Vision Serve Plan (VSP). We had more than these come in and these are the (2) two who were the best plans with the best premiums. The recommendation on the VSP side is we would have a high/low plan. We would have a basic and then a higher plan. Employees get to choose based on if they go to the eye doctor a lot or if they anticipate needing to go that year. The basic is very similar to what we currently have except for the Network. It's much broader than VSP. We did the same thing that we did with dental. We called some local eye doctors and they said VSP is the best you'll ever get in Oklahoma.

Whisenhunt asked if Complete Eye Care is on VSP.

Burk answered they aren't on anybodies. They will give discounts but doesn't believe that they are in anybodies Network.

Massie said Superior is very good in Texas. It may have had something to do with why we ended up there. Plan 'B' is the higher option, the big changes there are it increases the allowance for frames and contact lens.

Ayala said with current renewal there wasn't a change. The Base Plan we actually renegotiated, so it's incorrect because it matches your current plan. We were able to move to VSP to their larger provider access at the same rates that you have now. If someone wants to maintain the same benefits, moving to VSP their costs will remain the same. It is a lot more in a percentage standpoint and from a dollar standpoint it's not that big of an increase for a substantially higher benefit. You would probably see quite a few folks moving into that.

Bigham asked if it was monthly.

Ayala answered yes they are all monthly. Instead of a ($100) hundred dollar allowance for frames it goes up to ($150) one hundred fifty dollar allowance.

Harmon said we have quite a few in Lawton. Complete Eye Care is on there along with Robert Hedge, Jennifer Hedge, Eye Care on Gore, Richard Swales, and then Optometry Clinic but that one is in Duncan.

Whisenhunt asked between the (2) two plans, the base and the buy ups, if you're getting frames every year.

Rogalski answered every other year.

Whisenhunt said between the (2) two it's ($50) fifty dollars more for the frames.

Massie said contact lenses are every year.

Whisenhunt said they give you more for the contacts. Whisenhunt asked if ($25) twenty-five dollars for materials and ($10) ten dollars for the exam fee, does it include the ($35) thirty-five dollars that is in our medical.

Massie answered this does not include the medical portion.

Whisenhunt said if they have an eye exam which is ($25) twenty-five dollars they can file it through BlueCross BlueShield to get back ($35) thirty-five dollars, basically.

Massie said this also has a (2) two year rate guarantee which Superior was (1) one. Like Health and Dental, odds are rates are going to go up but this at least locks in our rates for the next year and the year after.

Bigham asked if there was anyway we could include this option to the retirees.

Massie asked if someone retires do they not have vision options now.

Burk answered no.

Bigham said we're doing it for dental.

Burk said we were doing it for dental because it was BlueCross.

Massie said he doesn't have a good answer for that right now.

Bigham said retirees have been on our plan forever. Nobody seemed to care because staff's comments were that they have a vision plan and we don't need to change that. It's never been changed. Bigham asked why the City provides the dental but not the vision.

Massie answered if we ever look at pulling it from the medical side then maybe we would turn off vision.

Bigham said it wouldn't do the retirees any good. Doesn't think the retirees are covered under the supplement plan on Medicare.

Harmon said the supplement plan does not cover it.

Bigham asked if this would be a real added benefit because it's a past due cost.

Massie agreed.

Ayala said we would be happy to do evaluations to see what other Municipalities across the state may offer vision as a plan that they can purchase.

Bigham asked if there was an objection from the carrier to put the retirees on there.

Massie said he doesn't know what it would do to premiums.

Ayala said we are talking post (65) sixty-five retirees.

Harmon said you would then have to open it up to all retirees. Doesn't think she has any who have retirees on vision. Have to check and see if that's even an option for VSP.

Massie said with the post (65) sixty-five retirees being on the calendar year, we may look down the line if it did change it would be a calendar change.

Whisenhunt said he wasn't a fan of Superior.

Burk said a lot of people had to switch eye doctors because it wouldn't take.

Rogalski said he's a little in the dark about the difference between the buy-up. Rogalski asked if you receive the ($100) hundred dollar allowance every year or every (2) two years.

Whisenhunt answered frames every (2) two years and contacts every year.

Rogalski asked if every other year he could get ($50) fifty dollars more for his frames by paying ($36) thirty-six dollars more a year.

Burk answered they are going to pay ($30) thirty dollars more for contacts every year.

Whisenhunt said hopefully there's something else because the math doesn't add up.

Harmon said it almost washes out.

Ayala said it also included on that buy-up a no-line bifocal is covered.

Whisenhunt asked if progressive lens were covered.

Ayala answered yes.

Harmon said she thinks the transition is covered under that buy-up.

Whisenhunt asked if the base rate for VSP going to be the same as Superior.

Ayala answered correct.

Whisenhunt asked if the only difference was a bigger Network.

Massie answered correct.

Motion to recommend to the City Manager to accept the proposal for VSP Vision Care by John Schwenk with second by Albert Ozuna Ayes: Ozuna, Schwenk, Rogalski, Bigham Nays: None **Motion carried**

D) Flex Spending:

Massie said the recommendation is American Fidelity and there are no fees. It is a flex spending account, there's no fee for a card. There are no administrative fees. We are paying ($5000) five thousand a month to Higginbotham in administration fees. We did get a total of (5) five companies come in and American Fidelity was the only one who didn't have any fees.

Ayala said the fact is that we offer other American Fidelity products. As long as we have those American Fidelity products being offered they'll come in and do the flexible spending account.

Schwenk asked what they offered.

Massie answered it was the same thing that they've always offered which is cancer and accident coverage. There's no change, they've offered that in previous years.

Whisenhunt said (2) two years ago; American Fidelity and Higginbotham came to us when it was too late to make the change. American

Fidelity gave us the proposal at that meeting which was much more professional. Higginbotham was given to us because we were "good people" which was basically their presentation. We were too late to actually do anything. Whisenhunt asked how were you able to get receipts to them by email, fax, or deliver it to their location at (11^{th}) eleventh and Gore.

Massie answered you can even take a picture on your phone and send it in. Once you get a receipt, snap a picture, and it automatically goes. That is how he's always done it in the past and it's very convenient. The push would be for everyone to have cards because there are no fees now.

Whisenhunt asked who the other vendors were.

Massie answered Ameriflex, Discovery Benefits, Optum, and Benesource. Fees waived were ($4.10) four dollars and ten cents, ($5.50) five dollars and fifty cents, ($5) five dollars, ($3.25) three dollars and twenty-five cents.

Ayala said they do a great job.

Whisenhunt asked if they guaranteed a turn-around time with reimbursements.

Massie answered turn-around time is about a week. Some of that depends on if you're getting a check or you've given them your bank account information which they can do a direct deposit. Childcare is a week to (10) ten days.

Harmon said with American Fidelity when we do the contract we'll specify what date we want the checks to be issued. If they are in by a certain date, they'll be issued by that date or the next week. We'll just verify that and see if they could give it to us in writing.

Motion to recommend to the City Manager to accept the proposal for American Fidelity by Richard Rogalski with second by Albert Ozuna Ayes: Ozuna, Schwenk, Rogalski, Bigham Nays: None **Motion carried**

VII. Comments/Discussion

* Whisenhunt asked are they going to be able to provide information by the next scheduled meeting May (17^{th}) seventeenth.

Massie answered he hadn't talked to Kanady. Liazon was going to get with their actuaries and run some numbers for us.

Whisenhunt said other than the financial report there's really no reason to meet. He would like to get that report emailed out but if they aren't able to provide information he doesn't think we'll need that meeting. He would like the financial report emailed out.

Massie said we will double check and let Whisenhunt know by the end of the week.

VIII. Adjournment

Rusty Whisenhunt announced the adjournment at 11:20am.

Motion by Albert Ozuna with second by John Schwenk to adjourn Ayes: All Nays: None **Motion carried**