

LMBC Meeting Minutes
April 16, 2019
Pettygrove Room, City Hall
Attendance

LMBC Members present

Jamal Anthony
Dave Benson
Alan Ferschweiler
Chris Flanary (via phone)
Mark Gipson
Leslie Goodlow
Ashlie Grundy (via phone)
Jeannette Hopson
Claire Houston
Craig Morgan
Rachel Whiteside

Staff

Cathy Bless
Anne Hogan

Presenters

Joel Michels (Occupational Health & Wellbeing)
Anne Thompson (Aon)
Shelley Zhao (Aon)
Emily Shettel (Aon)

LMBC Members absent

Tom Armstrong
Jamie Doscher

- 1. Meeting Called to Order** – Co-chair Alan Ferschweiler called the meeting to order at 1:39 pm.
- 2. Mental Health Initiative Update (Joel Michels)**

The Mental Health Initiative will officially begin on July 1st, with the start of the new coverage year. Occupational Health & Wellbeing Manager Joel Michels will be directing the program and offering presentations to employees, focusing on topics such as how to find a provider or other resources. Joel is hoping this program will be a call to action for employees and/or their dependents and hopes this program will help destigmatize mental health and substance abuse counseling. The \$0 provider copays and \$15/\$30 copays for generic and preferred prescriptions related to mental health and substance abuse will be an added incentive.

Claire Houston asked whether co-pays for in-patient mental health admissions would be waived and Cathy Bless replied no—the aim of this program is to help employees and their dependents find support sooner.

Dave Benson asked if there was a way to determine the success of this mental health initiative, such as measuring a reduction in the number of emergency room visits due to suicide attempts. This type of information is HIPAA protected but Cathy replied that both Moda and Kaiser could compare provider mental health and substance abuse claims from past years to this 2019-2020 year.

- 3. Discussion of Self-Funded Financial Reporting (Cathy Bless)**

Cathy Bless began the discussion by reviewing the Summary of Wire Transfers handout. While medical claims are up 9% from the previous year at this same time, there are signs that these claims may be leveling off. During the months of February and March, there were a few unusually large claims (though none to trigger a stop loss payment). The City continues to have a positive experience with Express Scripts as there was only a 2% increase in claims compared to the same time last year. Dental claims increased slightly, also 2% above last year's claims.

4. Discussion of recommendations for Short-Term Disability Options (Aon)

Committee members reviewed the Disability Options and Comparison slide deck as Emily Shettel began the discussion of the Long-Term Disability Policy highlights and changes (slide two):

- The City is entering a new four-year rate guarantee for Long Term Disability (LTD), through June 30, 2023. This will lock in the new LTD premiums rates: Rates have decrease by 28.7% under the new contract (from \$1,111,771 to \$792,248).
- With further approval from Council, the PFFA's LTD plan would be included under the City's policy number.
- The LTD waiting period would increase from 60 days to 90 days after the new Short-Term Disability (STD) program is implemented with its maximum benefit period of 11 weeks.

Emily discussed with members the highlights of the new, soon to be approved Short-Term Disability policy (slide three):

- Rates are guaranteed for three years through June 30, 2022.
- The City will pay for the basic plan, which provides a weekly benefit of 40% of an employee's salary (up to \$770). The annual cost will be \$658,477.
- The buy-up plan is voluntary or employee-paid and covers an additional 20% of annual salary, up to \$1,730 when combined with the basic plan.
- PFFA members will be included in these STD plans after approval from Council.

Cathy added that with the implementation of this plan, employees may rely less on catastrophic leave, which can be inequitable, and may be able to save sick leave time. Healthcare benefits will also be protected. Bureaus will not be charged for basic short-term disability costs for the 2019-20 plan year as it was too late to include these dollars in their budgets.

Slide four listed the current LTD plan and compared it to the new STD and updated LTD plans. Employees will be able to use their sick leave or vacation in lieu of these disability benefits but it will become an important benefit for new employees who have little sick/vacation time available or for PERS Tier 1 and Tier 2 employees who want to save their sick/vacation time to increase their retirement benefits. Emily explained that for an employee who is out on leave due to a pregnancy/birth, family medical leave (FMLA), and short-term disability could run concurrently. This employee would also be able to receive their six weeks of City-paid parental leave.

Example employee cost scenarios and benefit payouts were highlighted on slide five—in particular, the significant 20% benefit difference between the Basic plan and the Buy-Up plan. Cathy put emphasis on employees needing to take advantage of this open enrollment period to be automatically approved for either disability plan. If they miss the LTD buy-up opportunity, then employees will be required to submit medical history information to Standard Insurance. If employees miss the STD buy-up deadline, they don't have to submit any medical history information but there may be a 60-day waiting period, instead of a 14-day waiting period.

Rachel Whiteside asked if employees could elect one type of buy-up and not the other and Cathy confirmed this is possible. Both Leslie Goodlow and Dave Benson stressed the need for employees to have access to basic, easy to understand information about these disability policies so they could make informed decisions. Cathy agreed and let the committee know a life and disability guide created

by benefits staff would be available to employees as well as other supplementary flyers and a “decision tool” calculator would be featured on portlandonline. In addition, open enrollment sessions would be held at different bureau locations throughout the City. Standard Insurance will be holding at least two disability informational webinars and their staff would attend some of these larger OE sessions.

5. Short Term Disability Plan Recommendation Voting by Committee

After discussion and comparisons of the current long-term disability policies and the addition of short-term disability policies, committee members voted to recommend the short term disability policy be implemented by the City:

Item #	LMBC Final Vote	# of “Yes” votes	# of “No” votes	Plan / Vendor	Consideration
17.	Yes	13	0	Implement Standard Insurance Short Term Disability policies	Basic and Buy-Up STD policies will be available on 7/1/19 to all eligible and enrolled employees <ul style="list-style-type: none"> - 14-day waiting period - 90-day benefit period - 40% of salary for Basic plan - Additional 20% for Buy-Up plan - Paid regardless of accrued time - Cost Impact of Basic Plan: \$450,000

6. Other Business: None

7. Next Meeting: Tuesday, May 21, 2019, City Hall, Pettygrove Room. The meeting will begin at 1:30 pm and will be scheduled to go until 3:00 pm.

8. The meeting was adjourned at 2:45 PM.