

LMBC Meeting Minutes - Draft

September 17, 2019

Lovejoy Room, City Hall

Attendance

LMBC Members present

Alan Ferschweiler
Mark Gipson
Leslie Goodlow
Jeannette Hopson
Craig Morgan
Rachel Whiteside

LMBC Members absent

Tom Armstrong
Dave Benson
Jamie Doscher
Claire Houston
Ryan Kinsella

Staff

Cathy Bless
Kostas Giannopoulos
Joel Michels
Anne Hogan

Presenters

Anne Thompson (Aon)
Emily Shettel (Aon)
Shelley Zhao (Aon)

1. Meeting Called to Order – Co-chair Alan Ferschweiler called the meeting to order at 1:37 pm.

2. Meeting Minutes Discussion

Alan requested that the committee review the June 18th meeting notes for any needed changes or additions. With no changes required, Alan Ferschweiler requested a motion to approve. Mark Gipson motioned for members to approve minutes as written and Leslie Goodlow seconded it.

3. Introduction of Kostas Giannopoulos, the Total Rewards Manager (Cathy Bless)

Cathy Bless introduced the new Total Rewards Manager Kostas Giannopoulos to committee members. Kostas started in this new position on July 1st. Total Rewards was developed as an opportunity to combine these integral programs under one complete umbrella after the Occupational Health/Wellness program moved into BHR, Classification & Compensation Manager Elizabeth Nunes retired, and Cathy was promoted to the Deputy Chief Human Resources Officer. Employees will be better served with consistent and concise goals, strategies and leadership.

Cathy announced this would be her last meeting as an advisor and both Kostas and Michelle will be leading these meetings moving forward. Both should be considered subject matter experts and will be the main contacts for committee members.

Cathy invited Kostas to speak about his vision for the Total Rewards program and his own past experiences. Kostas began by explaining that as the Total Rewards Manager, he envisions effectively repositioning these groups under one roof and to reintroduce Total Rewards to employees as a valuable part of their daily lives. An emphasis will be introducing an improved “CityStrong” wellness program, with mental health initiative at the forefront.

Kostas spent the last two years as Director of Finance and Administration at the University of Pennsylvania’s Division of Public Safety in Philadelphia. There he led a team that oversaw all financial and human resource aspects of this division. He’s originally from Greece where he owned a successful business. Kostas invited members to reach out to him with any questions or to schedule one-on-one meetings with him.

4. End of year loss ratio financial report (Cathy Bless)

Medical, dental and prescription claims for June have been paid and the overall year-to-date loss ratio for the 2018-19 self-funded plan year was calculated at 107%. Cathy Bless assured members this ratio will continue to be monitored to determine whether an increased ratio represents a temporary spike or new overall trend. There was a 5.5% increase in rates for the current 2019-20 plan year, but health fund reserve money was used to absorb the additional cost for active employees, so they saw no increase in premiums. COBRA and retiree participants access services the most, increasing this loss ratio.

Currently, the summary of wire transfers handout as of 8/31/19 showed an 3% increase in medical claims, a 1% decrease in prescription claims and a 16% increase in dental claims as compared to the same period in the previous year.

5. Renewal planning for the 2020/21 plan year (Aon)

Aon's Emily Shettel began the discussion of the 2020-21 plan renewal timeline by reminding committee members that Kaiser will be scheduled to present to members first so that there will be enough time for a comprehensive discussion of costs and possible plan design changes.

Page five of Aon's slide deck listed the planning and renewal timeline for Aon and the committee. In late October, renewal request letters will be released to the vendors and in late November, these vendors will respond to these requests. The hope is that the committee's concerns and issues are discussed and addressed sooner. On October 18th, the Total Rewards team will be hosting a vendor summit to review and discuss the City's healthcare goals, possible partnerships between vendors, and ways to improve efficiencies and member experience. The December committee meeting will focus on a recap of this summit's highlights and issues. There will also be two committee meetings in February and March so there is enough time to discuss and to vote on possible plan changes.

Emily asked committee members to consider any additional benefit topics than what was listed on page seven of the slide deck; the following list covers committee suggestions:

- Moda Medical:**
1. Revisit/continue waived copays for outpatient mental health and substance abuse providers
 2. Review orthotic coverage as requested by PROTEC17
 3. Review fertility coverage
 4. Review telemedicine utilization and coverage options
 5. Review hearing aid coverage
 6. Moda will provide their own plan recommendations by 11/22

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- Kaiser**
1. Set strategy to balance cost and plan design
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- Express Scripts**
1. Set strategy to establish consistent Rx cost share. Initial recommendation is 8%
 2. Revisit SaveOn Rebate Program and Aon's other client experiences

3. Conduct annual market check to ensure competitive pricing terms (Jan – March)
4. ESI will provide their own clinical plan recommendations by 11/22

VSP

1. Consider Kids Care Program to allow more frequent vision Rx updates
2. Review Lasik discounting and coverage options
3. Review hearing aid discounting and understand coordination with medical

Voluntarily Benefits

1. Consider the addition of Voluntary Benefits (employees pay for premiums) such as critical illness, hospital indemnity and accident insurance

Alan wanted Kaiser notified of complaints from participants of a two week or more wait for open spots at inpatient substance abuse facilities within their network. In addition, there seems to be issues with the coding of post-traumatic stress disorder (PTSD) and substance abuse therapies; these two mental health issues overlap and both should be covered appropriately. Kostas added he had requested monthly meetings with both Moda and Kaiser to specifically address these types of issues.

Cathy mentioned she wanted Moda to give the City/Aon quarterly updates on their goal of hiring a more diverse group of providers and in-house staff. Regarding the timeline of committee meetings, she added there could be the possibility of adding even additional meetings if there was concern about plan design issues and a lack of committee member understanding. Rachel Whiteside requested a focused strategy be implemented at future meetings so that one or two topics could really be thoroughly discussed by members.

Alan wanted to know if a Request for Proposal (RFP) will be announced for the stop loss contract and Cathy replied that because of the special procurement rules for healthcare vendors, the City is not required to do this. Aon conducts the research and comparison of rates on the City's behalf.

Cathy requested committee members reach out to their employees to find out if their experiences have been positive or negative after contacting Cascade Centers (EAP) or Kaiser/Moda directly for mental health services. What have the wait times been like? Also, what have their experiences been like trying to find alternative care providers or using the telemedicine services? She would also like members to reflect on reasonable goals and strategies for each year moving forward.

6. Other Business: None

7. Next Meeting: October 15, 2019. The meeting will begin at 1:30 PM and will be scheduled to go until 3:00 PM. September's meeting is scheduled in the Pettygrove Room at City Hall 1221 SW Fourth Ave

8. The meeting was adjourned at 2:09 pm.