

**CITY OF HENDERSON  
SELF-FUNDED INSURANCE COMMITTEE MEETING**

**MINUTES  
April 11, 2012**

**I. Call to order**

Chairman Fred Horvath called the City of Henderson Insurance Committee meeting to order at 10:07 a.m., in the Westgate Conference Room, 1<sup>st</sup> Floor, City Hall, 240 Water Street, Henderson, Nevada.

**II. Confirmation and posting**

Ms. Neilson confirmed the meeting had been posted in accordance with the Open Meeting Law by posting the agenda three working days prior to the meeting at City Hall, Multigenerational Center, Whitney Ranch Recreational Center, and Fire Station No. 86.

**Roll Call**

PRESENT: Chairman Fred Horvath

Tom Chiello  
Connie Kershaw (for Richard Derrick)  
Norm "Doc" Halliday  
Priscilla Howell  
Jayne Mazurkiewicz  
Tim O'Neill

ABSENT: Richard Derrick  
Dan Pentkowski  
Sean Simoneau

STAFF: Bob Osip, Risk Manager  
David Hintzman, Assistant City Attorney  
Alysa Neilson, Employee Benefits Coordinator  
Tedie Jackson, Minutes Clerk

ALSO PRESENT: Bill Bixler, The Loomis Company  
Shawn Adkins, Gallagher Benefit Services  
Pam Levy, Sierra Healthcare Options  
T'Sharra Wright, HPN  
Pam Levy, SHO  
Judy Schulz, COH retiree

**III. Acceptance of Agenda**

(Motion) Mr. Halliday introduced a motion to accept the agenda as submitted, seconded by Ms. Mazurkiewicz. The vote favoring approval was unanimous. Chairman Horvath declared the motion carried.

**IV. Approval of Minutes**

**A. Regular Meeting of March 14, 2012**

Under Roll Call, delete “via teleconference” after Bill Bixler.

(Motion) Mr. O’Neill introduced a motion to approve the minutes of March 14, 2012, as amended, seconded by Ms. Mazurkiewicz. The vote favoring approval was unanimous. Chairman Horvath declared the motion carried.

**V. Staff Reports**

**A. Financial Report**

Connie Kershaw, Accounting Manager, distributed and reviewed the Self-Funded Health Insurance Fund report as of March 31, 2012, and noted that the fund has lost \$113,928 year to date due to an increase in medical claims.

**B. Loomis Monthly Claims Report**

Bill Bixler, The Loomis Company, reviewed the monthly claims report and stated that there are eight members with large claims that represent \$630,000. He also noted that there is a forthcoming transplant that has not yet been included on the reporting tracking. Mr. Bixler commented that he will report on genetic testing at future meetings.

**C. Sierra Healthcare Options Report**

Pam Levy, SHO, distributed and reviewed the 2011 monthly average length of stay report through March, and the quarterly provider reports for Southern and Northern Nevada.

T’Sharra Wright reported that UMC nationally transitioned from Medco to Prescription Solutions, which is HPN’s own PBM. She said Healthcare Partners is terminating their contract with HPN on June 1, 2012; however, this termination will not affect members on the City Self-Funded plan.

**D. Status Report - Gallagher Benefit Services**

Shawn Adkins, GBS, provided a report on the Supreme Court regarding several Patient Protection and Affordable Care Act (PPACA) issues, such as all Explanation of Benefit and summary benefit documents must be provided in Spanish and English. He will review the GASB 45 report at the next meeting.

A concern was noted that the Insurance Committee made many changes to the Plan that will be affected if the individual mandate is removed.

The most current amendments will be added to the Summary Plan Document before it is provided to members. The effective date of the updated Summary Plan will be 2-8-2012.

Mr. Adkins also reviewed the Financial Report Package dated January 1, 2012 through March 31, 2012.

**E. Committee Staff Report**

Bob Osip, Risk Manager, reported that all employees received an invitation email to learn about the programs offered by Lifesigns. There was a successful upload of the file for EERP, and he is in the process of completing a summary reimbursement report.

There was a consensus that the June agenda include a discussion item regarding post 65 retirees. Mr. Adkins will provide a general overview on Medicare and bring a representative to review the aggregator model. Due to a possibly long agenda, the June meeting will be scheduled from 10:00 a.m. to 2:00 p.m. and HPSA will provide lunch.

**VI. Public Comment**

There was no public comment.

**VII. Unfinished Business**

**A. Discussion and vote on conducting a RFP for network and claim administration services.**

Bob Osip, Risk Manager, reviewed a letter in the packet regarding a proposed outline of the TPA, Network, and Medical Management competitive bidding project. He noted that there may be potential savings to contract with the Coalition for hospital services. He asked if the committee members are interested in a comprehensive Request For Proposal (RFP) or carving out the Coalition for hospital services.

Shawn Adkins, GBS, explained that the network analysis and comprehensive RFP process is a very labor intensive, and there are many dynamics and components to consider. He noted that Loomis is the current Third Party Administrator and their fees are fair market price.

Mr. O'Neill suggesting the committee wait until the PPACA issues are resolved and consider this issue at a later date.

Chairman Horvath stated that he would like to know the cost of pros and cons of contracting with the Coalition, and how pricing would be affected. The question is whether the Coalition is a financial option for the committee to consider.

Mr. Adkins will email the cost of doing this analysis. If the cost is acceptable, he will report his findings at the June meeting.

**B. Discussion regarding plan coverage for multiple surgical procedures.**

Bob Osip, Risk Manager, referred to a handout in the packet entitled, Covered Medical Expenses, Multiple Surgical Services, same incision portion and suggested the phrase "largest amount billed" be replaced with "Highest allowable."

Staff will search for similar wording throughout the Summary Plan Document and provide amendments at the next meeting.

**C. Discussion regarding the 2012 International Foundation Benefits Conference.**

A brief discussion ensued regarding the 2011 International Foundation Benefits Conference last year. The following members volunteered to attend this year's conference from November 11, 2012 through November 14, 2012: Connie Kershaw, Tim O'Neill, Norman Halliday, Priscilla Howell, and Alysa Neilson.

**VIII. New Business**

**A. Discussion regarding suggested changes to the Prescription Benefit Plan.**

Shawn Adkins, GBS, reviewed the City of Henderson Pharmacy Benefit Plan Considerations and recommended that the committee focus on how to drive more utilization of generic brand drugs. He also recommended that the committee take advantage of the Drug Quantity Management program; the Fraud, Waste and Abuse program; and the Specialty Step Therapy program.

There was no desire by the committee to change to a higher deductible health plan at this time. Chairman Horvath suggested that this issue be discussed with a broader group of City employees. Staff will work on setting up a separate discussion and place this item on the next agenda for possible action.

**B. Discussion and vote to limit organ transplants to SHO facilities.**

Bob Osip, Risk Manager, reported that a member may need a liver transplant at the Mayo Clinic. Mayo Clinic pricing for transplant services is comparable to transplant services at a SHO facility .

Following a brief discussion, it was noted that the stoploss coverage covers the Mayo Clinic. There was no need to vote on this item.

Per Chairman Horvath, Bill Bixler, The Loomis Company, will provide the committee members with information as to how much money has been spent at the Mayo Clinic in the last few years. This is to determine whether the contract with the Mayo Clinic is worth what the City pays. This issue will be discussed at the next meeting.

**IX. Staff Comment**

There was no public comment.

**X. Set Next Meeting Date and Adjournment**

The next meeting was scheduled for May 09, 2012, from 10:00 a.m. to 12:00 p.m.

There being no further business to come before the Committee, Chairman Horvath adjourned the meeting at 12:10 p.m.

Respectfully submitted,

---

Tedie Jackson, Minutes Clerk