

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

**MINUTES
March 12, 2014**

I. Call to order

Fred Horvath, Chairman, called the City of Henderson Insurance Committee meeting to order at 10:08 a.m., in the Westgate Conference Room, 1st 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
Jennifer Fennema
Norm "Doc" Halliday
Priscilla Howell
Ken Kerby
Connie Kershaw
Tim O'Neill
Dan Pentkowski

ABSENT: None

STAFF: Bob Osip, Risk Manager
Kristina Gilmore, Assistant City Attorney II
Alysa Neilson, Employee Benefits Coordinator
Tedio Jackson, Minutes Clerk

ALSO PRESENT: Shawn Adkins, GBS
Bill Bixler, The Loomis Company (left at 11:37 a.m.)
Pam Levy, Sierra Healthcare Options
Amber Hubber, HPN
Tom Chiello, HPSA

III. Acceptance of Agenda

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

Jayne Mazurkiewicz announced that she has resigned from this committee due to reorganization efforts of the Parks and Recreation Department merging with the Public Works Department. She noted that she appreciated working with the members of the committee.

Chairman Horvath thanked Ms. Mazurkiewicz for her hard work and dedication to the Insurance Committee.

Connie Kershaw, Accounting Manager, introduced David Vorce, Senior Accountant over payroll.

Everyone present introduced themselves.

IV. Public Comment

Chairman Horvath reported that the City Council recently passed a new ordinance that clarifies new duties of the City Manager. The City Attorney believes that with a modification of the bylaws, the Insurance Committee will not be subject to the Open Meeting Law. This will allow more flexibility on the agenda and not require all meetings to be audio recorded. He noted that another revision to the bylaws includes the Vice-Chairman and Chairman positions to rotate. The City Clerk and City Attorney's Office will work together, and a copy of the amended bylaws will be reviewed by the Committee when they are completed.

V. Unfinished Business

A. Review of benefits offered through MedIncentive

This item will be continued to the next meeting.

VI. New Business

A. Approval of Minutes for the strategic planning meeting of January 8, 2014.

A correction was noted to add Tom Chiello as also present.

(Motion) Mr. Halliday introduced a motion to approve the January 8, 2014, minutes as amended, seconded by Mr. O'Neill. The vote favoring approval was unanimous. Chairman Horvath declared the motion carried.

B. Presentation of the Plan's Financial Status Report

Connie Kershaw, Accounting Manager, reviewed the Self-Funded Health Insurance Fund as of February 28, 2014. She noted that there is a decrease in the stoploss premium, and an increase in Health Plan of Nevada's premium and dental claims.

C. Loomis Monthly Claims Report

Following up from the January 8, 2014, meeting, regarding Innovative Healthcare Delivery, Bill Bixler, The Loomis Company, reported that two people had readmissions in a year and a half. One person had multiple complications and the other admission was due to a separate diagnosis.

Mr. Bixler reviewed the rolling monthly claims report and noted that the out-of-network claims have reduced. He will provide information at the next meeting regarding how many members are hitting the deductible for the out-of-pocket maximum for out-of-network. He stated that there are currently 528 claims in inventory and reviewed prescription and dental claims. Mr. Bixler also noted that three large claimants started in January.

D. Sierra Healthcare Options Report

Pam levy, SHO, reviewed the average length of stay summary and pointed out the out of area is in Seven Hills, but it is a plan facility.

Amber Hubber, HPN, reported that HPN members will receive information for the Now Clinic, which is run by Southwest Medical Centers. This allows a patient to be seen by a doctor or nurse via computer rather than physically going into a clinic. The wait time is very minor and convenient for many people.

Responding to a question by Chairman Horvath regarding bariatric surgery; Ms. Hubber stated that all plans through the Exchange must include this procedure. She noted that HPN amended the language that there is no dollar amount limit.

E. Gallagher Benefit Services Status Report

Shawn Adkins, GBS, provided an update on the Patient Protection Affordability Care Act (PPACA), and stated that they are waiting for clarification on the transitional reinsurance fee. The per member, per year fee is increasing to \$63.00, which would cost the Plan \$250,000 to \$300,000.

Mr. Adkins reported that there is still an issue with full-time seasonal employees, and he reviewed penalties that could be billed to the City if employees working more than 30 hours per week are not covered.

Mr. Adkins reviewed the Annual Financial and Utilization Report.

Ms. Neilson noted that eight new retiree enrollees are coming back on the City's plan from the State plan. She said three of those retirees reside out of area.

F. Extension of coverage to domestic partners of a fallen public safety officer

Bob Osip, Risk Manager, asked the Committee if they are interested in amending the Plan to include "domestic partner" for coverage of a fallen public safety officer.

A discussion ensued regarding how the City would know if the fallen public safety officer was still in a relationship with a domestic partner. Staff noted that they do not check with employees regarding the status of their relationship after the initial signup documentation is submitted.

Ms. Neilson stated that of the 34 total domestic relationships covered under the Plan, the vast majority are opposite sex. She noted that this number includes all eligible dependents.

Shawn Adkins, GBS, commented that there could be tax consequences if the additional language is adopted. Ms. Kershaw agreed and believes the City would have to prepare a 1099 for those people impacted.

There was a consensus to continue this item ~~to~~ the next meeting. Staff will research tax issues and review claims paid for the opposite sex domestic partners who have a legal remedy to get married.

G. Clarify and add benefit for chemotherapy and radiation treatment to the schedule of medical benefits

Alysa Neilson, Employee Benefits Coordinator, reviewed an attachment in backup material and explained that the benefit for chemotherapy and radiation treatment is not defined how it is paid. This causes confusion for claims adjusters at Loomis and the claims are not processed consistently.

It was noted that the vast majority of plans pay this benefit at 90/10 subject to a deductible.

(Motion) Chairman Horvath introduced a motion to create a new category covering various cancer treatments, subject to the applicable co-insurance depending on in-network and out-of-network providers, seconded by Mr. Kerby. The vote favoring approval was unanimous. Chairman Horvath declared the motion carried.

H. Coverage for dietician and nutritionist services

Alysa Neilson, Employee Benefits Coordinator, reviewed an attachment in the backup material, and noted that two other areas in the Plan imply these services are covered. It was noted that the definition of physician does not cover dietician and there is no separate code for nutritionist.

Mr. Adkins said a nutritionist is usually tied to a doctor and may be covered if directed by a physician.

Mr. Osip asked if the Committee would like to open up covering these services under preventative care. There was a brief discussion that health education and wellness classes are available for members. There was a consensus that staff will clean up the language administratively.

I. Allow opt out provision for certain health insurance benefits

Mr. Adkins explained that this issue is tied to HIPAA and stated that no annual limits can be allowed in dental and vision plans. He suggested language be added to the Plan that allows employees to opt out of the vision and dental plan.

(Motion) Chairman Horvath introduced a motion to provide “opt out” language for dental and vision, with no impact on premiums, to be effective January 1, 2014, seconded by Mr. Pentkowski. The vote favoring approval was unanimous.

VII. Public Comment

No public comments were presented.

VIII. Committee Concerns

Mr. Pentkowski reported that the Clark Country Trust and Las Vegas Firefighters both spoke highly of the professionalism of Innovative Healthcare Delivery. Both groups saw a reduction in projected growth of expenses, but it was difficult to put a number on savings due to moving pieces of benefits and financing.

Chairman Horvath reported that the other insurance plan for Teamster represented employees lost coverage at all St. Rose Hospitals as of January 1, 2014. The Trust made a decision to not leave the Coalition due to high cost; however, there is a possibility of a reconciliation between St. Rose Hospitals and the Coalition for 2015.

Ms. Nielson noted that she is still working on preparing the new Summary Plan Description.

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IX. Set Next Meeting Date

The next meeting was scheduled for April 9, 2014, from 10:00 a.m. to 12:00 p.m.

X. Adjournment

There being no further business to come before the Committee, Chairman Horvath adjourned the meeting at 12:37 p.m.

Respectfully submitted,

Tedie Jackson, Minutes Clerk