

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

**MINUTES  
May 14, 2014**

**I. Call to order**

Vice-Chairman Dan Pentkowski called the City of Henderson Insurance Committee meeting to order at 10:14 a.m., in the Westgate Conference Room, 1<sup>st</sup> Floor, City Hall, 240 Water Street, Henderson, Nevada.

**II. Confirmation of Posting and Roll Call**

Alysa Neilson, Employee Benefits Coordinator, 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.

**PRESENT:** Vice-Chairman Dan Pentkowski  
Jennifer Fennema  
Norm Halliday  
Priscilla Howell (left at 11:49 a.m.)  
Connie Kershaw (arrived at 10:06 a.m.)  
Tim O'Neill  
Robert Osip (for Fred Horvath)

**ABSENT:** Chairman Fred Horvath  
Ken Kerby

**STAFF:** Kristina Gilmore, Assistant City Attorney II  
Alysa Neilson, Employee Benefits Coordinator  
Tedio Jackson, Council and Commission Svs. Coordinator

**ALSO PRESENT:** Shawn Adkins, Gallagher Benefit Services  
Pam Levy, Sierra Healthcare Options  
Tom Cook, BHO

### **III. Acceptance of Agenda**

It was noted that the bylaws discussion was inadvertently left off the agenda and will be put on the next agenda.

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

### **IV. Public Comment**

There were no comments presented by the public.

### **V. Unfinished Business**

#### **A. Review of benefits offered through MedEncentive**

Bob Osip, Risk Manager, reviewed the discussion from the last meeting and reported that it would cost the Plan approximately \$630,000.00 to implement this program.

Following a brief discussion regarding the benefits of this program, there was a consensus to pass on this program at this time.

#### **B. Allow limited coverage for Dietician and Nutritionist services**

Bob Osip, Risk Manager, explained that the language in the Plan Document is vague regarding nutritionist and dietician coverage. He noted that there are currently no dieticians or nutritionists in the network.

Mr. Osip asked if the committee is interested in expanding the coverage to include eating disorders. If so, staff would recommend the following language: "Nutrition Counseling. Counseling for patients with risk factors for chronic diseases in which diet is a factor, including but not limited to cardiovascular disease, diabetes, and obesity. Counseling can be delivered by primary care clinicians or by other specialists, such as licensed nutritionists or registered dieticians when prescribed by a physician." This could be added to the preventative benefits and payable at 100 percent in network and 50 percent after deductible out of network.

Pam Levy, SHO, stated that she contacted Health Education and Welfare (HEW) at Sierra and the problem is they have no mechanism to bill self-funded employer groups, but they are going to try to set up something. She noted that SHO will contact nutritionists and dieticians to see if they are interested in joining the network.

Vice-Chairman Pentkowski commented that LifeSigns has a registered dietician.

A discussion ensued regarding how these services should be covered, and that educating employees that there are no preferred providers at this time would be important. It was noted that adding this to the Plan helps to comply with the Patient Protection Affordable Care Act (PPACA.) The Plan is currently out of compliance and may be subject to a penalty by waiting to add this language to the Plan.

(Motion) Mr. Osip introduced a motion to adopt the following language: “Nutrition Counseling. Counseling for patients with risk factors for chronic diseases in which diet is a factor, including but not limited to cardiovascular disease, diabetes, and obesity. Counseling can be delivered by primary care clinicians or by other specialists, such as licensed nutritionists or registered dietitians when prescribed by a physician; to be added to the preventative benefits and payable at 100 percent in network and 50 percent after deductible out of network; and to be effective January 1, 2014. The motion was seconded by Ms. Kershaw and the vote favoring approval was unanimous. Vice-Chairman Pentkowski declared the motion carried.

## **VI. New Business**

### **A. Approval of Minutes for the meeting of April 9, 2014**

(Motion) Mr. Halliday introduced a motion to approve the April 9, 2014, minutes as submitted, seconded by Ms. Howell. The vote favoring approval was unanimous. Vice-Chairman Pentkowski declared the motion carried.

### **B. Presentation of the Plan’s Financial Status Report**

Connie Kershaw, Accounting Manager, distributed and reviewed the Financial Status Report. She noted a positive balance of \$625,000 is probably caused by the rate increase and a decrease in the number of medical claims and prescriptions. Ms. Kershaw also reviewed the retiree subsidy information.

### **C. Loomis Monthly Claims Report**

Bob Osip, Risk Manager, reviewed the monthly claims report and noted that claims are lower.

**D. Sierra Healthcare Options Monthly Report – Hospital Length of Stay and Provider Network Update**

Pam Levy, SHO, distributed and reviewed the quarterly provider summary and the monthly average length of stay report for March and April.

Regarding a question as to whether SHO is going to expand to the St. George area, Ms. Levy noted that she does not know due to minimal providers in that area.

**E. Health Plan of Nevada Monthly Report**

Staff reported that HPN is changing their formulary for prescriptions. It was noted that a pharmacy representative can attend a future meeting to provide a summary report if desired by the committee members.

Vice-Chairman Pentkowski commented that it would be beneficial for the committee to discuss prescriptions, but he is not sure if a representative needs to attend a future meeting.

**F. Gallagher Benefit Services Status Report**

Shawn Adkins, Gallagher Benefit Services (GBS), reported on a Hepatitis C drug called Sovaldi that is extremely expensive. The cost is approximately \$120,000 per treatment and ESI believes that the drug manufacturer is gouging prices. He said ESI will continue covering the drug until other drugs come off patent and are available.

Mr. Adkins reported that he does not have final numbers on how many people are enrolled in PPACA; however, indications are people are not paying what they signed up for. He commented that some State programs have failed and some carriers participating in exchanges did not work out.

Mr. Adkins reviewed the Financial Reporting Package Quarterly Report dated January through March 2014.

A discussion ensued regarding early retirees, and there was a consensus to add an item on a future agenda regarding a cost benefit analysis on whether it would be advantageous to the Plan to purchase Medicare eligibility for non-Medicare eligible retirees.

**G. Employee Assistant Program**

Note: This item was heard following public comment.

Tom Cook, Behavioral Healthcare Options, (BHO), reviewed the Life Connection Program 2013 year-end executive summary and the 2014 Quarter 1 executive summary. He also pointed out new features in program and provided recommendations. Mr. Cook stated that he can provide a link to the BHO website on the City's benefit website.

**H. Require state domestic partner certificate for eligibility and enrollment for both same sex and opposite sex partners**

Mr. Osip provided a summary of this item and reviewed suggested language in the backup material that requires members to get married or provide a Certificate of Domestic Partnership.

A brief discussion ensued regarding the application process and dissolving a domestic partnership. A suggestion was made to give members a 60-day notice of this change and make it effective during open enrollment or January 1, 2015.

Responding to a question about a tax issue for a retiree with a domestic partner, staff noted that the retiree will be given a 1099 to address the tax issue.

(Motion) Mr. Osip introduced a motion to adopt the proposed language outlined in the backup material, to be effective January 1, 2015, seconded by Ms. Fennema. The vote favoring approval was unanimous. Vice-Chairman Pentkowski declared the motion carried.

**VII. Public Comment**

There were no comments presented by the public.

**VIII. Chairman/Committee Member/Committee Staff Comment**

Mr. Osip commented that the out-of-pocket max per PPACA will be \$6,600.00 next year.

Committee members interested in attending the conference in Boston from October 12-15 should contact staff.

Alysa Neilson, Employee Benefits Coordinator, reported on an issue regarding a member who has been receiving dialysis services by an out-of-network provider, but the member did not know the provider is not covered. Staff will work with Sierra Healthcare Options and Loomis to research this issue and report back on the next meeting. It was suggested that the member speak with a case manager.

Staff reported that the new Summary Plan Description will be available for distribution soon and Loomis is revising the ID cards.

**IX. Set Next Meeting Date**

The next meet was not scheduled.

**X. Adjournment**

There being no further business to come before the Committee, Vice-Chairman Pentkowski adjourned the meeting at 12:09 p.m.

Respectfully submitted,

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Tedie Jackson, Council and  
Commission Services Reporter