

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

**MINUTES
July 08, 2015**

I. Call to order

Vice Chairman Dan Pentkowski called the City of Henderson Insurance Committee meeting to order at 10:04 a.m., in the Westgate Conference Room, 1st 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, Fire Station No. 86, the Nevada Public Notice website, and the City of Henderson website.

PRESENT: Vice Chairman Dan Pentkowski
Tom Chiello (for T. O'Neill)
Barry Courtney

Connie Kershaw
Ken Kerby
Alysa Neilson (for C. Lancaster)
Bob Osip (for J. Fennema)
Laura Shearin

ABSENT: Jennifer Fennema
Courtney Lancaster
Tim O'Neill

STAFF: Erin Flynn, Assistant City Attorney II
April Parra, Council and Commission Services Reporter

ALSO PRESENT: Shawn Adkins, Gallagher
Bill Bixler, Loomis
Amber Hubber, HPN
Pam Levy, Sierra Healthcare Options

III. Acceptance of Agenda

(Motion) Mr. Kerby introduced a motion to accept the agenda as submitted. 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. Insurance Committee Bylaws - Change selection process and terms for Committee members and establish process for selecting Committee alternates.

Erin Flynn, Assistant City Attorney II, said that due to a new City Manager being appointed, she would suggest that the proposed bylaw changes be reviewed and discussed by the Committee for compliance with the bargaining agreements as well as state statutes. She suggested that once the City Manager is in place, and it is determined in what capacity the Committee will function, the bylaws can then be amended and incorporated.

Mr. Osip reviewed the proposed changes.

A discussion ensued regarding the amount of participation alternate members can have during meetings when the regular member is present.

Mr. Chiello recommended that alternates be able to participate in discussion when the regular member is present; however, they will not be able to vote on any action items.

Mr. Chiello also suggested that members sign a confidentiality agreement for HIPPA-related items.

Vice Chairman Pentkowski requested that Ms. Flynn bring the ordinance that pertains to the Insurance Committee to next month's meeting for review by the Committee.

Committee members were encouraged to send suggested changes to Bob Osip.

This item was continued to an upcoming meeting, but not indefinitely.

B. Medical Plan Design Change - Impose restrictions on spousal coverage if other group coverage is available and increase member cost share: Deductible, Co-insurance, Co-pay, Out-of-pocket maximum

It was the consensus of the Committee to discuss Items B and C together as a whole and continue to a future agenda pending the funding.

C. Prescription drug plan design change:

- 1. Adopt Advantage Plus UM Package step therapy and pre-authorize program**
- 2. Mandatory generic – member pays difference for brand name**
- 3. Move from co-pay to co-pay/co-insurance model**
- 4. Move from a four-tier to a five-tier prescription drug benefit structure**

It was the consensus of the Committee to discuss Items B and C together as a whole and continue to a future agenda pending the funding.

D. Create a High Deductible/Health Savings Account option for members

Mr. Adkins gave a brief summary and explained how these accounts are structured.

A discussion ensued regarding the functionality and benefits of transitioning to this type of account.

It was the consensus of the Committee that no action be taken at this time; however, this will remain a consideration in the future.

E. Rate discussion for plan year 2016.

Note: Item E was heard after New Business Item J

Connie Kershaw reviewed the report entitled City of Henderson Health Insurance Self Insurance Fund and gave an update on the cash balance of the plan since inception. Bob Osip reviewed additional reports including Funding Requirements for 2015-2017 Plan Years,

Funding by Year, Self-funded Health Plan 2016, 2015-2016 Funding Ratios, and Option A.

VI. New Business

A. Approval of Minutes for the meeting of May 9, 2015

(Motion) Mr. Kerby introduced a motion to approve the May 9, 2015, minutes as submitted. The vote favoring approval was unanimous. Vice Chairman Pentkowski declared the motion carried.

B. Self-Funded Health Plan's Monthly Financial Report

Ms. Kershaw distributed the monthly financial report, gave a brief summary, and noted that the fund is doing better this year than it did last year. She noted that the ending balance is \$5.5 million.

C. Loomis Monthly Claims Report

Bill Bixler, Loomis, reviewed the City of Henderson Claims Analysis Report and noted that currently there are no large claims that are pending and have not been paid.

D. Sierra Healthcare Options Monthly Report

Pam Levy, Sierra Healthcare Options, reviewed the April and May Length of Stay Reports and noted that the longest stay was a nine-day confinement. Additionally, Ms. Levy reviewed the 2015 first quarter provider report.

E. Health Plan of Nevada Status Report

There was no status report available for review.

F. Gallagher Benefit Services Status Report

A status report was not distributed. Shawn Adkins, Gallagher Benefit Services, gave an update on new legislation that was recently passed in the Nevada Legislature.

A discussion ensued regarding domestic partner coverages.

G. Selection of a Committee Chairperson

The selection of a Committee Chairperson could not take place due to the pending changes in the bylaws.

H. Selection of Committee Vice Chairperson

(Motion) Mr. Osip introduced a motion to re-elect Dan Pentkowski to the office of Vice Chairperson. The vote favoring approval was unanimous. Vice Chairman Pentkowski declared the motion carried.

I. Health Plan of Nevada 2016 Renewal

Amber Hubber, Health Plan of Nevada, discussed the renewal proposal for HPN and noted that it is coming in below trend. Ms. Hubber reviewed the alternate plans and said changing the plan design and structure is also an option if the Committee is interested.

(Motion) Mr. Osip introduced a motion to accept the renewal as presented effective January 1, 2016.

Mr. Kerby said he would like to have a more time to review the alternate options.

Chairman Pentkowski said he would be more inclined to change the plan; however, they just changed the plan design two years ago.

The vote favoring approval was unanimous. Vice Chairman Pentkowski declared the motion carried.

J. Covering transgender reassignment medical services

Mr. Adkins said this item should be on the Committee's radar and gave a brief presentation and discussed federal legislation that is taking place in the industry regarding this topic.

K. 2015 Legislative update

Mr. Osip gave a brief summary of the five bills related to the health insurance industry that were recently passed in the Nevada Legislature. He also briefly reviewed the legislation that did not pass.

VII. Public Comment

There were no comments presented by the public.

VIII. Chairman/Committee Member/Committee Staff Comment

There were no comments presented.

IX. Set Next Meeting Date

The next meeting was scheduled for September 9, 2015.

X. Adjournment

There being no further business to come before the Committee,
Vice Chairman Pentkowski adjourned the meeting at 12:18 p.m.

Respectfully submitted,

April Parra,
Council and Commission
Services Reporter