

CITY OF DECATUR  
SPECIAL COMMON COUNCIL MEETING  
MINUTES  
JULY 13, 2010

The City of Decatur Common Council met on Tuesday, July 13, 2010 at 7:30 P.M. at City Hall in Council Chambers. The meeting was called to order by Mayor John Schultz. Roll call was taken to show Councilwoman Barb Engle, Councilmen Charlie Cook, Matt Dyer and Ken Meyer were in attendance. Also present was City Attorney, Tim Baker and Clerk-Treasurer, Phyllis Whitright. Councilman Bill Crone was absent.

The Mayor invited everyone to stand and recite the Pledge of Allegiance.

The meeting was properly posted in City Hall and faxed to the Decatur Daily Democrat and The Journal Gazette.

Meyer made a motion to suspend approving the minutes from July 7<sup>th</sup> meeting until the regularly scheduled meeting on July 20<sup>th</sup>. Engle seconded the motion. Motion carried.

The Special Council meeting was held to select health coverage for the city employees beginning August 1, 2010 through August 1, 2011.

Mayor Schultz allowed each insurance representative to make any final comments. Anthem was not able to attend the meeting, so the Mayor read an email from Megan Walker. Walker's email read that Anthem does have very competitive discounts in the northeast part of the state. Keep in mind that some of the illustrations provided by Anthem's competitors during last week's city council meeting were based upon the claims experience of your group with Anthem. Depending on the provider network they are utilizing for their proposals, those network savings could be much less significant, and the overall claims cost for your group could be much higher.

Doug Short of BeniComp informed the Council that Adams County employees are engaging in the Wellness Program, which has helped decrease their premiums. BeniComp has received State Qualified Certifications.

Barb Knox of IHS cautioned any big changes to insurance plans due to losing Grandfather Plan Status in the new Federal law. Knox also mentioned a wellness program can also be added to their plan. She also mentioned on-site clinics could be instituted, which is a fourth of the cost at hospitals. IHS reviews claims, and reaches out to help keep claims down before getting too large. Stop-loss is at \$50,000, city would assume the first \$50,000, and then the excess would be paid by the insurance. City would need to set aside \$71,476 for monthly premiums. Included in their network is Lutheran, but not Parkview.

Ann Cottongim of IACT Trust presented insurance pooling with other cities and towns. Pooling is regulated by Department of Insurance, also has stop loss. The quote presented is for 17 months, with a three year commitment. There are six PPO plans to select from. There would be no Grandfathering issues, and a wellness program can also be utilized. United Health Care is their provider. Currently the pooling has 1500 employees and 4500 families.

John Kintz of Kintz Insurance retracted the United Health Care proposal due to the adjusted premium. PHP proposal was reduced by 4 1/2% once they received the final claims report from Anthem. Brian Steiner representing PHP addressed wellness and is paid at 100%, which helps keep employees compliant with health issues. PHP will send a check to employees if they lose 10% of their body mass index (BMI).

The Mayor read the cost of the proposals per month: Anthem \$86,957.17, IACT Trust \$93,102.61, Intra Health Solutions (IHS) \$93,917.75, BeniComp \$79,989.79 + \$5,000 one time charge for blood screenings, Kintz Insurance (PHP with HRA) \$76,645.05.

The Clerk-Treasurer commented even the lowest quote is a 12% increase, may need to look at making changes to the plan. Mayor Schultz suggested maybe increasing the employees contribution.

City Attorney, Tim Baker remarked that self insured may not be good for a group our size. Incentives are good to encourage wellness. May consider giving employees an option of more than one plan to chose from.

Councilwoman Engle asked the Mayor and the Clerk-Treasurer, since they reviewed the insurance, what they suggest. Mayor picked PHP with HRA, since it was the lowest cost. The Clerk-Treasurer commented for council to look for the best benefits for the employees, but need to look at the history of rate renewals for the next several years, since revenues will continue to decline. Engle made a motion to award Kintz Insurance with PHP and the Health Reimbursement Account. Cook seconded the motion. Motion carried.

John Kintz handed the council members voluntary life and disability insurance information, which is additional coverage if the city wants to include this with the group health insurance. No action was taken, since the meeting was to cover health insurance only.

All insurance representatives were thanked.

There being no further business, Dyer made a motion for adjournment. Engle seconded the motion. Motion carried. Meeting was adjourned at 6:50 p.m.