

## **City of Edwardsville**

### **Employee Health Insurance Advisory Committee**

**September 23, 2020**

#### **Minutes**

Amanda Tucker, Director of Human Resources, called the meeting to order at 10:00 a.m. in the Council Chambers of City Hall, located at 118 Hillsboro Avenue in Edwardsville, Illinois. A list of those in attendance in person at City Hall and a list of those in attendance via Zoom are both attached.

Motion to approve minutes from the November 7, 2019 meeting made by Jay Keeven and seconded by Cheryl Porter. Motion approved by acclamation.

#### Discussion of current health plan

Brett Milton asked if the changes to the plan design made last year resulted in the expected cost savings. Kari Unterbrink from Cornerstone reminded the committee of the two significant changes that were made in the plan design – specialist copays of \$60 were not reimbursed down to \$30 and a fourth tier was added to the prescription drug coverage. The removal of the specialist copy reimbursement has provided approximately \$70,000 in savings. Savings realized by the addition of the fourth prescription drug tier was not available. However, as of today the loss ratio on the plan is 102.93%. If this doesn't improve by the end of our plan year, our renewal rate with Cigna will be effected.

Cheryl Porter shared her experience of being charged by the hospital for the use of a room to for her specialist visit. In addition to the \$60 specialist copay, she had to pay for the use of the room, which the plan found to be an out-of-pocket expense applied to the deductible.

Brett Milton noted that Fire Department members have shared that they can often purchase prescription drugs below the cost of the copay by utilizing memberships and other discount programs at pharmacies. He asked if they had to pay for the pharmacy benefit since they were not utilizing the benefit. Ms. Unterbrink stated that the benefit was including in the major medical coverage the City purchases. She said when employees are able to purchase prescription drugs outside the plan at a savings, the plan also saves since they plan did not have a claim to pay on, which then helps with the loss ratio of the plan, which helps achieve a favorable renewal rate. In addition, prescription drug claims are not the main driver of our claims. Large claims for significant medical events are driving the costs. These events are unavoidable, chronic, or catastrophic events.

Jeanne Wojcieszak noted that the Finance Department provided no feedback regarding the plan. Nate Tingley reported the Parks Department had no response to his request for feedback. Ms. Porter noted she received one response from the Public Works Department indicating they were happy with the coverage. Starla Davis reported that Human Resources has received feedback on the plan, of which the majority have been positive comments.

Ms. Unterbrink noted that she will received renewal rates from Cigna and also from other carriers on the market to present to the executive committee. She intends to have the renewal wrapped up in mid-November.

There was no old business.

Under new business, Ms. Tucker announced the next meeting of the Employee Health Insurance Advisory Committee will be on November 12, 2020 at 10:00 a.m. in Council Chambers.

There being no further business, motion made by Ms. Porter, seconded by Mr. Keeven, to adjourn. Motion carried by acclamation. The meeting adjourned at 10:35 a.m.

  
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Jeanne Wojcieszak, Director of Finance