

City of Harlan Insurance Committee - March 10, 2016

The City of Harlan Insurance Committee met at 11:30 a.m., Thursday, March 10, 2016 in the City Council Chambers. Acting chair person Dave Miller called the meeting to order. The following members were:

Present: City: Chair person Sharon Kroger \*, Greg Bladt, and Dave Miller

HMU: Mike Jones and Terry Arentson

Absent: None

Also Present: Jeff Musich, Pam Meurer, Jenney Kelly, Terry Cox, Steve Gessert, Tom Ouren, Brent Scheve, Ken Weber, Mayor Gene Gettys, Mike Kolbe

It was moved by Arentson and seconded by Jones to approve the agenda. The motion carried unanimously.

No conflicts of interest were stated.

Tom Ouren of The Agency distributed the Commercial Insurance Schedule and gave a synopsis of the figures. Property limit – total blanket changed by 2% inflation cost, but no change on deductible. Property blanket figures were derived by on-site insurance inspectors. He discussed the IAMU safety group and the dividend refund received because of the City and HMU participation with that group. No change in the comprehensive deductible. He noted that he works with HMU and the City each year to update all inventories of equipment and electronics covered by Inland Marine. Tom stated that the big change in premium was due to Work Comp. The Experience Modification factor was at 1.18 last year and has since dropped to .91 this year. We are getting credit for the improved rating. (Sharon Kroger\* arrived at 11:45 a.m.) Tom noted that HMU and the City are currently designing a Return to Work Policy. Claims history has improved. He discussed Cyber Solutions (a change in name from last year) and noted it includes Data Breach Coverage and noted the Employer's responsibility in the event of a breach.

It was moved by Arentson and seconded by Bladt to approve the 4/01/16 property/casualty/work comp insurance comp renewal with The Agency. The motion carried unanimously.

The IGHCP representatives could not make today's meeting, so the 7/01/16 Health, Dental, and STD insurance renewal was tabled.

Brent Scheve noted that last year The Agency had provided the City/HMU with a Vision Policy in which the employees voluntarily participate. Because the policy rate doesn't expire until 2017 and it is also a voluntary participation plan, no action is needed by the Insurance Committee.

IGHCP had notified the City that the renewal for Life, ADD, and LTD insurance with our current carrier (Lincoln Financial) is projected to increase 8.2% and they will be marketing for a better price. It was moved by Miller and seconded by Arentson to request The Agency solicit rates for Life, ADD, and LTD insurance to be available for the next meeting. The motion carried unanimously.

Jenney Kelly of HMU explained to the Committee the proposal from EBS to charge the employees a \$25 fee for each insurance claim check they have to replace due to being lost or uncashed. She said that if

we don't want EBS to replace checks at that fee, then EBS will send us the amount of checks outstanding after 180 days, to be either turned over to the Iowa Treasure Hunt or returned to the employees. She proposed we opt for the refund check from EBS and then divide it up and return the amounts in cash to the employees affected. It was moved by Miller and seconded by Arentson to deny EBS the option of a \$25 re-issue fee for replacement of uncashed health/dental/flex claims checks and to direct the staff to set the procedure for the processing of the refunded amounts. The motion carried unanimously.

IGHCP had advised the Committee by e-mail that the current (2/29/16) PSF (partially self-funded) insurance reserve balance is at \$494,570.76. Terry Cox recommended reducing the PSF insurance reserve balance by requesting \$190,000 to be refunded after the 7/01/16 renewal. It was moved by Arentson and seconded by Bladt that a request be made for the disbursement of \$190,000 from the PSF insurance reserve fund after the 7/01/16 renewal, to be refunded proportionately to HMU and the City. The motion carried unanimously.

It was agreed to meet again in approximately two (2) weeks to allow for time to obtain bids for the life, add, and LTD insurance.

There being no further business, the meeting adjourned.

City of Harlan Insurance Committee - March 28, 2016

The City of Harlan Insurance Committee met at 11:30 a.m., Thursday, March 10, 2016 in the City Council Chambers. Chairperson Sharon Kroger called the meeting to order. The following members were:

Present: City: Chairperson Sharon Kroger, Greg Bladt and Dave Miller

HMU: Terry Arentson and Ken Weber voting for Mike Jones

Absent: Mike Jones

Also Present: Terry Cox, Pam Meurer, Jenney Kelly, Jane Smith, Carolyn Rebel, Steve Gessert, Brent Scheve, Mayor Gene Gettys, Mike Kolbe, Mike Hadfield, Gloria Soll and Jana Belle

It was moved by Arentson and seconded by Bladt to approve the agenda. The motion carried unanimously.

No conflicts of interest were stated.

Carolyn Rebel, IGHCP representative, distributed the Dental Plan Alternates and discussed the current plan as well as three other options available. The Current Plan renewal is projected to increase 8%. Option 1 would reflect no change in benefit maximums or frequency, but would allow coverage for implants with crowns. The cost impact would be 2-3% on top of the renewal. Option 2 would increase the total annual maximum benefit per person per year from \$1000 to \$1500. It does not reflect coverage for implants with crowns. The cost impact would be about 10% on top of the 8% renewal. Option 3 would reduce the 24-month pre-existing clause on major services to a 12-month pre-existing clause. There would not be a cost impact above the 8% increase. It was moved by Miller and seconded by Bladt to modify the existing dental coverage by approving Option 1, to add dental implant coverage with a 2-3% cost impact in addition to the 8% renewal, and to change the 24-month pre-existing clause to 12-months. The motion carried unanimously.

Carolyn stated that, due to EBS switching software vendors, it caused a delay in getting claims paid for the month of February. The software is now fixed and claims are getting paid within a couple of weeks.

It was moved by Arentson and seconded by Miller to approve the renewal of Health, Dental and Short Term Disability insurance effective 7/01/16. The motion carried unanimously.

At the last Insurance Committee meeting, the City was advised that the current life insurance carried for the City and HMU was anticipating a substantial premium increase. IGHCP and The Agency were tasked with going for bids for the Life, AD&D and LTD insurance. Carolyn presented Life, AD&D and Long Term Disability cost analysis from five companies who submitted bids. They were Lincoln Financial, Principal, Reliance, Mutual of Omaha and Standard. Each company revealed slightly different maximum benefit periods, benefit amounts, definitions of disability and/or age reductions benefits, but all used the same volume rate amount. Carolyn's recommendation was Mutual of Omaha, with the notation that Mutual of Omaha's bid includes a packaging of services to offer dependent coverage at the employee's cost through payroll deduction.

Brent Scheve with The Agency and Jana Belle with Group Benefits Ltd., presented Life, AD&D and Long Term Disability cost analysis from four companies who submitted bids. They were Lincoln Financial, Reliance, Principal and Hartford. Mutual of Omaha declined a request to quote, due to the fact that another broker (IGHCP) had already requested one. The quotes were very comparable to the previous amounts presented. Jana's recommendation was Reliance, and noted that Reliance does not require packaging with dependent coverage options.

Due to the large amount of information provided, it was suggested to table a decision for 10 days, to allow time for the Committee to review the materials presented.

It was agreed upon to schedule the next meeting for Friday, April 8<sup>th</sup>, at 12:00 noon.

There being no further business, the meeting adjourned.

City of Harlan Insurance Committee - April 8, 2016

The City of Harlan Insurance Committee met at 12:00 p.m., Friday, April 8, 2016 in the City Council Chambers. Chairperson Sharon Kroger called the meeting to order. The following members were:

Present: City: Chairperson Sharon Kroger, Greg Bladt and Dave Miller

HMU: Terry Arentson and Mike Jones

Absent: None

Also Present: Jane Smith, Jennifer Kelly, Ken Weber, Steve Gessert, Mike Hadfield and Brent Scheve

It was moved by Miller and seconded by Arentson to approve the agenda. The motion carried unanimously.

No conflicts of interest were stated.

Discussion was held on the renewal of Life, Accidental Death & Dismemberment and Long Term Disability Insurance to be effective 7/01/16. The Agency, Group Benefits LTD and IGHCP, Holmes, Murphy & Associates, Inc. provided proposals from Mutual of Omaha and Reliance Standard. Answering Committee questions was Brent Scheve, representing The Agency. He stated that if employees would like extra Voluntary Life Insurance for themselves or their families, the employee would be responsible for the premium due. Brent felt Mutual of Omaha would be an easy company to work with, would prepare separate list billings, would offer self-reporting and would provide a 2-year rate guarantee. It was moved by Arentson and seconded by Bladt to accept the Mutual of Omaha bid from Group Benefits, LTD through The Agency. The motion carried unanimously.

There being no further business, it was moved by Arentson and seconded by Miller to adjourn the meeting.

City of Harlan Insurance Committee – October 27, 2016

The City of Harlan Insurance Committee met at 12:00 noon., Thursday, October 27, 2016 in the City Council Chambers. Chairperson Kroger called the meeting to order. The following members were:

Present: City: Chairperson Sharon Kroger, Greg Bladt, and Dave Miller

HMU: Terry Arentson

Absent: Mike Jones

Also Present: Mayor Kate Kohorst, Gene Gettys, Pam Meurer, Jenney Kelly, Mike Hadfield, Steve Gessert, Brent Scheve, Ken Weber and Jane Smith

It was moved by Arentson and seconded by Miller to approve the agenda. The motion carried unanimously.

No conflicts of interest were stated.

The Committee discussed the Health Insurer Fee ceasing January 1, 2017, thus reducing the premium. It was moved by Bladt and seconded by Arentson to direct staff to adjust insurance premiums effective January 1, 2017 per the Consolidated Appropriations Act of 2016, Title II, § 201, Moratorium on Annual Fee on Health Insurance Providers. The Act suspends the health insurance provider fee for the calendar year 2017. The motion carried unanimously.

Using a Flex Debit Card for Flexible Spending Accounts was discussed. It was noted that any Flex participant who elects the automatic reimbursement option would not be eligible to use a Debit Card. It was moved by Miller and seconded by Arentson to table the use of a Flex Debit Card until next year's renewal period. The motion carried unanimously.

The Iowa Insurance Division case was discussed. No action was taken.

It was moved by Miller and seconded by Bladt to move forward to investigate what our insurance plan offers to encourage healthy choices. The motion carried unanimously. Carolyn Rebel of Holmes-Murphy will be asked for suggestions, to give to the committee at renewal time.

There being no further business, the meeting was adjourned.