

LEGAL AND HUMAN RESOURCES COMMITTEE

OCTOBER 1, 2015

2:30 P.M.

MINUTES

CALL TO ORDER

The meeting was called to order by Committee Chairman Stagno at 2:35 p.m.

ROLL CALL

Members present: Chairman Anthony Stagno, Trustee Bernard Kerman

Absent: Trustee Therese Cohen

Others present: Trustee Abbate, Courtney Calabrese, Digital Benefit Advisors

Staff present: Administrator Palmer, Treasurer Bodie

APPROVAL OF MINUTES

A motion to approve the minutes of the Joint Legal & Finance Committees dated August 31, 2015 was made by Trustee Kerman and seconded by Chairman Stagno. Motion passed by unanimous voice vote.

AGENDA ITEMS

Discussion of a resolution regarding Employee Group Health & Dental Insurance Renewal effective 11/1/2015 – 10/31/2016

Ms. Calabrese presented the employee group insurance options in detail for the plan year beginning November 1, 2015. The Village has the ability to continue with our current “grandmothered” Blue Cross Blue Shield (BCBS) plans for another year if we agree to make no changes to the plan benefits. The renewal premiums are approximately 15% higher than the current year which equates to about \$44,000 in additional expense to the Village. BCBS mapped our “grandmothered” plans to the best matching Affordable Care Act (ACA) plans. The annual premiums on this option would decrease about .4% or \$1,300 per year. Under the current ACA deadlines, the Village would be required to switch to ACA plans by October 1, 2016. Ms. Calabrese also presented provider options. Humana and UHC presented quotes on their ACA plans which were lower than the current BCBS plan renewal rates by 12% and 5%, respectively. However, both providers’ premiums were higher than the BCBS ACA plans by 6% to 12%. The committee also discussed the open Union negotiations as a reason to make the change to ACA plans this year.

The Committee reviewed Ms. Calabrese’s spreadsheet on adding a 2nd HMO plan to the Employee Health Insurance program. After discussing, the Board agreed that 2 HMO and 2 PPO plans would be offered to employees in the coming year.

A Motion to forward the recommendation of the Blue Cross Blue Shield ACA Plans with the addition of a 2nd HMO plan to the Village Board for approval was made by Trustee Kerman and seconded by Chairman Stagno. The motion passed by unanimous voice vote.

Discussion of resolution regarding Village Health Savings Account Contribution

The committee discussed the merits of a Village contribution to employee’s HSA accounts for employee’s participating in the high deductible plan. A motion to forward the recommendation of the Village contribution to employee’s HSA plan of \$1,000 for employee only coverage or \$2,000 for employee with dependent coverage to the Village Board for approval was made by Trustee Kerman and seconded by Chairman Stagno. The motion passed by unanimous voice vote.

Discussion of resolution regarding Village Health Reimbursement Account Contribution

Ms. Calabrese presented information on providing employees' with a Village sponsored Health Reimbursement Account for PPO coverage to minimize the change from the previous plan's maximum out of pocket (OPX) amount of \$2,500 individual/\$7,500 family to the ACA plan \$5,000 individual/\$10,000 family. Ms. Calabrese stated that it is a medical insurance industry axiom that 20% of the employees account for 80% of the expense. An HRA for the \$2,000 back-end of the OPX would only be funded by the Village in the event that it is needed by the employee or their covered dependent. Ms. Calabrese recommended contracting with Envision to administer the HRA. The fee to administer the HRA reimbursement seamlessly with Blue Cross Blue Shield would be approximately \$1,500 annually. A motion to forward the recommendation to the Board for approval to adopt an HRA program to be administered by Envision to fund the final \$2,000 of a covered individual's maximum out of pocket was made by Trustee Kerman and seconded by Chairman Stagno. The Motion passed by unanimous voice vote.

NEW BUSINESS

ADJOURNMENT - A motion for adjournment was made by Trustee Kerman and seconded by Chairman Stagno. By unanimous voice vote, the meeting adjourned at 4:11 p.m.

Respectfully submitted by
Michelle Bodie, Treasurer