

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

**MINUTES  
March 13, 2013**

**I. Call to order**

Chairman Fred Horvath called the City of Henderson Insurance Committee meeting to order at 10:07 a.m., in the Westgate Conference Room, 1<sup>st</sup> Floor, City Hall, 240 Water Street, Henderson, Nevada.

**II. Confirmation of Posting and Roll Call**

Ms. Neilson 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, and Fire Station No. 86.

PRESENT: Chairman Fred Horvath  
Jim Dunlap  
Norm Halliday (arrived at 11:04 p.m.)  
Priscilla Howell  
Connie Kershaw  
Jayne Mazurkiewicz  
Tim O'Neill (left at 1:30 p.m.)  
Dan Pentkowski

ABSENT: None

STAFF: Dave Hintzman, Assistant City Attorney  
Robert Osip, Risk Manager  
Alysa Neilson, Employee Benefits Coordinator  
April Parra, Minutes Clerk

ALSO PRESENT: Shawn Adkins, Gallagher Benefit Services  
Tom Chiello, HPSA  
Pam Levy, Sierra Healthcare  
Amber Hubber, HPN  
Lily Arslanian, HPN

**III. Acceptance of Agenda**

(Motion) Mr. Pentkowski introduced a motion to accept the agenda as submitted. The vote favoring approval was unanimous. Chairman Horvath declared the motion carried.

**IV. Approval of Minutes for February 13, 2013**

This item was continued to the March meeting at the request of staff.

**V. Staff Reports**

**A. Financial Report**

Connie Kershaw, Accounting Manager, distributed the financial report as of February 28, 2013, and gave a brief summary.

**B. Loomis Monthly Claims Report**

Shawn Adkins, GBS, gave a brief summary in Bill Bixler's absence.

There were no questions from the Committee.

**C. Sierra Healthcare Options Report – Pam Levy**

Pam Levy, Sierra Healthcare, distributed the monthly report and said that things are well overall and are an improvement from last year.

There were no questions from the Committee.

**D. Status Report – Gallagher Benefit Services (GBS)**

Shawn Adkins, GBS, distributed the City of Henderson Plan 2012 Financial and Utilization Report. Areas of discussion included: The Executive Summary, GBS Status Report, Monthly Claim Summary, Large Claim Summary and Analysis, Historical Claims and Enrollment Analysis, Medical Cost Analysis, Monthly Claim Report – Vision and Dental, Utilization, Cost Sharing, Type of Service Analysis, Summary of Claims, Network Status Splits and Adult Preventative Visits, Rx Analysis, Summary of Prescription Drug Cost Sharing, Rx Claims by Size of Payment, and Rx and Dental Claims.

Mr. Adkins commented on the following:

- We are spot on budget for the medical plan.
- The dental plan performed worse than expected.
- Out-patient surgical costs greatly increased due to increased utilization of out-of-network providers.

A discussion ensued regarding duplicate submissions by hospitals and doctors.

**E. Committee Staff Report**

Bob Osip, Risk Manager, gave an update regarding preventative drugs and happenings at the Legislature.

Mr. Osip commented on contracting with providers outside the network and noted that there may be a sufficient number of providers in our plan.

Responding to Chairman Horvath's question regarding contractual limitations in the Sierra contract, Mr. Osip said there are no limitations.

A discussion ensued regarding potential contracting and Chairman Horvath commented that he would be interested to see how much the City could potentially save.

Mr. Osip circulated information about the SALGA conference in San Antonio, Texas, and suggested sending one of the Committee members.

Alysa Neilson, Employee Benefits Coordinator, gave an update on retiree enrollments with Extend Health. She also noted that the plan does not include language on nutritionist or a dietician services.

A discussion ensued regarding addressing nutritionist and dietician services in the plan document. Mr. Adkins said he will speak to Mr. Bixler and a recommendation will be made at the next meeting.

Ms. Neilson summarized to the Committee calls that she has received regarding various issues including a call from a new employee regarding missing the 30-day window to add her new husband to the plan. It was determined that this item will be placed on next month's agenda for action.

**VI. Public Comment**

There were no comments presented by the public.

**Note: A break for lunch was taken from 11:46 a.m. to 12:22 p.m.**

**VII. Unfinished Business**

**A. Discussion and vote on participating in Gallagher Benefit Services Pharmacy coalition**

Mr. Adkins reported that the City can maintain its current clinical management programs regardless of what the rest of the coalition is doing.

Mr. Pentkowski and Mr. O'Neill commented that they wanted to do this at the end of the calendar year.

(Motion) Mr. Pentkowski introduced a motion to participate in the Gallagher Benefit Services Pharmacy coalition effective January 1, 2014, seconded by Ms. Mazurkiewicz. The vote favoring approval was unanimous. Chairman Horvath declared the motion carried.

**B. Discussion and vote on post-65 retiree life insurance**

After a lengthy discussion took place, it was determined that no benefit was going to change, so no action was taken.

**C. Discussion on future committee initiatives**

- Evaluate fully insured option\
- Wellness programs
- Other committee initiatives

There was no discussion on this item.

**VIII. New Business**

**A. Discussion and vote regarding non-network surgical centers.**

Mr. Osip gave a summary of the plan's previous vote to exclude coverage for non-network surgical centers as of January 1, 2013. Mr. Osip explained that clarification is needed regarding if the plan should provide any coverage for non-network surgical centers when this plan is secondary.

Following a brief discussion it was clarified that no coverage is available for non-network surgical centers even when the plan is secondary.

**B. Discussion and vote to offer continuation coverage to deceased retiree's grandchildren**

Ms. Neilson gave an update and said coverage for the grandchildren ended February 28, 2013. She inquired if the Committee is willing to offer continuation coverage.

It was the consensus of the Committee to not offer continuation coverage.

**C. Discussion and vote regarding eligibility language on legal guardianship**

Mr. Adkins gave a summary of the item and reviewed the City of Henderson Eligibility Summary.

After a lengthy discussion, it was the consensus of the Committee that Mr. Adkins will submit new eligibility language for the Committee to vote on.

**D. Discussion and vote regarding prescription drug plan options.**

This item was continued to the April meeting.

**E. Discussion and vote on Affordable Care Act (ACA) compliance items.**

Mr. Adkins gave a presentation entitled “The Future is Here”. Areas of discussion included: Timeline, Timeline of Changes, Health Care Reform 2013, Health Care Reform 2014, Reinsurance Assessments and Insurer Fees, Individual Mandate 2014, Individual Penalty, Exchanges – 2014, State Exchange Status, Exchanges – Plans, Exchanges – Marketplace, Exchanges – Premium Assistance, Employer Shared Responsibility, Ongoing Full-Time Employee, New Variable Hour and Seasonal Employee, Cadillac Tax – 2018, and What’s Next.

Responding to a question by Ms. Neilson regarding when the look-back period needs to be established, Mr. Adkins said by open enrollment.

**F. Discussion and vote on professional services**

The Committee members reviewed a list of current contractors and determined which contractors they would like to submit proposals.

It was the consensus of the Committee that Mr. Adkins would return with a three-year proposal to present to the Committee for approval.

**IX. Staff Comment:**

There were no comments presented by staff.

**X. Set Next Meeting Date and Adjournment**

A meeting was not scheduled.

There being no further business to come before the Committee,  
Chairman Horvath adjourned the meeting at 2:03 p.m.

Respectfully submitted,

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April Parra, Minutes Clerk