

Benefits Committee Meeting  
July 13, 2018  
MSB Conference Room 130

Start time: 9:00 am

**Committee Members in Attendance:** Mike Head, CWA; Roberta Gluski, CWA; Phil Hughes, CWA; Steven Squillante, FOP Officers; Sergeant Joel Morley, FOP Officers; Matt Schad, IAFF; Lisa Friday, SAMP; Gina Clayton, SAMP; Jay Ravins, SAMP; Karen Dombrowski, Retirees

**Committee Members Not In Attendance:** Matt McCombs, CWA; Ron Rice, CWA; Stephen Colbert, IAFF; Sandy Clayton, SAMP

**Non-Committee Members In Attendance:** Shawn Fleming, Gehring Group; Michelle Kutch, Human Resources; Joe Roseto, Human Resources; Donna Cacciatore, Human Resources; Regina Novak, Parks and Recreation/Wellness

Michelle Kutch, Human Resources Manager, opened the meeting and asked if everyone received the information she emailed, originally passed out at the Benefits Committee Meeting on June 21, 2018. The City received a 4.41% renewal and she then referred to the two options for how we could implement the increase which was discussed at the previous meeting. The first option would be to return to the City's formula of paying 75% of the employee plus one premium and 68% of the employee plus family premium. She reminded everyone that for the 2018 plan year, the City agreed to pick up the 2% premium increase, therefore the 75/68% formula was thrown off a little. This option would result in an increase of 6.6% to the biweekly deductions for medical insurance in 2019. The second option would be to simply increase the 4.4% to what employees are currently paying. In either option, there would be no change to the schedule of benefits (see attached.)

Mr. Roseto mentioned the City has seen seven significantly large claims within the past six months. Mr. Fleming stated the overall industry trend is an increase of 8 to 12%, so to have an increase of only 4% to the City is good. Mr. Fleming stated it is a testament to the Employee Health Center, the wellness initiatives, and the actions the employees have taken in regards to their health. Mr. Roseto stated the cost of the Employee Health Center, is \$1.7 million and is not included in our Cigna budgeted costs. Mr. Roseto stated if we did not have the Health Center, our increases to our medical for 2019 would be higher.

Mr. Ravins stated the 2019 City budget included an increase of 6% to our medical insurance, so an increase of 4% would be good news to the City Council.

Ms. Kutch asked if there were any questions about the information covered at the last meeting or if anyone had membership feedback they would like to share. Mr. Head asked if there was a guarantee that the 2% wouldn't be incorporated into another year and he was told there is no guarantee. Mr. Head then asked for a delay in the vote, and Mr. Hughes said they initially came into the meeting with the intentions of voting one way, but now they are discussing potentially voting for returning to the 100%/75%/68% funding, in the event we had a larger increase next year, and addition to absorbing the 2% at that time. He wanted to put these options in front of the CWA membership at their next meeting and explain the potential impact it would have if we didn't absorb the 2% now.

There was discussion regarding the Committee needing to vote on the medical increase very soon, so there was time to put it in front of the City Council for their vote and have something in place in time for Open Enrollment to begin on September 28, 2018.

Ms. Clayton asked if there was any new information regarding the dental insurance. Ms. Kutch reminded the group of the Dental HMO issues we discussed in the last meeting, specifically that the Cigna HMO dental plan networks have more dental chains in the network and individual dentists are no longer accepting HMO dental plans. Ms. Kutch stated that we received a proposal of a lower cost PPO plan, so employees can see the dentist they would like to use without paying the large PPO premium.

Mr. Fleming passed out handouts with more detail of our current dental plans (see attached.) Mr. Fleming stated 123 employees are currently in the Cigna F109 plan, 494 employees in the P5X00 plan, and 338 employees in the PPO plan. Mr. Fleming stated the PPO plan does offer benefits for in and out of network providers.

Mr. Fleming stated a drawback to our PPO plan is there is a \$1,100 annual maximum. He stated the maximum does not affect a large percentage of our employee population; he explained an employee would need to have approximately \$2,200 of dental expenses in a year to reach the \$1,100 annual maximum, as the plan does cover 50% of major procedures.

Mr. Fleming stated they asked Cigna if they could offer a lower cost PPO plan, and the plan that was devised has an annual maximum benefit of \$750. Mr. Fleming stated if someone knows they are having crowns or bridges, the lower cost PPO plan is probably not the plan for them. Mr. Fleming further stated there is a lower reimbursement rate of 70% for basic procedures, and no coverage for orthodontic procedures. Mr. Fleming stated if we wanted to consider adding this lower cost PPO plan we would eliminate one of the Dental HMO plans and based on employee enrollment numbers we would most likely eliminate the Cigna F109 plan.

Mr. Fleming stated utilization data shows 85% of people spend less than \$300 a year on dental.

Ms. Kutch pointed out that the semi-monthly premium for the lower benefit PPO plan is only slightly less than the higher benefit PPO plan. It was also pointed out that the lower cost PPO plan has higher deductibles.

Mr. Fleming stated the issue with many chains being in our Dental HMO networks is not exclusive to Cigna but is industry wide. Ms. Kutch stated if the committee chooses to implement a 2<sup>nd</sup> PPO plan, we would consider offering two HMO plans (the Assurant and the P5X00 plan) and two PPO plans. Ms. Kutch stated again to review the new plan closely, as the difference in premiums between the two PPO plans is not that significant.

Ms. Novak stated with the HMO plans at some point the children age out of being able to see a pediatric dentist and asked if they would also age out with the Dental PPO plan. It was later determined that there is no pediatric age restriction with the PPO plan, so children would not age out of being able to see a pediatric dentist.

Ms. Kutch stated the discussion each committee member would want to have with their membership is to determine if we would we want to remove the Cigna F109 plan and replace it with a second PPO option. Ms. Kutch stated again we should review the premiums as they are not that much less than the current PPO plan's premiums.

There was discussion of the differences in costs between the Cigna P5X00 and the Cigna F109 plans, and it was stated the Cigna P5X00 may also charge lab fees, which are not listed in the handouts.

Ms. Kutch stated she would like the committee to meet again in a week or so to vote on the 2019 options for medical and dental.

Ms. Kutch asked if the committee heard any feedback concerning the changes to the 457 plans; no members indicated they had heard feedback.

The meeting was then adjourned.

City of Clearwater

Medical Insurance Rate Analysis

Effective Date: January 1, 2019



4.4% Increase - 100%/75%/68%

OAP Plan	CIGNA HealthCare				CIGNA HealthCare			
	2018		2019		2018		2019	
	Employee Contribution	Employer Contribution	Total Plan Premium	Employee Contribution	Employer Contribution	Total Plan Premium	EE Increase	
Employee	1,077	\$0.00	\$688.52	\$0.00	\$718.88	\$718.88	\$0.00	
Employee + 1	236	\$289.15	\$1,179.74	\$307.94	\$923.82	\$1,231.77	\$18.79	
Employee + Family	175	\$607.31	\$1,935.80	\$646.77	\$1,374.39	\$2,021.17	\$39.46	
Dual Spouse w/ dep.	56	\$0.00	\$1,935.80	\$0.00	\$2,021.17	\$2,021.17	\$0.00	
Active \$ Increase		N/A	N/A	\$136,092	\$640,310	\$776,402		
Active % Increase		N/A	N/A	6.50%	4.13%	4.41%		
Retiree								
Retiree	88	\$675.02	\$688.52	\$718.88	\$0.00	\$718.88	\$30.36	
Retiree + 1	31	\$1,156.61	\$1,179.74	\$1,231.77	\$0.00	\$1,231.77	\$52.03	
Retiree + Family	4	\$1,897.84	\$1,935.80	\$2,021.17	\$0.00	\$2,021.17	\$85.37	
Total Monthly Premium	1,671	\$277,367	\$1,572,029	\$295,391	\$1,345,965	\$1,641,356		
Total Annual Premium		\$3,328,400	\$18,864,353	\$3,544,691	\$16,151,580	\$19,696,271		
Total \$ Increase		N/A	N/A	\$216,290	\$615,628	\$831,918		
Total % Increase		N/A	N/A	6.50%	3.96%	4.41%		

City of Clearwater

Medical Insurance Rate Analysis

Effective Date: January 1, 2019



4.4% Increase - Shared Increase

OAP Plan	CIGNA HealthCare				CIGNA HealthCare			
	2018		2019		2018		2019	
	Employee Contribution	Employer Contribution	Total Plan Premium	EE Increase	Employee Contribution	Employer Contribution	Total Plan Premium	EE Increase
Employee	1,077	\$0.00	\$688.52	\$0.00	\$718.88	\$718.88	\$718.88	\$0.00
Employee + 1	236	\$289.15	\$1,179.74	\$301.90	\$929.87	\$1,231.77	\$1,231.77	\$12.75
Employee + Family	175	\$607.31	\$1,935.80	\$634.09	\$1,387.08	\$2,021.17	\$2,021.17	\$26.78
Dual Spouse w/ dep.	56	\$0.00	\$1,935.80	\$0.00	\$2,021.17	\$2,021.17	\$2,021.17	\$0.00
Active \$ Increase		N/A	N/A	\$92,355	\$684,047	\$776,402	\$776,402	
Active % Increase		N/A	N/A	4.41%	4.41%	4.41%	4.41%	
Retiree								
Retiree	88	\$675.02	\$688.52	\$718.88	\$0.00	\$718.88	\$718.88	\$30.36
Retiree + 1	31	\$1,156.61	\$1,179.74	\$1,231.77	\$0.00	\$1,231.77	\$1,231.77	\$52.03
Retiree + Family	4	\$1,897.84	\$1,935.80	\$2,021.17	\$0.00	\$2,021.17	\$2,021.17	\$85.37
Total Monthly Premium	1,671	\$277,367	\$1,572,029	\$291,746	\$1,349,610	\$1,641,356	\$1,641,356	
Total Annual Premium		\$3,328,400	\$18,864,353	\$3,500,954	\$16,195,317	\$19,696,271	\$19,696,271	
Total \$ Increase		N/A	N/A	\$172,553	\$659,365	\$831,918	\$831,918	
Total % Increase		N/A	N/A	5.18%	4.24%	4.41%	4.41%	

**City of Clearwater**  
**Fee for Service Dental Insurance Evaluation**  
**Effective Date: January 1, 2019**



**CURRENT**

**Renewal**

Sample Procedures		Cigna	Cigna
	Code	F1-09	F1-09
<b>Annual Maximum</b>		<b>Unlimited</b>	<b>Unlimited</b>
Periodic Exam	D0120	\$0	\$0
Office Visit	D9430	\$0	\$0
Prophylaxis	D1110	\$0	\$0
Full Mouth X-rays	D0210	\$0	\$0
<b>Extraction</b>			
Single Tooth	D7111	\$12	\$12
Partial Impaction	D7230	\$73	\$73
Boney Impaction	D7240	\$120	\$120
<b>Fillings</b>			
Amalgam - 1 surface	D2140	\$0	\$0
Resin - 1 surface	D2330	\$0	\$0
Sedative	D2940	\$13	\$13
<b>Root Canal Therapy</b>			
Anterior	D3310	\$12	\$12
Bicuspid	D3320	\$31	\$31
Molar	D3330	\$280	\$280
<b>Peridontic Therapy</b>			
Root Planning (1/4)	D4341	\$96	\$96
Gingivectomy (1/4)	D4210	\$220	\$220
<b>Crown &amp; Bridge</b>			
Full High Noble Metal	D2790	\$390	\$390
Porcelain fused to Metal	D2750	\$380	\$380
<b>Dentures</b>			
Partial Denture	D5213	\$575	\$575
Complete Denture	D5110	\$500	\$500
Denture Reline (chairside)	D5730	\$14	\$14
Denture Reline (lab)	D5750	\$170	\$170
<b>Orthodontia</b>			
Comprehensive Treatment	D8070-90	\$2,184 Child; \$2,904 Adult	\$2,184 Child; \$2,904 Adult
Adult Orthodontia Covered?		Yes	Yes
<b>Rate Guarantee</b>		<b>Expires 12/31/18</b>	<b>Expires 12/31/19</b>
EE Only	78	\$21.52	\$21.52
EE + One	28	\$40.08	\$40.08
EE + Two or More	17	\$52.18	\$52.18
<b>Monthly Premium:</b>	123	<b>\$3,688</b>	<b>\$3,688</b>
<b>Annual Premium:</b>		<b>\$44,254</b>	<b>\$44,254</b>
<b>\$ Increase:</b>		<b>N/A</b>	<b>\$0</b>
<b>% Increase:</b>		<b>N/A</b>	<b>0.0%</b>

**City of Clearwater**  
**Traditional Managed Dental Insurance Evaluation**  
**Effective Date: January 1, 2019**



Sample Procedures	Code	CURRENT	Renewal
		Cigna	Cigna
		P5X00	P5X00
<b>Annual Maximum</b>		<b>Unlimited</b>	<b>Unlimited</b>
Periodic Exam	D0120	\$0	\$0
Office Visit	D9430	\$5	\$5
Prophylaxis	D1110	\$0	\$0
Full Mouth X-rays	D0210	\$0	\$0
<b>Extraction</b>			
Single Tooth	D7111	\$5	\$5
Partial Impaction	D7230	\$70	\$70
Boney Impaction	D7240	\$90	\$90
<b>Fillings</b>			
Amalgam - 1 surface	D2140	\$0	\$0
Resin - 1 surface	D2330	\$0	\$0
Sedative	D2940	\$5	\$5
<b>Root Canal Therapy</b>			
Anterior	D3310	\$80	\$80
Bicuspid	D3320	\$120	\$120
Molar	D3330	\$250	\$250
<b>Peridontic Therapy</b>			
Root Planning (1/4)	D4341	\$40	\$40
Gingivectomy (1/4)	D4210	\$130	\$130
<b>Crown &amp; Bridge</b>			
Full High Noble Metal	D2790	\$185	\$185
Porcelain fused to Metal	D2750	\$185	\$185
<b>Dentures</b>			
Partial Denture	D5213	\$160	\$160
Complete Denture	D5110	\$150	\$150
Denture Reline (chairside)	D5730	\$35	\$35
Denture Reline (lab)	D5750	\$60	\$60
<b>Orthodontia</b>			
Comprehensive Treatment	D8070-90	\$1,344 Child; \$1,944 Adult	\$1,344 Child; \$1,944 Adult
Adult Orthodontia Covered?		Yes	Yes
<b>Rate Guarantee</b>		<b>Expires 12/31/18</b>	<b>Expires 12/31/19</b>
EE Only	288	\$17.21	\$17.21
EE + One	107	\$32.02	\$32.02
EE + Two or More	99	\$41.68	\$41.68
<b>Monthly Premium:</b>	494	<b>\$12,509</b>	<b>\$12,509</b>
<b>Annual Premium:</b>		<b>\$150,107</b>	<b>\$150,107</b>
<b>\$ Increase:</b>		<b>N/A</b>	<b>\$0</b>
<b>% Increase:</b>		<b>N/A</b>	<b>0.0%</b>

**City of Clearwater**  
**PPO Dental Insurance Evaluation**  
**Effective Date: January 1, 2019**

SCHEDULE OF BENEFITS	CURRENT		Renewal	
	Cigna PPO		Cigna PPO	
<u>Plan Basics</u>	<i>In Network</i>	<i>Non Network</i>	<i>In Network</i>	<i>Non Network</i>
Calendar Year Maximum	\$1,100		\$1,100	
<u>Deductibles</u>				
Single	\$50	\$50	\$50	\$50
Family	\$150	\$150	\$150	\$150
Deductible Waived for Preventative Svcs	Yes	Yes	Yes	Yes
<u>Benefits</u>				
Preventative	100%	100%	100%	100%
Basic	80%	80%	80%	80%
Major	50%	50%	50%	50%
Orthodontia	50%	50%	50%	50%
<u>Service Information</u>				
Out of Network Benefits Payable Level	70th Percentile		70th Percentile	
Waiting Period for Services for Timely Entrants	12 months - Waived if insured for previous 12 months		12 months - Waived if insured for previous 12 months	
Orthodontia Lifetime Max	\$1,000		\$1,000	
Endodontics/Periodontics Payable Level	Basic		Basic	
<b>Rate Guarantee</b>	<b>Expires 12/31/18</b>		<b>Expires 12/31/19</b>	
EE Only	198	\$35.96	\$35.96	
EE + One	74	\$72.88	\$72.88	
EE + Two or More	66	\$107.44	\$107.44	
<b>Monthly Premium</b>	<b>338</b>	<b>\$19,604</b>	<b>\$19,604</b>	
<b>Annual Premium</b>		<b>\$235,251</b>	<b>\$235,251</b>	
<b>\$ Increase</b>		<b>N/A</b>	<b>\$0</b>	
<b>% Increase</b>		<b>N/A</b>	<b>0.0%</b>	



City of Clearwater  
PPO Dental Insurance Evaluation  
Effective Date: January 1, 2019

**CURRENT**

**Renewal - Alternative Can add as option**

SCHEDULE OF BENEFITS	Cigna		Cigna	
	PPO		PPO	
<u>Plan Basics</u>	<i>In Network</i>	<i>Non Network</i>	<i>In Network</i>	<i>Non Network</i>
Calendar Year Maximum	\$1,100		<b>\$750</b>	
<u>Deductibles</u>				
Single	\$50	\$50	<b>\$75</b>	<b>\$75</b>
Family	\$150	\$150	<b>\$225</b>	<b>\$225</b>
Deductible Waived for Preventative Svcs	Yes	Yes	Yes	Yes
<u>Benefits</u>				
Preventative	100%	100%	100%	100%
Basic	80%	80%	<b>70%</b>	<b>70%</b>
Major	50%	50%	50%	50%
Orthodontia	50%	50%	50%	50%
<u>Service Information</u>				
Out of Network Benefits Payable Level	70th Percentile		70th Percentile	
Waiting Period for Services for Timely Entrants	12 months - Waived if insured for previous 12 months		12 months - Waived if insured for previous 12 months	
Orthodontia Lifetime Max	\$1,000		<b>Not Covered</b>	
Endodontics/Periodontics Payable Level	Basic		Basic	
<b>Rate Guarantee</b>	<b>Expires 12/31/18</b>		<b>Expires 12/31/19</b>	
EE Only	198	\$35.96	\$31.18	
EE + One	74	\$72.88	\$63.19	
EE + Two or More	66	\$107.44	\$93.15	
<b>Monthly Premium</b>	<b>338</b>	<b>\$19,604</b>	<b>\$16,998</b>	
<b>Annual Premium</b>		<b>\$235,251</b>	<b>\$203,971</b>	
<b>\$ Increase</b>		<b>N/A</b>	<b>-\$31,280</b>	
<b>% Increase</b>		<b>N/A</b>	<b>-13.3%</b>	