



COUNCIL MINUTES

September 28, 2017

The City Council of the City of Mesa met in a Study Session in the lower level meeting room of the Council Chambers, 57 East 1st Street, on September 28, 2017 at 9:13 a.m.

COUNCIL PRESENT

John Giles
David Luna
Mark Freeman
Christopher Glover
Francisco Heredia
Kevin Thompson*
Jeremy Whittaker

COUNCIL ABSENT

None

OFFICERS PRESENT

Christopher Brady
Dee Ann Mickelsen
Jim Smith

(*Councilmember Thompson participated in the meeting through the use of telephonic equipment.)

1. Review items on the agenda for the October 2, 2017 Regular Council meeting.

All of the items on the agenda were reviewed among Council and staff and the following was noted:

Conflict of interest: None.

Items removed from the consent agenda: None.

City Manager Christopher Brady stated that at the October 2, 2017 Regular Council meeting, a formal swearing-in ceremony will take place for District 3 Councilmember Francisco Heredia.

2-a. Hear a presentation and discuss an update on the 2018 Employee Benefits Program.

Human Resources Director Gary Manning introduced Benefits Administrator Jan Ashley who displayed a PowerPoint presentation (**See Attachment 1**) related to the 2018 Employee Benefits Program.

Mr. Manning displayed the current employee benefits program and explained that the benefits are funded through the Employee Benefit Trust Fund. (See Page 2 of Attachment 1)

Mr. Manning advised that the biggest change for 2018 is the move to Cigna. He stated the decision was made after an extensive RFP process, as well as discussions with the City Manager's Office and various employee groups. He explained that Cigna was selected because of their enhanced customer service and the opportunity for cost savings. He noted that there

would be minimal network disruption as 94% to 98% of the doctors that employees or dependents are currently seeing will be in the Cigna network. He also stated that Cigna is offering a 5-year administrative fee rate guarantee, which is unheard of in the industry. (See Page 3 of Attachment 1)

In response to a request posed by Councilmember Freeman, Mr. Manning advised that the administrative fees are separate from the premiums and deductibles. He clarified by stating that the administrative fees are charged on a per employee, per month basis.

In response to a question posed by City Manager Christopher Brady, Ms. Ashley stated that annually the City pays out approximately \$2.2 million in administrative fees under the current plan and \$40 to \$50 million in claims.

Mr. Brady advised that the totality of what we pay for health benefits is a small portion and Cigna will help us manage the claim side.

In response to a question posed by Mayor Giles, Mr. Manning advised that currently claims are processed through Ameriben, but in 2018 the Cigna Network will be processing all claims. He stated that the funds to lease the Cigna Network and process the claims comes from the Employee Trust Fund. He clarified that the Employee Trust Fund is reimbursed for this service through contributions from the City and premiums.

Mr. Manning stated that the claims cost has been lower than anticipated, therefore in 2018 there will only be a 4% contribution increase. He also advised that Cigna will be giving the City \$260,000 annually for wellness funding. He noted that these funds will be used to implement the Mesa Wellness 360 Program, which helps City employees become healthier through activities and wellness education. (See Page 4 of Attachment 1)

Mr. Manning provided the medical plan rates for 2018, which also outlined the difference between the current contributions and the 2018 contributions. (See Page 5 of Attachment 1)

Mr. Manning advised that open enrollment will be held from October 11 through October 25, 2017 and the Health and Wellness Benefits Fair is October 12, 2017. (See Page 6 of Attachment 1)

In response to a question posed by Vice Mayor Luna, Mr. Manning advised that if an employee or dependent's doctor is not in the Cigna Network, the City will work hard with the employee to get the doctor in-network.

In response to a question posed by Mayor Giles, Ms. Ashley reported that there are 13,300 members enrolled in the medical plan, which includes employees, retirees, and dependents.

Mayor Giles thanked staff for the presentation.

2-b. Hear a presentation, discuss and provide direction on the proposed Mesa Wellness 360 Program.

Employee Health and Wellness Manager Nicole Stec displayed a PowerPoint presentation (**See Attachment 2**) related to the Mesa Wellness 360 Program.

Ms. Stec advised that Cigna will be providing annual funding for wellness initiatives, specifically education, wellness activities, and also wellness financial incentives.

Ms. Stec explained that the 360 Wellness Program is a voluntary program for City employees to improve their health and wellbeing and earn up to \$400 annually. (See Page 2 of Attachment 2)

Ms. Stec advised that she is currently talking with all of the departments about the program in more detail. She explained that in November they will be rolling out the how to guide and in December City employees will receive an email to log into the Wellness Portal and begin participating in the program. (See Page 5 of Attachment 2)

In response to a request posed by Vice Mayor Luna, Ms. Stec detailed a wellness activity sponsored by Vice Mayor Luna called Wellness Bingo. Participants will receive a bingo card with 25 different activities they can complete throughout the month of October to be entered into a raffle at the end of the month.

Mayor Giles stated that the Wellness Program is a nice perk for employees and the goal is to make employees feel valued and want to work for the City of Mesa. He also stated that the Wellness Program encourages participants to be healthy, which ultimately saves the City money.

In response to a question posed by Councilmember Thompson, Ms. Stec advised that the City has a number of discounts that are provided to employees, including nine different fitness vendors in the Mesa community. She explained that the goal is for participants to use the incentive money they receive towards a healthier lifestyle, such as a fitness membership or healthcare costs.

Mayor Giles thanked staff for the presentation.

2-c. Appointments to the Judicial Advisory Board and the Housing and Community Development Advisory Board.

It was moved by Councilmember Glover, seconded by Councilmember Freeman, that the Council concur with the Mayor's recommendations and the appointments (**See Attachment 3**) be confirmed.

Carried unanimously.

2-d. Approval of minutes from an Executive Session held on September 21, 2017.

It was moved by Vice Mayor Luna, seconded by Councilmember Freeman, that the minutes from an Executive Session held on September 21, 2017 be approved.

Carried unanimously.

3. Acknowledge receipt of minutes of various boards and committees.

3-a. Economic Development Advisory Board meeting held on August 1, 2017.

3-b. Parks and Recreation Advisory Board meetings held on January 11, February 1, and April 24, 2017.

3-c. Imagine Mesa Advisory Committee meeting held on August 10, 2017.

3-d. Transportation Advisory Board meeting held on July 18, 2017.

3-e. Library Advisory Board meeting held on May 16, 2017.

It was moved by Councilmember Glover, seconded by Vice Mayor Luna, that receipt of the above-listed minutes be acknowledged.

Carried unanimously.

4. Information pertaining to the current Job Order Contracting projects.

(This item was not discussed by the Council.)

5. Hear reports on meetings and/or conferences attended.

Councilmembers Glover and Freeman: Arizona Forward

6. Scheduling of meetings and general information.

City Manager Christopher Brady stated that the schedule of meetings is as follows:

Monday, October 2, 2017, 5:15 p.m. – Study Session

Monday, October 2, 2017, 5:45 p.m. – Regular Council Meeting

7. Adjournment.

Without objection, the Study Session adjourned at 9:43 a.m.

JOHN GILES, MAYOR

ATTEST:

DEE ANN MICKELSEN, CITY CLERK

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Study Session of the City Council of Mesa, Arizona, held on the 28th day of September, 2017. I further certify that the meeting was duly called and held and that a quorum was present.

DEE ANN MICKELSEN, CITY CLERK

mh
(Attachments – 3)

2018 EMPLOYEE BENEFITS PROGRAM

CITY COUNCIL PRESENTATION
September 28, 2017

Benefit Programs/Services Overview

- ❑ **Main employee benefit programs and services**
 - ❑ Medical (3 plans)
 - ❑ Dental (3 plans)
 - ❑ Vision (2 plans)
 - ❑ Life Insurance and Short Term Disability
 - ❑ Health and Wellness Center
- ❑ **All benefits funded through Employee Benefit Trust Fund**
 - ❑ Contributions from the City
 - ❑ Employee and retiree premiums
 - ❑ State retirement system subsidies

Benefit Plan Updates for 2018

New! Cigna Services

- ❑ Cigna medical network provider and Third-Party Administration
 - ❑ 24 x 7 x 365 customer service
 - ❑ On-site Cigna representative
 - ❑ Award winning member portal
 - ❑ National medical network (plus Cigna facilities in AZ)
 - ❑ Minimal member network disruption
 - ❑ 5-year administrative fee rate guarantee
 - ❑ Claims cost containment opportunities

Medical Plan Rate Changes for 2018

Medical Plan Contributions/Costs:

- ❑ Employee/Retiree/City: approx. **4% contribution increases** (8% 2019)
- ❑ Active employee premium increases – \$4 to \$19 per month
- ❑ Retiree premium increases - \$4 to \$15 per month (20+ year retirees)

Other Financial/Plan Document Considerations:

- ❑ Reduction in severity of high cost claims for 2017
- ❑ Reducing deductibles and scaling back some copays for 2018
- ❑ Cigna Wellness funding (\$260,000 annually)
- ❑ Other Plan enhancements/changes included in Council Packet

Active Medical Plan Rates for 2018

ACTIVE F/T MEDICAL PLAN RATES – MONTHLY

BASIC 50% PLAN		2018		
		City Contribution	EE Contribution	EE Difference vs 2017
Single		\$474	\$0	\$0
Family		\$1,054	\$0	\$0

CHOICE 80% PLAN		2018		
		City Contribution	EE Contribution	EE Difference vs 2017
Single		\$474	\$118	+\$4
Family		\$1,054	\$263	+\$9

COPAY PLAN		2018		
		City Contribution	EE Contribution	EE Difference vs 2017
Single		\$474	\$177	+\$6
Family		\$1,054	\$535	+\$19

Open Enrollment/Health & Wellness Fair 2017

- ❑ **Open Enrollment (passive)**
 - ▣ Online eBenMesa October 11 - October 25, 2017
 - ▣ Passive enrollment as in prior years
- ❑ **Health and Wellness Benefits Fair – October 12**
9:00 am to 2:00 pm – Mesa Convention Center
 - ▣ Employees and retirees invited
 - ▣ Flu Shots – Mesa Fire Department and Health and Wellness Center administered
 - ▣ Multiple wellness events, demonstrations and all benefit plan vendors



Mesa Wellness 360 Program

CITY COUNCIL PRESENTATION

SEPTEMBER 28, 2017

What is the Mesa Wellness 360 Program?

Voluntary program for City employees to improve their health and well-being

Vendor: Sonic Boom Wellness

Complete activities throughout the year and be rewarded for your health!

Incentives: Up to \$400 annually

Who Can Participate?

Employees **enrolled** in one of the City of Mesa's medical plans



Wellness Activities



Annual Exam

Biometric Screening (On-site screenings)

Preventative Screenings (mammogram, prostate cancer, skin cancer, dental, vision)

Wellness Classes and Education at the City

Physical Activity – Gym visits or fitness device (steps)

Wellness Coaching



Earn Your Wellness Rewards



Calendar Year 2018

By completing a variety of activities, you can earn up to **\$200!**

- Receive \$50 VISA gift cards, as you meet certain Wellness Point levels

Calendar Year 2019

If you complete the recommended Wellness Points in 2018, you will **also earn \$200 off** your health insurance premium in CY 2019!

- \$8.33/pay period discount
- Does not apply to employees enrolled in Basic plan





How do I get started?

September & October 2017

Department Meetings

November 2017

- InsideMesa: How To Guide & FAQ Sheet
- Wellness Champions Orientations

December 1: Register!

- 2018 Wellness Calendar
- New User Orientations in December and January

Program Year: January 1 – October 31, 2018



Health & Benefits Fair 2017

- Open Enrollment
- **FREE Flu Shots**—Employees & Retirees Only
- Wellness and Employee Discount Network Vendors
- **Food Trucks** from 8:00am—2:00pm
- To schedule a **Prostate Cancer Screening**, please contact POP at 480-964-3013
- To schedule a **3D mammogram, skin cancer and bone density screenings**, please contact Assured Imaging at 888-233-6121

**Thursday,
October 12, 2017
9am-2pm
Mesa Convention
Center**

September 28, 2017

TO: CITY COUNCILMEMBERS

FROM: MAYOR JOHN GILES

SUBJECT: Appointment to the Housing and Community Development Advisory Board
and Judicial Advisory Board

Attached is my recommendation for appointments to the Housing and Community Development Advisory Board and Judicial Advisory Board.

Housing and Community Development Advisory board – Eleven-member board with one new appointment.

Mara Benson, District 6. Ms. Benson is currently a Realtor with Bliss Realty & Investments and has over fifteen years of professional experience in reality, and sales. Ms. Benson is very active in the community serving in a number of current and past leadership roles including: House of Refuge Board Member, graduate and Board Member of Mesa Leadership, Chair of Mesa Chamber Gateway Networking Group, Vice President Membership of Maverick Toastmasters, and many more. Her appointment will fill a vacancy created by the resignation of Donna Bleyle. Ms. Benson's partial term will expire June 30, 2019.

Judicial Advisory Board – Seven-member board with one new appointment.

Gordon Sheffield, District 4. Mr. Sheffield is a retired City of Mesa Zoning Administrator and has over 30 years of experience with the planning division. Mr. Sheffield holds a bachelor of science in Geography and Urban Studies and a Masters of Public Administration from Arizona State University. His appointment will fill a vacancy created by the resignation of Robin Harris. Mr. Sheffield's partial term will expire June 30, 2019.