

**PUBLIC SESSION MINUTES
EMPLOYEE BENEFITS ADVISORY COMMITTEE MEETING
THURSDAY, SEPTEMBER 3, 2015**

A meeting of the Employee Benefits Advisory Committee was held at 11:00 a.m., Thursday, September 3, 2015, in the City Council Conference Room – 7th Floor/Mesa City Plaza Building, 20 E. Main St.

MEMBERS PRESENT: Councilmember David Luna, Councilmember David Richins, John Pombier, Mary Cameli

MEMBERS EXCUSED: Amy Trethaway

OTHERS PRESENT: Gary Manning, Human Resources Director
Janice Ashley, Employee Benefits Administrator
Peggy Lynch, Assistant Employee Benefits Administrator
Marrisa Ramírez-Ramos, City Counsel Assistant
Alicia White, City Counsel Assistant
Sharon Brause, Sr Procurement Officer
Noel Vera, Employee Benefits Supervisor - Secretary

The meeting was called to order at 11:00 a.m. by Councilmember Luna

Agenda Item #1: Approval of Previous Meeting Minutes

- Council Member Richins moved to adopt the meeting minutes from June 15, 2015. John Pombier seconded the motion and all were in favor. The vote was unanimous.

Agenda Item #2: Hear a presentation, discuss, and provide direction on Summary of Health Plan Document Change Recommendations for 2016.

- Janice Ashley and Gary Manning provided an overview of the Summary of Changes to the City's Health Plan Document Summary Plan Description for calendar year 2016.
- Janice Ashley reviewed the proposed changes and answered any questions; in summary, the recommended changes are as follows:
 - **Health Care Reform and other regulatory compliance requirements:** e.g. increase Maximum Out-of-Pocket expenses for medical and prescription drug plans, with increases indexed to ACA requirements; 100% Preventive Care guidelines enhanced to include addition of Aspirin for women age >12 for high risk pregnancy and pre-treatment medication coverage for preventive colonoscopy for adults age 50 -74.
 - **Cost containment or plan enhancements:** e.g. moving members with at least one out-of-state dependent to OOS medical plan administration – reduced administrative fees; update new-to-market drug exclusions and limitations language; introduction of combined 90 visits per member per year limitation (across in and out-of-network services) for certain rehabilitation therapies with reduced benefit levels above 90 visits for medically necessary rehabilitation therapies; addition of “no-choice” out-of-network ancillary provider exception to allow payment of benefits at in-network levels.
 - **Language updates and corrections:** e.g. Short Term Disability carrier information updated to reflect The Hartford and include replacement of 14 day waiting period with 7

day waiting period; Military Service leave benefit eligibility processes clarified; Vision Plan schedule of benefits updated.

- Council Member Richins questioned whether all pharmacy benefit services are required to be provided by CVS retail stores —Janice confirmed that the City’s prescription plan and contract with the PBM CVS/Caremark allows the use of a large national network of well over 64,000 pharmacies including all the major chains like CVS, Walgreens, Target, supermarket pharmacies etc.; additional clarification that members must use CVS retail pharmacies for mail order 90-day supply maintenance medication purchases but any network pharmacy may be used for 30-day supply purchases.
- John Pombier recommended that COM Wellness Center refer to in-network providers only— confirmed.
- Janice Ashley provided an overview of expected benefit plan rate changes effective 2016:
 - Medical plan overall 6.4% increase for active employees – but no increases in prior three years (national trends in the 7% + category)
 - Retiree Medical plan will not have any increases
 - Dental plan will not have any increase
 - Vision plan RFP/renewal – approximately 9% increase (but no increases in prior 3 years)
 - STD plan RFP/renewal - overall decrease of more than 30% on a 100% employee paid voluntary plan
- Council Member Luna motioned to adopt Plan document changes. John Pombier seconded the motion and all were in favor. The vote was unanimous.

The meeting was adjourned at 11:25 a.m.

Prepared by: Noel Vera, Secretary to the Board