

**PUBLIC SESSION MINUTES
EMPLOYEE BENEFITS ADVISORY COMMITTEE MEETING
THURSDAY, SEPTEMBER 05, 2024**

A meeting of the Employee Benefits Advisory Committee was held at 11:00 a.m., Thursday, September 05, 2024, in the City Council Conference Room – 7th Floor/Mesa City Plaza Building, 20 E. Main St.

MEMBERS PRESENT: Councilmember Mark Freeman, Andrea Alicoate, Mary Cameli

MEMBERS EXCUSED: Councilmember Julie Spilsbury, Candace Cannistraro

OTHERS PRESENT: Teri Overbey, Human Resources Director
Janice (Jan) Ashley, Employee Benefits Administrator
Stephanie Drake, Assistant Employee Benefits Administrator
Erica Navarro, Employee Benefits Supervisor - Secretary

The meeting was called to order at 11:22 a.m. by Mary Cameli

Agenda Item #1: Hear a presentation, discuss, and provide direction on Summary of Health Plan Document Change Recommendations for 2025

Jan Ashley provided an overview of the Summary of Changes to the City's Health Plan Document Summary Plan Description for calendar year 2025 and answered questions for the Committee.

The recommended changes include:

- **Enhancement:** Health and Wellness Center moving from leased location/building (lease expires in 2025) to updated City owned building in downtown Mesa - greater square footage over several years, to allow service expansion/capabilities in future years. New location at 59 S. Hibbert St, Mesa, AZ 85201 opening in 2025 (date to be determined).
- **Compliance:** Health and Wellness Center Eligibility - Compliance requirement to support appropriate standards of care delivery for under age two (2) pediatric patients who are best cared for in a pediatric specialty care environment from birth to age 2. Current patients under the age of two will be "grandfathered" access to the Center, but no new patients in this age group will be accommodated. Children aged two (2) and above covered in City of Mesa medical plans are eligible to access services at the Mesa Health and Wellness Center.
- **Cost Containment:** Introduction of Cigna Pathwell Specialty Medical Pharmaceuticals authorization, information and case management services - Pathwell Medical Specialty Medical Pharmaceuticals provides authorization and case management services to allow members/patients and their providers access to a large network of infusion service providers for specialty drugs that are administered under the medical benefit (i.e. not the prescription drug benefit). These infusion services are often the recommended treatment protocol for Oncology conditions, RA, MS and other complex and/or rare conditions and may require provider authorized/recommended and infused treatments of high-cost specialty drugs, including home healthcare nurse services for infusion support in home healthcare. Pathwell Specialty case managers help provide information about quality, convenience and cost to allow member choice.
- **Enhancement:** COBRA Eligibility - Committed Partner/Committed Partner Child(ren). If death of the employee or retiree occurs, Committed Partner and Committed Partner/child(ren) of the deceased employee/retiree will be eligible for COBRA continuation coverage under the same eligibility provisions that apply to Qualified Beneficiaries such as spouse and/or children of deceased employee/retiree (i.e. active employee plan rates for 6 months and full premium costs plus administration fees for balance of COBRA period up to 36 months).

- **Compliance:** Medicare Part D Prescription Drug MOOP's - EGWP Medicare Part D Prescription Drug Maximum Out-of-Pocket limit reduced to \$2,000 per person per calendar year, regardless of Plan. Wrap plan covered drugs for EGWP members will continue Commercial Prescription Drug Plans' MOOP's at \$2,500 for Basic and Choice Plans and \$3,575 for Copay Plan (both inclusive of the Medicare Part D MOOP of \$2,000 per individual).
- **Enhancement/Update:** Corrective Appliances - Update language to accommodate medically necessary devices of all model types that take into account patient's physical condition/changes, occupation and lifestyle needs.
- **Compliance:** VibrantRx Medicare Part D Prescription Drug Plan Benefit - CMS/Medicare statutory requirement in EGWP plan as of 1/1/25 - covered retiree individuals must be eligible to elect a payment plan over the calendar year for their out-of-pocket prescription drug expenses. If retiree elects this service with PBM administrator for any or all drug purchases, the retiree's OOP expenses are invoiced monthly (spread) by the administrator for the balance of that calendar year. Retiree failure to pay = expense reverts to Plan liability plus retiree removal from future eligibility for monthly payment program. Plan must pay a monthly administrative fee to have the service installed and available.
- **Enhancement:** Dental Plan Benefits - Special Health Care Needs benefit added to all three plans April 1, 2024. Across all three plans, up to 3 cleanings per person per year covered under preventive at 100%. Periodontal cleanings and treatment moved from major services to basic services and covered in all three plans. Removed Analgesia/Sedation plan exclusions and inserted coverage in basic and major services as dentally indicated, plus nitrous oxide coverage for preventive, basic and major services. Antimicrobial and Curadont treatments added to all three plans as basic services.
- **Compliance/Enhancement:** Flexible Spending Account (Health Care) Annual and Rollover Maximums - 2025 Health FSA annual election maximum increased to \$3,200 and health rollover maximum increased to \$640.
- Mary Cameli asked why the Health and Wellness Center could no longer see patients 2 years or under?
 - Jan explained, the new administrator of the Health and Wellness Center is not recommending expansion of this scope of practice for pediatric specialty care from birth to age 2 since the demand for this age group is already very low and the demographics of the balance of the eligible population is better served by providers who are licensed, trained and skilled in primary care and preventive medicine for age 2 and above populations.
 - Teri explained, how Pediatrics is a very specific field and requires specialized physicians for specialized treatments.
- Councilmember Freeman asked, so if services are needed for someone aged birth – 2 years old, they would need to seek services with another provider outside of the Mesa Health and Wellness Center?
 - Jan answered, that is correct, members can access large Cigna provider networks for pediatricians or other family practice provider who have a pediatric scope of practice patients under our health plans. In addition, the Health and Wellness center will be “grandfathering” a handful (8) of pediatric patients in this age group currently receiving services at the Health and Wellness Center.
- Mary Cameli asked, if the new Pathwell services offered by Cigna is for Chemo type services?
 - Jan Ashley replied, yes that is one type of infusion services that could be supported under Pathwell services. The services provided by Pathwell could be for chemo services or any other infusion type service?
- Andrea Alicoate asked if Pathwell would be contacting the members directly?
 - Jan Ashley replied, yes. Pathwell will be contacting primarily the member’s physician when they call in for authorizations and reviews of the patient’s specialty medical pharmaceuticals and infusion services. Members can also reach out for case management support at a special Pathwell phone number as well to receive suggestions of alternative quality, convenience and cost-effective treatment options.
- Mary Cameli asked, are biological children eligible for COBRA when their parent passes away?

- Jan Ashley explained the different family types and how the COBRA eligibility would affect them. If an employee has biological child and committed partner child/ren on their plan at the time of death, beginning 1/1/2025, both types of children are eligible for COBRA coverage.
- Mary Cameli asked if a Committed Partner could be considered a common law marriage.
 - Jan responded that yes, they could be considered both common law and committed partner as long as the financial inter-dependance is provided, to be considered a committed partner on the City’s plan.
- Andrea Alicoate asked what does EGWP stand for?
 - Jan Ashley replied, Employer Group Waiver Plan which is another name for our Medicare Part D Prescription Drug Plan that is sponsored by the City for Medicare eligible retiree individuals.
- Councilmember Freeman asked if there has been a “cap” established for the corrective appliances that are medically necessary because some can be very expensive?
 - Jan Ashely responded, not at this time. The main requirement is that the services/product is only covered in-network. We have a handful of members with corrective appliance needs. We will continue to monitor needs and expense in this area to determine the need for a cap in future years. Jan also explained how someone hurt on the job, who needs a corrective appliance, would not have the medically necessary coverage under the Cigna medical plan but instead under workman’s compensation coverage and provisions.
- Mary Cameli asked do the updated dental plan benefits cover nitrous oxide?
 - Jan Ashley responded, yes. Nitrous Oxide will also be covered beginning January 1, 2025 for all age groups and dental procedure circumstances.
- Mary Cameli asked, does the new \$640 healthcare FSA rollover mean you can never lose \$640 of your unused account balance?
 - Jan Ashley responded, that is correct if you activate an enrollment for the next calendar year the money that has been rolled over will be in addition to your annual election for 2026.
- Mary Cameli followed up by asking what needs to be submitted to substantiate an FSA claim?
 - Jan Ashley explained, depending on the debit card swipe, you may need to submit a health plan or dental plan EOB, a superbill/Invoice for vision services etc. Jan mentioned how the plan is set up to accept certain copay amounts without substantiation.
 - Erica Navarro spoke of the substantiation process and how there is an app for the FSA plan administrator that can be downloaded on your smart phone, that notifies when action is needed.

Agenda Item #2: Motion to approve the recommended changes

Andrea Alicoate motioned to approve the recommended changes as presented and discussed. Mary Cameli seconded the motioned and all were in favor. The vote was unanimous.

Agenda Item #3: Adjournment

Councilmember Freeman motioned to adjourn the meeting, Mary Cameli seconded the motion, and all were in favor.

The meeting was adjourned at 12:06 p.m.

Prepared by: Erica Navarro, Secretary to the Board