

**CITY OF BEECH GROVE, INDIANA  
BOARD OF PUBLIC WORKS AND SAFETY  
SPECIAL MEETING MINUTES  
MONDAY, NOVEMBER 24<sup>th</sup>, 2014**

**Mayor Dennis Buckley called the meeting to order at 6:00pm**

**ROLL CALL:** Board of Works Members, Ed Bell, Sandy Seward, and Mayor Dennis Buckley were present. Also in attendance, was Clerk Treasurer Dan McMillan.

**OLD BUSINESS:** None

**NEW BUSINESS:**

**Presentation of Health Insurance Proposal**

Christian Duncan gave a presentation. He began by explaining that at least two months have been spent developing these proposals. The City of Beech Grove is self-insured.

Unified Group Services is the third party administrators of the insurance *Trust* and act as the insurance company. They are the call center and pay the claims for the City. They have a dedicated person to service Beech Grove and this has worked out well for the City. Unified has been the third party administrator since 2008.

Breakdown and explanation of costs included in the presentation were:

**Certain Administrative Fees:**

- Unified Charge
- Care Engine
- Med Cert – pre authorization
- Network access fees
- Envision – prescription manager
- PCORI & TRI – part of affordable care act taxes

Christian reported that the *Trust* currently is adequately funded.

**Renewal Fees:**

- Christian is recommending changing the Med Cert to Cigna with a \$65,000.00 Specific Deductible with a \$50,000 Aggregating Specific.
- He is recommending that the health plans stay the same.

- The employee rate can stay the same and so can the city. If the rates were increased, those increases would go into the *Trust*, because there is not an increase in rates.

Christian then explained how the specific and aggregate stop/loss works, what the fees will be and why they chose these amounts for the city. These have no impact on the city employees. For the **specific**, the city is responsible for the first \$65,000.00, and then the stop/loss would kick in.

The **aggregate** is the amount equal to all the deductibles for all city employees. These are two layers of stop/loss protection for the City of Beech Grove.

Because the city is self-insured and the *Trust* belongs to the employees, it is their decision if they want to receive a small increase, but an increase is not necessary this year. Mayor Buckley does not support any increase to the employees. Christian Duncan explained that it would be easier to absorb a small increase this year and next year rather than a large increase all at once.

For the employee, the dental insurance will see a small increase per pay, as follows:

Employee only -24 cents per pay

Employee & Child-\$1.17 per pay

Employee & Spouse- 91 cents per pay

Family- \$1.78 per pay

Mayor Buckley does not support an increase to the employee. He stated the city will “pick it up”. Clerk Treasurer McMillan said there is not enough budgeted for the city to absorb all the increase.

Christian explained in detail the stop/loss savings, and the fees. He also explained the care engine. Mayor Buckley & Clerk Treasurer McMillan both feel like the “employee only” premium should be raised because currently the employee pays approximately \$90.00 per month for their insurance, but the city deposits \$110.00 monthly into their Health Savings Account.

Christian explained that the “employee only” policy has more risks. Aaron Jeannette stated that last year when they tried to raise the “employee only” his was raised too.

Both Ed & Sandy stated they would like to have more time to absorb this, as it is difficult to understand. Clerk Treasurer McMillan stated that the city was at a 17% increase when they started the review and they are now at the same premium amounts the employees are paying this year. The trust belongs to the employees, so Clerk McMillan feels like it should be the employee’s decision whether they receive a 5% increase or keep the premium the same. Christian agreed and as he stated before he believes the small increase per year would be the most responsible. Aaron Jeannette stated the employees first want to make sure that their health care providers are in the network. Aaron also explained that the employees still need more information. He has worked on insurance for more than 10 years and there are many moving parts.

Clerk Treasurer McMillan stated that open enrollment should begin on December 1, 2014 for the 2015 year.

Clerk McMillan explained that worse case scenario would be everything stays the same. He suggested voting on the package with the exception of the increase and revisit that next Monday. Christian suggested voting on the same and accepting the change in the stop/loss carrier to Cigna.

Ed Bell made a Motion to accept the insurance as presented. Sandy Seward seconded the Motion. Ed and Sandy voted yes and Mayor Buckley abstained. The rate increase will be voted on at the next Board of Works meeting on Monday, December 1, 2014.

The insurance committee has been meeting for several months and the members are Aaron Jeannette BGF, James Baughn, BGP, Rodney Giffin, DPW, Dawn Whalen, Dave Irwin, and Clerk Treasurer McMillan.

Clerk Treasurer McMillan invited both Sandy & Ed to join the insurance committee next year to try to develop a better understanding of the process. It is difficult to understand.

**COMMENTS FROM MEMBERS:** None

**ADJOURNMENT:**

Ed Bell moved to adjourn. Sandy Seward seconded the Motion. The meeting was adjourned at 6:48pm,

The next Board of Works Meeting will be held on Monday, December 1, 2014, at 6:00 p.m. in City Hall Council Chambers.

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**Dennis Buckley, Mayor**

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**Dan McMillan, Clerk Treasurer**

Prepared by: Dan McMillan