

MINUTES OF THE REGULAR MEETING
OF THE PERSONNEL COMMITTEE
OF THE CITY OF SUNSET HILLS, MISSOURI
HELD ON MONDAY, MAY 3, 2010

BE IT REMEMBERED that the Personnel Committee of the City of Sunset Hills, Missouri met in regular session at City Hall Quarters, 3939 S. Lindbergh Blvd., in said City on Monday, May 3, 2010. The meeting convened at 6:30 p.m.

ROLL CALL:

Present:	Frank Gregory	- Chairman
	Scott Haggerty	- Member
	Frank Hardy	- Member
	Jan Orlando	- Member
	John Tipton	-Member
	Laura Rider	- Ex Officio Member
Absent:	Barb Dressel	- Member

APPROVAL OF THE MINUTES

Copies of the Minutes of the March 23, 2010 meeting were distributed to the members for their review. Alderman Haggerty made a motion to approve the Minutes as submitted. Ms. Orlando seconded the motion, and it was unanimously approved.

**HEALTH & DENTAL INSURANCE RENEWAL
WELLNESS PROGRAM
DAVID WATSON, D.A. WATSON & COMPANY**

Mr. David Watson of D.A. Watson & Company was present and stated the City's current Health Care carrier, United Health Care, has submitted their proposal of a 29% increase.

Mr. Watson stated that he has given Mrs. Rider some ideas for the Wellness Fair that will be held in June for employees.

Mr. Watson stated that there is a benefits website that can be utilized by employees. The website provides a considerable amount of information. Alderman Hardy suggested placing a link from the City's website to the Benergy benefits website.

Mr. Watson stated an RFP was issued and four proposals were received. The proposals received were from United Health Care, GHP, Anthem, and Cigna.

Mr. Watson stated that over the last five years, the average increase has been 11.5%, which is the national average.

Mr. Watson stated that currently, the City pays 100% of the premium for an employee. For coverage of a spouse, the City pays 55% of the cost differential for the plan with a \$500 deductible. However, if it is desired to have a 0 deductible, the City would pay 41% of the cost differential. Both plans have a 90% coverage rate. Prior to last year, the City provided health insurance coverage without a deductible and 100% coverage.

Mr. Watson stated that there may be options available to the City to consider in order to reduce the rates such as increasing deductibles or co-pays for office visits, urgent care and emergency room services.

Mr. Watson stated that GHP submitted a proposal very similar to the current plan which would be a 12.8% increase for the base plan and a 13.4% increase for the buy up plan. He commented that the City had GHP health insurance coverage about seven years ago and it did not go particularly well with the employees.

The City also previously had Anthem coverage between having GHP coverage and United Health Care. Anthem is somewhat in the middle ground as they are between GHP and United Health Care. Anthem has proposed an increase of approximately 16% for similar plan options. It was pointed out that there did not seem to be any employees having significant problems when the City had Anthem health insurance coverage.

There was considerable discussion concerning potential ways to reduce the cost of health insurance premiums for the City as well as employees and spouse or dependent coverage such as an increase in deductible and/or co-payments.

There was also discussion regarding the possibility of the employee paying the difference of the costs between the base plan and the buy-up plan.

Mr. Watson stated he does not anticipate there would be significant interruption with network coverage with any of the four insurance carriers.

Ms. Orlando made a motion to authorize Mr. Watson to obtain quotes from United Health Care alternative for lower rates and Anthem for firm rates with application and request employees to pay the difference in premium for the buy up plan and to use 55% on all tiers. Alderman Haggerty seconded the motion, and it was unanimously approved.

Ms. Orlando left the meeting.

NEXT MEETING DATE

The next meeting has not yet been scheduled.

ADJOURNMENT

Alderman Hardy made a motion to adjourn the meeting at 8:45 p.m. Mr. Tipton seconded the motion, and it was unanimously approved.

Recording Secretary,



Laurie Sanneman