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CITY OF RIVIERA BEACH
SPECIAL CITY COUNCIL MEETING
RE: HEALTH INSURANCE

- - -

Wednesday, September 22, 2010
Council Chambers
600 West Blue Heron Boulevard
Riviera Beach, Florida

- - -

- COUNCIL PERSON ATTENDEES:
- Dawn S. Pardo, Chairperson
 - Judy L. Davis, Chair Pro Tem
 - Billie Brooks, Council Person
 - Cedrick Thomas, Council Person
 - Shelby Lowe, Council Person

1 BE IT REMEMBERED that the following meeting
2 was had at Riviera Beach City Hall Council Chambers, 600
3 West Blue Heron Boulevard, Riviera Beach, Florida, on
4 Wednesday, September 22, 2010 with Council attendees as
5 hereinabove noted, to wit:

6 - - -

7 CHAIRPERSON PARDO: Welcome, everyone, to the
8 City of Riviera Beach. Tonight we have a special City
9 Council meeting to discuss our health insurance
10 coverage.

11 Madam Clerk, roll call, please.

12 CITY CLERK WARD: Mayor Thomas Masters.

13 (No response.)

14 CITY CLERK WARD: Chairperson Dawn Pardo.

15 CHAIRPERSON PARDO: Present.

16 CITY CLERK WARD: Vice-Chair Judy Davis.

17 COUNCIL PERSON DAVIS: Here.

18 CITY CLERK WARD: Council Person Brooks.

19 COUNCIL PERSON BROOKS: Yes.

20 CITY CLERK WARD: Council Person Thomas.

21 COUNCIL PERSON THOMAS: Here.

22 CITY CLERK WARD: Council Person Lowe.

23 COUNCIL PERSON LOWE: Here.

24 CITY MANAGER JONES: Here.

25 CITY CLERK WARD: City Manager Ruth Jones.

1 (No response.)

2 CITY CLERK WARD: City Clerk Carrie Ward is
3 present.

4 City Attorney Pamela Ryan.

5 (No response.)

6 You have a quorum, Madam Chair, and you may
7 proceed.

8 CHAIRPERSON PARDO: Thank you. I'd like to
9 invite everyone to stand for a moment of silence,
10 followed by the Pledge led by Councilman Lowe.

11 (Pledge recited.)

12 CHAIRPERSON PARDO: Thank you. Please let the
13 record reflect that City Attorney Pamela Ryan is now on
14 the dais.

15 Okay. Ms. Jones, do you have any additions or
16 deletions to the agenda?

17 CITY MANAGER JONES: No, Madam Chair.

18 CHAIRPERSON PARDO: Okay, thank you. We will
19 go to unfinished business, item four.

20 CITY CLERK WARD: I read the resolution?

21 Resolution 114-10, a resolution of the City
22 Council of the City of Riviera Beach, Palm Beach County,
23 Florida authorizing placement of health insurance
24 coverage with Coventry Health Care of Florida, Inc. to
25 provide medical insurance for City employees for policy

1 year 2010 through '11, authorizing the Interim Finance
2 Director to make payment from the various City
3 department accounts in estimated amount of \$3,731,875.20
4 for health insurance and providing an effective date.

5 CHAIRPERSON PARDO: Do we have a motion?

6 UNIDENTIFIED SPEAKER: So moved.

7 UNIDENTIFIED SPEAKER: Second.

8 CHAIRPERSON PARDO: Properly moved and second.

9 Good evening, Mr. White.

10 ASSISTANT CITY MANAGER WHITE: Good evening,
11 Madam Chair and members of the City Council. Paul
12 White, Assistant City Manager.

13 We have a brief presentation on our health
14 care benefit recommendation where we're achieving a
15 balance between our ledger cost reductions while
16 maintaining employee accessibility. When.

17 I initially put this presentation together, I
18 was reminded of a comment that the Chair made in one of
19 our Council meetings where she was talking about the --
20 thank you, sir -- where she was talking about the
21 benefit of teamwork, the efficacy that an organization
22 achieves where the -- some of the parts are greater than
23 the whole, if you will. And I thought about that, and
24 really, this process that's brought us here tonight is a
25 model of that, where the Assistant City Manager, Human

1 Resources Director and the Risk Management division,
2 along with McKinley Financial Services have been
3 committed to this issue.

4 We started some nine months ago with an
5 advance -- most people call them a retreat; I always
6 like to think we're moving forward with a solution -- to
7 look at how we could at the same time reduce costs, but
8 still provide accessibility in terms of our health
9 insurance. And it's fair to say that staff has, with
10 McKinley Financial Services, been researching and doing
11 due diligence on a variety of service delivery
12 structures for the last two years, including
13 self-insurance, health savings accounts, tiered service
14 levels, kids' care and more.

15 In 2010, in April, we had a workshop. At that
16 workshop the City Manager recommended that the City
17 needed to reduce its costs of health benefits, that it
18 was appropriate for employees to shoulder some of the
19 costs of health care benefits. And as a result of that
20 workout, the manager set the aggressive goal of saving
21 \$1 million in health care expenses.

22 Now, there are drivers for health care costs.
23 And it's fair to say more or less that the health
24 insurance industry likes to see a cost ratio of about
25 70 percent of the experience rate or how often our

1 employees use it. Unfortunately, the City's experience
2 towards the end was projected outside of that industry
3 benchmark. And you'll recall that staff had asked for
4 authorization to negotiate with Cigna before going out
5 on the street, but as a result of all that, Cigna came
6 back with an increase that did not meet the manager's
7 goal.

8 So with that, the Purchasing Department and
9 McKinley Financial, Inc. issued an RP for health
10 benefits, and we specifically set a goal of reducing our
11 costs by \$1 million. Four companies responded to that.
12 Only two met the goal of providing significant savings.

13 When we began to evaluate those offerings,
14 there was a concern, and we actually did a little
15 internal focus group on the costs for family coverage,
16 which would be, with this tier program, employee plus
17 one, which would be a spouse or a child, and family.
18 The two companies were interviewed, and staff began
19 negotiations.

20 The programs offered by Coventry, which was
21 the company that we're recommending tonight, best
22 addresses the goal of saving the City money from our
23 current expenses, while mitigating the costs to the
24 employee. Coventry provides a statewide network.

25 But what is significant to me is that we must

1 begin to change the behavior of our employees and how
2 they take care of themselves. So their wellness
3 program, in looking at biometrics, which is, I guess,
4 the latest thing, where there are five significant
5 aspects, from sugar level, body mass and others that are
6 key indicators for future claims which will allow us to
7 focus in on those areas and help with those issues,
8 along with the Biggest Losers Program.

9 Now, I have the experience of having
10 implemented a wellness program in an organization, and
11 after a period of time, we were able to hold our costs
12 with a zero increase for two years running. So I
13 fundamentally believe in it. It's not a sure -- it's
14 not a quick turnaround issue, but it's something we must
15 begin to do.

16 So and this is just a chart showing, again,
17 our process. We had the direction from Council. We did
18 our analysis of the strengths and weaknesses and
19 opportunities and threats. We identified our key
20 strategic direction, and now we're here before this
21 Board with a recommendation which achieves the goals --
22 sorry. The savings, what is recommended: Reduces the
23 cost for employee coverage -- that's the cost that the
24 City pays for every employee -- by roughly \$30,000 on an
25 annual basis. The City, for the last five years, has

1 subsidized the family coverage at \$56.40 -- \$56 and -- I
2 always get that backwards -- \$54.56, and that will be --

3 COUNCIL PERSON THOMAS: Excuse me one second,
4 Madam Chair.

5 CHAIRPERSON PARDO: Yes, Mr. Thomas.

6 COUNCIL PERSON THOMAS: Would you go back up
7 to the reduced cost employee coverage at the 30,399.60.
8 Will you explain that again, please.

9 ASSISTANT CITY MANAGER WHITE: Okay. The City
10 currently pays, under the coverage provided by Cigna,
11 \$667 and change for each employee. And that provides
12 our employee coverage. The rate from Coventry is 661
13 and change for every employee. So that difference
14 results in that \$30,000 savings for that benefit we
15 provide to all of our employees.

16 Now, employees pay for family coverage, but I
17 believe it was five years ago when there was a
18 significant rate increase. The administration made a
19 decision to eat that cost, essentially.

20 CHAIRPERSON PARDO: I have a question with the
21 family coverage.

22 ASSISTANT CITY MANAGER WHITE: Yes, ma'am.

23 CHAIRPERSON PARDO: Okay. You know,
24 Obamacare, or you know, whatever you want to call it,
25 you know, the federal mandate now, a part of it goes

1 into effect, I believe, on the 23rd of September, which
2 says if you have a child -- now they're classifying
3 children as up to the age of 25, up to the age of 26 who
4 live at home, with no dependents, okay, and who really
5 don't have a full-time job that offers benefits -- they
6 can stay on the plan. How is that going to affect us?
7 All along we were expecting children to get off the plan
8 at 18 or 19 if they were still in school.

9 ASSISTANT CITY MANAGER WHITE: Well --

10 CHAIRPERSON PARDO: Has that been factored in?

11 ASSISTANT CITY MANAGER WHITE: Two answers.

12 One, that if my child was home and met that criteria,
13 then I would either elect for family or employee plus
14 one. But in either case, I would be paying the cost for
15 the coverage for my child.

16 CHAIRPERSON PARDO: Okay, so the City doesn't
17 subsidize families at all?

18 ASSISTANT CITY MANAGER WHITE: We will not
19 once this is approved. We have for the last five years,
20 okay? And actually, I think with our current coverage,
21 if a child was in school, they could be covered up to
22 the age of 26, correct? So part of that provision has
23 already been in place, I guess with the caveat that if
24 they were a student, you could keep them on your policy.
25 But again, I would be paying for my son's coverage,

1 okay?

2 And yes, sir?

3 COUNCIL PERSON THOMAS: I never got the
4 question answered. The 30,399.60, explain that, please.

5 ASSISTANT CITY MANAGER WHITE: Okay, I'm sorry
6 if I wasn't clear. The 30,000 is the difference in what
7 the City pays for each employee. And that difference is
8 our former rate was \$667 per employee. The new rate
9 will be \$661 per employee. So that \$7 difference per
10 employee is \$30,000 in savings. So we're paying a
11 little less for that employee coverage.

12 COUNCIL PERSON THOMAS: So basically, the City
13 is saving \$30,000.

14 ASSISTANT CITY MANAGER WHITE: Yes, sir.

15 COUNCIL PERSON THOMAS: Okay.

16 ASSISTANT CITY MANAGER WHITE: Okay. The
17 illumination of the family coverage subsidy realizes
18 another \$125,000 in savings below what we're currently
19 paying. And then, as has been discussed several times
20 during the budget workshop, the City had budgeted
21 \$600,000 for an increase, and those dollars are going to
22 fund balance. The manager mentioned to you how the City
23 had to repay roughly \$250,000 in taxes, et cetera. So
24 that whole -- including that, we're at roughly \$755,000
25 less than we had budgeted, with 150 of that being a true

1 savings from what we are currently paying.

2 Now, the impact on the employee, again, we're
3 going to a three tier program where you have the
4 employee that the City pays for, and that's the City
5 cost; that's 661. The first tier is employee plus one,
6 and the employee cost is calculated by subtracting the
7 661 from the 926. So that gives you \$264, a biweekly
8 cost of \$122.16. So that will come out each pay period.
9 So for those people on employee plus one, they will
10 actually be saving \$21.46 a pay period below what
11 they're currently paying for family coverage.

12 For family coverage, the cost is 1,045. And
13 you do that same math, and that is 300 and -- just call
14 it \$384. So the biweekly cost is \$177 a pay period, and
15 that's a \$33.50 increase. Now, this will be pretax, so
16 the actual impact will be somewhat less than that.

17 So, you know, again, as I was referring to
18 earlier, this is a process, not an event. Upon
19 approval, our new team member, Coventry, will work with
20 our team to complete the open enrollment. And I should
21 have changed that. If this had been passed the other
22 week, we'd have two weeks. We will be working
23 feverishly next week to enroll all the employees in the
24 system.

25 And I believe we'll be meeting with Coventry

1 tomorrow. We've already gotten a directory. We'll be
2 doing it electronically this year. So -- and that is
3 really our first task, to get everybody enrolled. After
4 that, we'll begin working with them to see how we can,
5 as I said, change our employees' behavior, whether
6 that's wellness or other programs we can implement.

7 COUNCIL PERSON BROOKS: Madam Chair.

8 Mr. White, before you move --

9 ASSISTANT CITY MANAGER WHITE: Yes, ma'am.

10 COUNCIL PERSON BROOKS: -- do you have a
11 backup plan if you're not able to get everybody
12 enrolled, given that you only have one week to do it?

13 ASSISTANT CITY MANAGER WHITE: Yes, ma'am.

14 The backup would be to continue with Cigna for a
15 month --

16 COUNCIL PERSON BROOKS: One month, um-hmm.

17 ASSISTANT CITY MANAGER WHITE: -- which would
18 cost the City and wipe out some of the savings, at least
19 half of that savings, so which is why we want to work as
20 quickly as possible to avoid that. That would be Plan
21 B.

22 COUNCIL PERSON BROOKS: Would it really be
23 half of the savings? Would it really be half of the
24 savings if, in fact, we look at the 29 percent increase?

25 ASSISTANT CITY MANAGER WHITE: It would be

1 somewhere around 80,000 plus, and our savings was
2 roughing 150.

3 COUNCIL PERSON BROOKS: You're looking at that
4 other line item for savings, not the total, okay.

5 ASSISTANT CITY MANAGER WHITE: But in either
6 case, we don't want to do that. We want to move
7 forward --

8 COUNCIL PERSON BROOKS: Right.

9 ASSISTANT CITY MANAGER WHITE: -- with
10 Coventry. And they're committed, McKinley is committed,
11 and your staff is committed to making that happen. So
12 it will be a -- perhaps you shouldn't call Marie next
13 week. I'll put it that way.

14 COUNCIL PERSON THOMAS: Madam Chair.

15 CHAIRPERSON PARDO: Yes, Mr. Thomas.

16 COUNCIL PERSON THOMAS: Mr. White --

17 ASSISTANT CITY MANAGER WHITE: Yes.

18 COUNCIL PERSON THOMAS: -- very good
19 presentation. However, I have some things I'm not quite
20 comfortable with.

21 ASSISTANT CITY MANAGER WHITE: Yes, sir.

22 COUNCIL PERSON THOMAS: So I'm going to ask
23 you a few questions, and I hope that the individuals who
24 can answer this are here.

25 ASSISTANT CITY MANAGER WHITE: We have

1 representatives from both Coventry and McKinley in the
2 audience, sir.

3 COUNCIL PERSON THOMAS: Great. The first
4 question is, and excuse me if it sounds a little
5 informal, because I'm informal. If we had such high
6 risk with all these other companies, how is it that your
7 company can come in and do this for not just the same
8 price, but actually lower than everybody else? What is
9 the trade-off that we're getting by going with your
10 particular company?

11 ASSISTANT CITY MANAGER WHITE: I'll take a
12 shot at that, and then if folks want to get up.

13 We have a savings in terms of our employee
14 costs, but you know, obviously there are a number of
15 other areas for the provision of services. Their
16 program is structured to incentivize people to use
17 outpatient facilities, freestanding facilities as
18 opposed to going in the hospitals, because there's a
19 significant savings there. And I'm going to make the
20 assumption that in their business model, their costs for
21 their relationships with those services are not the
22 same. So --

23 COUNCIL PERSON THOMAS: Okay, okay. I don't
24 want to get too far ahead --

25 ASSISTANT CITY MANAGER WHITE: Right.

1 COUNCIL PERSON THOMAS: -- because I have
2 questions here.

3 ASSISTANT CITY MANAGER WHITE: Did that answer
4 your question?

5 COUNCIL PERSON THOMAS: Oh, pretty much.

6 ASSISTANT CITY MANAGER WHITE: Okay.

7 COUNCIL PERSON THOMAS: So basically, it's
8 more of a different market than what we're accustomed to
9 in terms of our service?

10 ASSISTANT CITY MANAGER WHITE: I would not say
11 a different market. What I would say is that
12 particularly in the last several years, there are other
13 options. So don't go to the emergency room, because if
14 you go to the emergency room, it could cost you \$500.
15 If you go to an urgent care facility or a convenient
16 care facility, then it costs you -- I can't remember --
17 maybe \$100. That might not be the exact number, but --

18 COUNCIL PERSON THOMAS: Okay, I understand.
19 But it's a drastic out-of-pocket pay, is what you're
20 saying. Something has to -- something has to give. I
21 don't understand how you can be so low, and you know,
22 with our history, come in at lower than what we were
23 even paying last year. So I need to understand that
24 while I'm making my decision.

25 MR. JOSEPH: Thank you. Peter Joseph. I'm

1 the Regional Vice-President of Coventry Health Care.

2 What was explained is right. We try to incent
3 people to use the most cost effective settings of care,
4 that being the urgent care versus emergency room, the
5 free-standing facilities for things like diagnostic
6 testing versus going to the hospital.

7 You mentioned about out-of-pocket costs.
8 There will be slightly higher out-of-pocket costs for
9 members who go into the hospital, either through the
10 inpatient or when they use the hospital for outpatient
11 services. However, there's always, other than when you
12 go inpatient, where you frankly don't have a choice,
13 when you have a choice, you are able to use lower cost
14 facilities that we have throughout the three counties.
15 So --

16 COUNCIL PERSON THOMAS: But if you don't have
17 a choice? And I'm going to dialogue with you --

18 MR. JOSEPH: Right.

19 COUNCIL PERSON THOMAS: -- so I don't want you
20 to --

21 MR. JOSEPH: If we don't have a choice, the
22 benefits will be slightly lower for going into the
23 hospital than you might have today in your plans.

24 COUNCIL PERSON THOMAS: And where -- how is
25 that -- how will that be defined? If a child is taking

1 out some trash and cuts their foot, and it's at 8:00 at
2 night where most urgent care facilities aren't open, and
3 they have to go to the emergency room for that service,
4 is that a choice or is that not a choice?

5 MR. JOSEPH: If they're not admitted and they
6 only use the emergency room, their co-payment will be,
7 depending on which plan you choose, because we're
8 offering a few, but generally \$250 might be the maximum
9 you're going to pay out of your pocket for a child who
10 goes into the emergency room with a serious condition.

11 COUNCIL PERSON THOMAS: And if they went to
12 the urgent care facility that they can't go to at that
13 time, what would it be?

14 MR. JOSEPH: \$40 or \$50.

15 COUNCIL PERSON THOMAS: Okay, and what --
16 well, you may not know this, but they will. What is our
17 current? With Cigna, what is that if they go to the
18 emergency room right now, what is the payment for that?

19 ASSISTANT CITY MANAGER WHITE: It's roughly
20 \$500. I'm saying that from personal experience.

21 COUNCIL PERSON THOMAS: It's roughly \$500.
22 Okay. It still hasn't quite struck me yet how you're
23 still able to be cheaper and we still get the same
24 service. Let me ask you this. The doctors that are in
25 this plan, are they easy to access?

1 MR. JOSEPH: Yes. We have accessibility
2 standards for all providers.

3 You have claims experience from your current
4 carrier, and there were some significant large claims
5 that were in your experience. And based on that, your
6 current carrier is going to try to recoup some of those
7 dollars.

8 Well, we don't look at it that way. With a
9 group your size, we expect certain things happen
10 throughout the year, but you know, we're taking the
11 opportunity to look at your group without those large
12 claims in there. We actually pull those out of the
13 experience.

14 Our network of providers is very comprehensive
15 here. We're not going to have every provider that you
16 have, although we do have all the hospitals on the plan
17 and most of the large providers in the county. But we
18 also look at ways that we manage the care differently
19 than your current carrier do.

20 And I'll give you a for instance. When one of
21 your members goes into any hospital here in south
22 Florida, there's going to be a hospitalist, somebody
23 who's employed by our company who's going to work with
24 your physicians, the member's physician, to basically
25 give that person all the care in the hospital they need

1 so they can actually be discharged sooner.

2 For instance, when you go into the hospital on
3 Friday evenings, there are certain criteria which are
4 standard criteria a member has to meet to be admitted to
5 the hospital. If they don't meet those standards, your
6 physicians, the doctors that your members choose will be
7 involved in making the decision for that member not to
8 be hospitalized for two or three days before a doctor
9 gets to see them.

10 And I promise you, the quality of care your
11 members will get and the customer service your members
12 are going to get, they'll be very, very satisfied with.
13 Why? Because when you're hospitalized, when you're
14 sitting in the hospital room and no doctor is seeing you
15 for two or three days, it's a very uncomfortable
16 situation. That doesn't happen on our plan. Our bed
17 days per thousand members are very, very low.

18 COUNCIL PERSON THOMAS: Okay, so what actually
19 happens? They just get discharged until a doctor can
20 see them?

21 MR. JOSEPH: No. What happens is that we
22 contact the member's physician and talk to them and say,
23 "You have a member here in the hospital. We want you to
24 come see the member in the hospital." And we try to get
25 the physician to the hospital as quickly as possible.

1 Now, again, I'm just using Friday night as an example.
2 When you go in Friday night, I promise you most of the
3 physicians aren't going to come see you until Monday
4 morning.

5 CHAIRPERSON PARDO: What happens if you're on
6 vacation, you're traveling on business and you have to
7 go to a hospital outside the state?

8 MR. JOSEPH: Great question.

9 CHAIRPERSON PARDO: What happens there?

10 MR. JOSEPH: Coventry is a national company.
11 On either of the plans, you're covered in those
12 emergency situations nationwide as if you were right
13 here in south Florida in a participating hospital. So
14 whatever your participating benefit level is, if you're
15 hospitalized in New York or California, you'll be
16 covered as if you came here to south Florida and went
17 into a hospital participating.

18 Not only that, you'll also get the discount of
19 our national network, because we have contracts with
20 most these facilities. If you're lucky enough to land
21 in one of our hospitals that we have contracted with,
22 they'll be a much lower cost to the plan. So let's
23 suppose you have a coinsurance plan and you're
24 responsible for 20 percent. It will be 20 percent of
25 what our contracted fee is.

1 On top of that, we have a Passport Program for
2 children who are going to school out of state. You
3 know, we actually have our HMO plans in Tallahassee and
4 in Gainesville, but let's suppose somebody is going to
5 school in Georgia. We have a Passport Program for those
6 kids, and they will be able to access Coventry providers
7 nationally as if they were here in our service area. So
8 whether they pay \$20 or \$40, they can go see doctors.

9 CHAIRPERSON PARDO: Okay. What happened --
10 I'm sorry, Mr. Thomas, I have a question.

11 COUNCIL PERSON THOMAS: I'll just come back
12 and get that.

13 CHAIRPERSON PARDO: I just have one more, and
14 then you -- I know you have more than I do.

15 What happens if you have a rare illness and
16 there's no physician in the state that can take care of
17 you, but you find a physician in Boston? What happens
18 then?

19 MR. JOSEPH: Working with our medical
20 directors, we will arrange care for you. We do it, you
21 know, as little as we, you know, need to. But if you
22 have a condition that can't be treated here, or we think
23 there's a better facility for you, you know, i.e.,
24 Shands Medical or Moffitt Cancer Center, we will not
25 only send you there, and through our letter of

1 agreement, pay those facilities, but we also generally
2 transport you and your family, and we actually will pay
3 for a hotel room for a number of nights for you to get
4 the care in those facilities.

5 We have letters of agreements with centers of
6 excellence throughout the country. We send our members
7 to Houston, we send our members to Cleveland Clinic in
8 Cleveland and other areas for those rare cases that you
9 need to have care that can't be given to you here in
10 south Florida.

11 CHAIRPERSON PARDO: What about experimental
12 treatments?

13 MR. JOSEPH: Experimental treatments generally
14 are excluded from all insurance policies. However, once
15 they're reviewed by our medical folks and approved by,
16 you know, the American Medical Association, generally we
17 then include them as, you know, part of coverage.

18 We're a local company. You know, we are a
19 national company; our headquarters in Bethesda,
20 Maryland. We have -- you know, we're 168 on the Fortune
21 500. However, our service is right here in south
22 Florida. Our offices are in Sunrise. The phone is
23 answered in Sunrise. Our medical directors are in
24 Sunrise. They know the doctors here in Palm Beach
25 County. The customer service and claims are paid right

1 out of Sunrise, so, you know, we'll be here --

2 COUNCIL PERSON THOMAS: How many urgent care
3 facilities are in Riviera or West Palm Beach or Lake
4 Park or Gardens or so, in the general --

5 MR. JOSEPH: Yes, there's probably seven or
6 eight that are here, you know, in this area.

7 COUNCIL PERSON THOMAS: What is "this area"?

8 MR. JOSEPH: We may have a listing. I don't
9 have them right in front of me, but --

10 COUNCIL PERSON THOMAS: Well, that's
11 important --

12 MR. JOSEPH: It is important.

13 COUNCIL PERSON THOMAS: -- to me too.

14 MR. JOSEPH: We also contract with all the
15 convenient care clinics. You know, Walgreens, Publix,
16 and CVS now are putting convenient care clinics in.
17 They're generally open for the hours that those
18 facilities are open. When a member needs to go, they
19 have a flu or -- you know, in fact, you might have seen
20 the signs that say, you know, we're giving free flu
21 shots through the convenient care clinics. Those
22 clinics are open, and the co-pay to the member is the
23 same as the primary care co-pay. So we try to give as
24 much access as we can through the convenient clinics,
25 the urgent care and some of the others.

1 COUNCIL PERSON THOMAS: Okay. I have a
2 question for McKinley Financial, if you don't mind. How
3 about Mr. Moore?

4 Mr. Moore, you mind answering any of my
5 questions tonight?

6 MR. MOORE: Good evening.

7 CHAIRPERSON PARDO: Good evening.

8 UNIDENTIFIED SPEAKERS: Good evening.

9 COUNCIL PERSON THOMAS: Carlton Moore,
10 McKinley Financial, just for the record.

11 I did it for you, Mr. Moore.

12 MR. MOORE: Okay, because I forgot who I was.
13 Thank you.

14 CHAIRPERSON PARDO: We didn't.

15 COUNCIL PERSON THOMAS: I have a concern here.
16 And the reason why I'm asking you is because you're our
17 agent of record. We switched from having Humana for
18 quite a long time. And Cigna came in with such a great
19 price, such a low price, and then the next year it was
20 like a whirlwind came.

21 Now, and I'm not saying that these gentlemen,
22 who seem to be very fine gentlemen, and they probably
23 have a very fine company, I'm not saying that they're
24 planning on doing that. But is there any way that we
25 can safeguard against that, maybe have a two year

1 contract, or how can we safeguard against getting hit
2 with some huge increases on next year?

3 MR. MOORE: Council Person Thomas, that's a
4 wonderful question, and I can answer it only this way.
5 As Mr. White started his presentation, we're going to
6 have to change some of the habits of your workforce.
7 We're going to have to do certain things that will
8 promote wellness. We're going to have to offer them an
9 opportunity to use these, let's say, different methods
10 of rollout of service that are being proposed by
11 Coventry. If we continue to do the same things that we
12 have done in the past, we're going to continue to get
13 those types of increases.

14 I think that what has happened in the
15 experience of Cigna last year, you had four or five
16 major claims that made them do just as the speaker
17 stated earlier. They are trying to find a way to recoup
18 their losses. And that was a major recommendation of
19 increase of 29 percent. And even after negotiating with
20 them, it was a 25 percent increase.

21 This particular company may do just what Cigna
22 did if we continue to have high claims and if we don't
23 change the method of wellness that is promoted by the
24 City.

25 In our discussions with your staff, and urged

1 by your management team, that we're going to make every
2 effort to find ways to promote wellness with the
3 workforce. Health fairs. We're even talking about the
4 possibility of having a nurse placed on some property in
5 the City so that individuals would be able to get
6 information that may help them promote a better wellness
7 program for them and their families. But that is the
8 only way that there will be a change.

9 COUNCIL PERSON THOMAS: So we couldn't --

10 MR. MOORE: Does that answer your question
11 about --

12 COUNCIL PERSON THOMAS: Yes, it answers for
13 the most part, but we couldn't get a --

14 MR. MOORE: We can't get a --

15 COUNCIL PERSON THOMAS: -- two year deal? We
16 can't lock in the savings?

17 MR. MOORE: We can't. There is no insurance
18 company that will give you a guarantee of a two year
19 contract.

20 COUNCIL PERSON THOMAS: I mean do we even ask
21 them, you know?

22 MR. MOORE: Of course.

23 COUNCIL PERSON THOMAS: Oh, okay, just wanted
24 to --

25 MR. MOORE: And we've asked, for over

1 15 years, every carrier. It would make us look like the
2 darling of the business if we could get you a guarantee
3 for a number of years. And you know, we would like to
4 be the darling of the business, so we ask.

5 COUNCIL PERSON THOMAS: I understand. Now,
6 the references for this particular company, I know that
7 you've been dealing with this for quite some time, but I
8 didn't get a chance to really review them. I didn't see
9 where they were in the package. How are the references
10 holding up for this particular company?

11 MR. MOORE: They're holding up very well.
12 This particular company does a number of other
13 governmental entities around the state of Florida and
14 throughout the nation.

15 COUNCIL PERSON THOMAS: Can you name a few?

16 MR. MOORE: You have the Broward County School
17 Board --

18 MR. JOSEPH: Florida Atlantic University.

19 MR. MOORE: Florida Atlantic.

20 MR. JOSEPH: We insure State employees, the
21 federal government employees. We're -- excuse me --
22 we're the provider for Broward School Board that has
23 41,000 members, Broward County government, the Sheriff's
24 Office in Broward as well, all the way down, you know,
25 into Dade County, Publix Supermarkets, AutoNations.

1 Very large employers here in south Florida have had our
2 plan for many, many years.

3 COUNCIL PERSON THOMAS: Okay, well, give me
4 this. This is one of my last questions here. How would
5 this change interrupt the service flow that our
6 employees are used to? I've saw all of the great
7 savings, and those were nice, and thank you very much.
8 But on the flip side of this, what's going to be the
9 dark side, so to speak? What's going to be some of
10 those issues?

11 MR. JOSEPH: Some of the issues are, you know,
12 we may not have some of the providers that your
13 employees are currently using. But that's a great
14 question, because a transition from one health plan to
15 the other is very difficult for some employees,
16 especially those employees who are treating and seeing
17 physicians and have a medical condition.

18 We have a whole plan of transition. When your
19 members come to open enrollment, we will ask them to
20 look at the list of providers that we have, select one
21 of those providers. If their provider they're using is
22 not on the plan, we ask for a nomination of those
23 doctors. If they are treating with one of those
24 physicians who are not on the plan and if they have, for
25 instance, if someone has cancer and is treating with a

1 physician that's not on the plan, we will come up with a
2 transition plan for that member.

3 We'll reach out to the physician they're
4 using, try to contract with them. If they are not
5 willing or they don't want a contract with us, we will
6 go through a transition process where we will sign a
7 letter of agreement with that physician to continue to
8 treat that member through their medical condition. Once
9 that medical condition is resolved, we'd ask them to
10 come back into our network.

11 COUNCIL PERSON THOMAS: That's pretty fair;
12 pretty fair.

13 MR. JOSEPH: We've transitioned, you know,
14 thousands of members. We're going through the same
15 transition with the Sheriff's Office. We shared that
16 group with Humana.

17 COUNCIL PERSON THOMAS: Okay.

18 MR. JOSEPH: We are taking 10,000 members that
19 were on Humana's plan and transitioning them to our
20 plan. We know it's difficult. We will have nurses
21 available to your members to talk with. And the most
22 important thing is we want to communicate with them. If
23 they feel there's an advocate at the company that they
24 can call and talk with, it helps everybody. And
25 certainly we're here to support your staff through that

1 process.

2 COUNCIL PERSON THOMAS: Well, if we, you know,
3 are so inclined to select you tonight, would you
4 guarantee that you can work for however long it takes to
5 get this done so we don't have to carry another 30 days
6 and lose the savings that we're actually getting by
7 going with you?

8 MR. JOSEPH: We will make the commitment with
9 staff, with whatever resources are necessary to get
10 people into our system, enrolled, to get them temporary
11 I.D. cards as soon as possible and have somebody here on
12 site for whatever period of time it takes so members,
13 after the first of the month who need services, will be
14 able to have somebody here to talk to.

15 COUNCIL PERSON THOMAS: Well, I'm concerned,
16 because we have a furlough day, you know, coming up. I
17 believe it's Friday, and I know that's going to take
18 away a day. Is there a plan in place to, you know, to
19 deal with that, or are you going to stay late hours or
20 come in early, or what? You know, is there some type of
21 plan to do that, because it makes, you know, no sense to
22 rush a decision if we're not going to be able to utilize
23 you. I'm more inclined to do this because of the
24 savings.

25 MR. JOSEPH: I believe there's a plan in place

1 for that. And you know, we just left a meeting, and
2 Carmen from McKinley was with us. Broward Sheriff's
3 Office requires us to be at the jails at 4:00 in the
4 morning and up till 12:00 at night. And you know, my
5 staff is able and willing to do those type of things.
6 But there is a plan.

7 MS. SULLIN: Marie Sullin, Risk Management.

8 We do currently have a plan ready to be
9 distributed once Council had made the decision. On
10 Monday we would have our actual enrollment meeting,
11 information, 9 to 10, 10 to 11, 11 to 12, 1 to 2, for
12 all staff. They can come at different time.

13 And then on Tuesday we would actually start
14 the enrollment process, and we would also have meetings
15 in each particular department, utility, fire, police.
16 And I've reached out to each department head and asked
17 them which would be the best time to actually catch all
18 their employees to be able to provide a service that
19 they need to transition them and to also assist them
20 with enrollment.

21 We've also set up the library, which has
22 approximately about 15 computers, which is already set
23 up for the enrollment process, and someone will be on
24 site to assist them in the enrollment process. The
25 Human Resource Department also, in each of

1 their particular department, they are able to enroll,
2 and also they are able to enroll from their home site.
3 The IT Department graciously, you know, assisted us with
4 this. They set up an IP address where an employee can,
5 from home, can actually complete their enrollment
6 process.

7 COUNCIL PERSON THOMAS: Okay, thank you.

8 COUNCIL PERSON BROOKS: Madam Chair.

9 CHAIRPERSON PARDO: Yes.

10 COUNCIL PERSON BROOKS: I have a question, I
11 guess, for Mr. White, or maybe both of you. It has to
12 do with dental. Am I to understand from our
13 conversation that the dental will continue under Cigna,
14 and if so, then how are we going to -- you know, what
15 we'll be saving or -- what has been presented here
16 represents a saving looking at the premium that will be,
17 that's proposed here under Coventry. But if we're going
18 to continue with the dental under Cigna, then have we
19 factored in those premiums?

20 ASSISTANT CITY MANAGER WHITE: Madam Chair, we
21 still do have a year left on the Cigna's dental. The
22 Coventry proposal includes a basic dental and a discount
23 vision. But for someone like me, I go to the dentist
24 four times a year, so I would have two with Cigna and
25 now I can do two of Coventry, and those costs can be

1 covered. So we look at that as an additional benefit
2 for our employees. I know a number of our employees,
3 for dental care, have to go more than once a year. It
4 gives you more flexibility --

5 COUNCIL PERSON BROOKS: But my question is
6 we're not paying for the premiums. I mean the employee
7 pays the entire premiums then for the dental, is that
8 it, under Cigna?

9 ASSISTANT CITY MANAGER WHITE: Under --

10 UNIDENTIFIED SPEAKER: The old --

11 COUNCIL PERSON BROOKS: Under the existing
12 plan. Now, the current plan we have, my understanding
13 is that the dental will remain for another year. So my
14 question is: Will there be any City participation in
15 the premiums for the dental coverage?

16 MS. SULLIN: Marie Sullin, Risk Management.

17 The dental plan that we currently have with
18 Cigna was for a two year contract, and it's based on the
19 contract that we had last year. For employee alone, the
20 City does make contribution. Well, actually, the City
21 pays for the employee portion, for employee only, which
22 is part of our collective bargaining agreement. For
23 employee plus one, obviously then the employee pays for
24 that, and the contribution from the City, which would be
25 the minus whatever the City would be for employee only.

1 And in family, in the same process.

2 COUNCIL PERSON BROOKS: So we will be -- the
3 City will be paying for the dental coverage continually
4 under Cigna?

5 MS. SULLIN: That is correct, for employees,
6 yes.

7 COUNCIL PERSON BROOKS: Have we factored in
8 that price in, that premium? We're looking at the
9 savings. I just want to make sure that the bottom line,
10 the net here does represent --

11 MS. SULLIN: Yes.

12 COUNCIL PERSON BROOKS: Okay, all right.

13 COUNCIL PERSON THOMAS: But that's a two --
14 but it's a two year contract. So I mean are we
15 already -- have we already paid for it, or you know,
16 how -- I haven't seen those numbers. How are we dealing
17 with that? We've already paid for the two years up
18 front, or we pay for it every month or --

19 MS. HOSKINS: Karen Hoskins, Finance
20 Department.

21 We pay it monthly; the City pays for the
22 employee portion monthly.

23 COUNCIL PERSON THOMAS: What's that number?

24 MS. HOSKINS: We have budgeted \$148 per
25 employee for -- that's an annual cost per employee. And

1 it's 12.29 per month for Cigna HMO, and then PPO is
2 12.29. 12.29 for HMO and PPO.

3 COUNCIL PERSON THOMAS: For the dental?

4 MS. HOSKINS: For the dental.

5 COUNCIL PERSON THOMAS: 12.29; \$12.29?

6 MS. HOSKINS: Per month.

7 COUNCIL PERSON THOMAS: Per employee?

8 MS. HOSKINS: Correct.

9 COUNCIL PERSON BROOKS: Okay, so it's --

10 COUNCIL PERSON THOMAS: Which is a round
11 number of?

12 MS. HOSKINS: Roughly about \$80,000 annual
13 cost.

14 COUNCIL PERSON THOMAS: Annual?

15 MS. HOSKINS: Yes, yes. And that's budgeted.
16 We have 8,199 per person for health insurance budgeted,
17 and then the 148 per person for dental, for a total of
18 8,348.

19 COUNCIL PERSON THOMAS: Okay.

20 CHAIRPERSON PARDO: I have a question about
21 hospitals. All right, what happens? I live in Jupiter,
22 and I have a heart attack, okay? And EMS takes me to
23 the Palm Beach Gardens Hospital, right? It's the
24 cardiac hospital. But Palm Beach Gardens isn't on the
25 list. Then what happens? They'll put me in an

1 ambulance and send me down to St. Mary's? Seriously,
2 I'm looking at the list. I have a list of all your
3 doctors, and it's showing six hospitals in Palm Beach
4 County that are part of the system. So what would
5 happen? Am I having a heart attack and pulling out my
6 insurance card and they're saying they can't take me
7 there?

8 MR. JOSEPH: I'm not sure what list you're
9 looking at, but we have every hospital contracted on the
10 plan in Palm Beach County except for Boca Community
11 Hospital, which we're in the negotiation stage with Boca
12 Community. I'm not sure what list you're looking at.

13 CHAIRPERSON PARDO: There's a Coventry book
14 list, and it's showing Bethesda, Lakeside, Palms West,
15 St. Mary's, Wellington Regional and West Boca.

16 MR. JOSEPH: Does it show JFK, and does it
17 show the others that are contracted?

18 CHAIRPERSON PARDO: It's showing what I just
19 read.

20 MR. JOSEPH: It might be by zip code. You may
21 have put in a zip code so it's pulling up in a certain
22 radius.

23 CHAIRPERSON PARDO: Okay, so all of the --

24 MR. JOSEPH: Yes.

25 CHAIRPERSON PARDO: Well, no, not really. If

1 we're pulling up just Riviera Beach, just St. Mary's and
2 Good Samaritan, I think, would come up. Okay, so it's
3 all of the hospitals, all of the hospitals in Palm Beach
4 County, with the exception of Boca?

5 MR. JOSEPH: Boca Community right now.

6 COUNCIL PERSON DAVIS: Madam Chair.

7 CHAIRPERSON PARDO: Yes.

8 COUNCIL PERSON DAVIS: From my experience, I
9 know when I had to go to the hospital, I was asked which
10 hospital I wanted to go to. So I think they usually
11 take you where you want to go.

12 MR. JOSEPH: Yes, I could read them out for
13 you if you'd like, but --

14 CHAIRPERSON PARDO: All right, do you have a
15 copy of that book --

16 MR. JOSEPH: Sure, sure.

17 CHAIRPERSON PARDO: -- for us? Okay. Yes,
18 that wasn't in our backup, so --

19 MR. JOSEPH: Okay.

20 CHAIRPERSON PARDO: -- if you can give it to
21 us, yes, we'd really like to see it so we --

22 COUNCIL PERSON THOMAS: Are you getting that
23 information from the web site?

24 CHAIRPERSON PARDO: From the web site, yes.

25 COUNCIL PERSON THOMAS: Yes, I mean can you

1 update your web site?

2 MR. JOSEPH: Yes, certainly we do --

3 COUNCIL PERSON THOMAS: That's probably why
4 people are a little nervous.

5 CHAIRPERSON PARDO: Yes, I went on your web
6 site while I was sitting here.

7 MR. JOSEPH: Okay.

8 COUNCIL PERSON THOMAS: Also, a little earlier
9 we were talking and you were saying that your
10 professionals would tell the hospital or be at the
11 hospital to decide what's going on there.

12 MR. JOSEPH: They don't make any decisions.

13 COUNCIL PERSON THOMAS: I just wanted to
14 clarify that. The doctor makes the decision.

15 MR. JOSEPH: They work with the member's
16 treating physician, you know, and the treating physician
17 is the one that makes those determinations.

18 COUNCIL PERSON THOMAS: Gotcha.

19 COUNCIL PERSON DAVIS: Madam Chair.

20 CHAIRPERSON PARDO: Yes.

21 COUNCIL PERSON DAVIS: When you talk about
22 promoting wellness in the City and changing, you know,
23 how our employees treat their health, you're talking
24 about things like -- and I'm going to pick on men,
25 because I know men don't like to go to doctors and

1 things like that. So are you talking about things like
2 having an annual physical, and you know, regular doctor
3 appointments and that kind of thing, and that, you know,
4 would not --

5 MR. JOSEPH: That's just part of it. I mean
6 part of the reform, as the Chairperson had pointed out,
7 which starts tomorrow, and your plan will have this in
8 place, the annual visits for adults and children will be
9 at no cost to your employees.

10 COUNCIL PERSON DAVIS: And you're talking
11 about gynecological and those kind of things --

12 MR. JOSEPH: That's right.

13 COUNCIL PERSON DAVIS: -- no cost if you go
14 ahead and do them. You might have -- I mean how does
15 that work? Do you go ahead and pay for it, and then you
16 get the money back from the insurance company or --

17 MR. JOSEPH: No, no.

18 COUNCIL PERSON DAVIS: Okay, it's free.

19 MR. JOSEPH: There's no co-payments.

20 COUNCIL PERSON DAVIS: Okay.

21 MR. JOSEPH: So any of your members can go in
22 and get their annual examinations, and it costs nothing.
23 But beyond that, we also have programs, for instance,
24 the biometric screenings which were discussed a little
25 bit. Those are screenings that you can go and you get

1 your blood work done, and you get, you know, there's
2 four or five different measurements. That biometric
3 screening is, again, at no cost to you, to your members.
4 That information then can be --

5 COUNCIL PERSON DAVIS: Is this annual too, on
6 an annual basis?

7 MR. JOSEPH: Generally annual.

8 COUNCIL PERSON DAVIS: Okay.

9 MR. JOSEPH: There's also health risk
10 assessments that, you know, we're going to ask your
11 members to participate in. They can go on line and
12 really fill out questions about themselves and --

13 COUNCIL PERSON DAVIS: Okay. And the nurse
14 that you were talking about, is that like a nurse line,
15 or are you talking about a physical, a person being
16 placed at a physical location?

17 MR. JOSEPH: Right. During the open
18 enrollment process --

19 COUNCIL PERSON DAVIS: Yes.

20 MR. JOSEPH: -- we discussed having a nurse
21 here to talk with any members that need some transition
22 of care. Rather than talk to an enroller, there will be
23 a nurse here to help that. But there's a transition of
24 care form --

25 COUNCIL PERSON DAVIS: Oh, no, see, that

1 wasn't really what I was talking about. Well --

2 MR. JOSEPH: But on an ongoing basis?

3 COUNCIL PERSON DAVIS: Um-hmm.

4 MR. JOSEPH: Well, we plan on having health
5 fairs here at the City, and at that point there will be
6 nurses out here, there will be other people doing
7 screenings for the employees here, and that will happen
8 on a periodic basis throughout the year.

9 COUNCIL PERSON DAVIS: Okay. And my last
10 question is I think it was Mr. White who stated that the
11 insurance that the employee would have to pay is taken
12 off the top, so it's pretax dollars, which would more or
13 less not -- they wouldn't see such a drastic reduction
14 in pay. So what I'm asking is before we get through all
15 three of these items, has anyone done an example of that
16 so a person could actually see, you know, what the
17 difference would be? You know what I'm saying?

18 MS. HOSKINS: Yes. I did it for me, and all
19 of it is based on, you know, what your current
20 deductions are --

21 COUNCIL PERSON DAVIS: I know.

22 MS. HOSKINS: -- and all of that.

23 COUNCIL PERSON DAVIS: So can we just use,
24 say, a standard, you know, a salary and a standard
25 deductions and present that example, because, you know,

1 I just think it's important for employees to kind of
2 see, you know, what that means, and that, you know, just
3 because the premium is a little bit higher, it doesn't
4 mean that your salary is going to be so greatly reduced.

5 MS. HOSKINS: Right, right.

6 COUNCIL PERSON DAVIS: Okay. So before we get
7 through all of these, can you bring that up and --

8 MS. HOSKINS: Yes.

9 COUNCIL PERSON DAVIS: -- let everybody see
10 it? Okay, thank you.

11 And do we have any employees on leave, leave
12 of absence or anything? You'll make sure that those
13 employees come in and get taken care of, right?

14 MS. SULLIN: Yes. We actually had asked all
15 the department heads to forward us anybody who's on
16 vacation, who is going to be on leave. We've actually
17 been in contact with a few of them --

18 COUNCIL PERSON DAVIS: Okay.

19 MS. SULLIN: -- to start telling them
20 basically what the plans, overly, that we have offered.
21 And we have the letter already prepared for either way,
22 for the retirees and so on.

23 COUNCIL PERSON DAVIS: Okay, thanks.

24 CHAIRPERSON PARDO: One thing that I would say
25 is, you know, again, looking at this web site, it's

1 dated September 18th. And you know, if we decide to go
2 with you guys, our employees will be going online
3 looking, you know, relying on this document. And I
4 truly believe it's imperative that this -- that that
5 document stays up to date, because the employee is going
6 to run into an issue if they go on here and they see a
7 doctor, they go to the doctor, and it turns out the
8 doctor is no longer with the plan. Then the employee is
9 stuck, you know, paying for the entire benefit. So you
10 know, honestly, sir, I'm not impressed. You know,
11 I'm -- you know, come on.

12 MR. JOSEPH: We'll take care of that. And
13 we're having copies of the list made that include Palm
14 Beach Gardens. We'll have that for you momentarily.

15 CHAIRPERSON PARDO: All right, fine.

16 COUNCIL PERSON BROOKS: Madam Chair.

17 CHAIRPERSON PARDO: Again, I'm looking
18 under -- it's Palm Beach County. It's broken up Palm
19 Beach County.

20 COUNCIL PERSON BROOKS: Just a question. Now,
21 usually when you are enrolled with an insurance company,
22 you do receive a packet that would include all of your
23 various providers, pharmaceutical, you know. So I'm
24 asking if -- even if you have a sample copy with you,
25 hospitals or whatever would be listed. Is that

1 something that --

2 MR. JOSEPH: Yes, and everybody will receive a
3 full provider directory.

4 CHAIRPERSON PARDO: What's the date of the
5 booklet?

6 COUNCIL PERSON BROOKS: This is just one page.

7 COUNCIL PERSON DAVIS: Oh, it's just one page.

8 COUNCIL PERSON BROOKS: Just one page.

9 (Inaudible discussion.)

10 COUNCIL PERSON BROOKS: Yes, staff should be
11 checking these things out anyway.

12 COUNCIL PERSON LOWE: I'm looking at your
13 list. What do you do for V.A. patients?

14 (Inaudible discussion.)

15 UNIDENTIFIED SPEAKER: What do we do for
16 Veterans Administration patients?

17 MR. JOSEPH: I mean they are, you know,
18 they're covered under the plan. They have the
19 facilities that the other members have. I don't --

20 COUNCIL PERSON LOWE: Well, I was looking at
21 the hospital list, and that's not on the list.

22 MR. JOSEPH: The V.A. Hospital?

23 COUNCIL PERSON LOWE: Right.

24 MR. JOSEPH: Yes, correct. I'll have to -- I
25 don't really know how we coordinate benefits with the

1 Veterans Association. You know, I'm not sure if they're
2 covered under their V.A. policy when they go to a V.A.
3 hospital versus going to a facility that's contracted
4 with us.

5 UNIDENTIFIED SPEAKER: Are we done or what?

6 UNIDENTIFIED SPEAKER: Are we finished, the
7 comments, the questions?

8 CHAIRPERSON PARDO: I have no other questions.
9 Anything else from the Board?

10 Yes, hold on. Before we go to a motion, I
11 just want to make sure the employees are going to be
12 comfortable with this; I really do, because at the end
13 of the day, you know, it's their health, it's their
14 money. And did we have any meetings with the employees
15 and tell them what we were doing besides the workshop
16 that we had?

17 ASSISTANT CITY MANAGER WHITE: We did.
18 Earlier on in the process when the first responses came
19 back, I had a focus group to give me their feedback on
20 what they thought about the costs.

21 You know, when you go through a transition in
22 changing carriers, there will -- you know, it's a
23 process that you go through. The carrier will be
24 reaching out and trying to, for those as has been
25 indicated, for those physicians who our employees

1 utilize that may not be in the system, they'll be
2 reaching out to them for that.

3 We do think that, and I guess I feel fairly
4 strongly that given the goals and what we wanted to
5 achieve, we have a very good program of service for our
6 employees, as well as the opportunity to, as I've spoken
7 to and McKinley, mechanisms to change their behavior.
8 Now, does that mean will everybody be happy? Well, I
9 don't know that anybody -- when you make a change, that
10 everybody is going to be happy. But what I can assure
11 you is that our employees will have quality health care.

12 And at this point, you know, that we're down
13 to five days, we are going to -- everyone's committed to
14 sitting and explaining the process to the employees and
15 getting them signed up. We'll have somebody on site
16 from Coventry. We have always had a McKinley Financial
17 Services employee on site once a month to handle any
18 employee's issues or problems they may be having. So we
19 do have the support infrastructure in place to make this
20 as smooth a transition as possible.

21 CHAIRPERSON PARDO: Okay. All right, anything
22 else from the Board? Okay, Madam Clerk.

23 CITY CLERK WARD: Council Person Lowe.

24 COUNCIL PERSON LOWE: Yes.

25 CITY CLERK WARD: Council Person Thomas.

1 COUNCIL PERSON THOMAS: Yes.

2 CITY CLERK WARD: Council Person Brooks.

3 COUNCIL PERSON BROOKS: Yes.

4 CITY CLERK WARD: Vice-Chair Davis.

5 COUNCIL PERSON DAVIS: Yes.

6 CITY CLERK WARD: Chair Pardo.

7 CHAIRPERSON PARDO: Yes.

8 CITY CLERK WARD: Unanimous vote.

9 CHAIRPERSON PARDO: Thank you. Item two.

10 CITY CLERK WARD: Resolution 109 --

11 CHAIRPERSON PARDO: Oh, I'm sorry, it's not --

12 I'm sorry, I have the wrong book. Yes, I'm sorry; yes,

13 item two. I'm sorry.

14 CITY CLERK WARD: Resolution 109-10, a

15 resolution of the City Council of the City of Riviera

16 Beach, Palm Beach County, Florida authorizing the

17 renewal of life insurance coverage with Reliance

18 Standard Life Insurance Company to provide life

19 insurance for City employees for fiscal year 2010

20 through '11, authorizing the Finance Director to make

21 payments from the various City department accounts in

22 the estimated amount, not exceeded \$79,000, for policy

23 year and providing an effective date.

24 CHAIRPERSON PARDO: Is there a motion?

25 COUNCIL PERSON THOMAS: So moved.

1 UNIDENTIFIED SPEAKER: Second.

2 CHAIRPERSON PARDO: Properly moved and second.

3 Is someone doing a presentation? Quickly.

4 Anyone?

5 UNIDENTIFIED SPEAKER: (Inaudible.)

6 COUNCIL PERSON BROOKS: It's a renewal.

7 CHAIRPERSON PARDO: No, I just, you know,
8 we're on television, and you know, just to let the
9 residents know what we're doing.

10 MS. SULLIN: Marie Sullin, Risk Management.

11 The City has provided life insurance to all
12 employees, fire, police, general and administrative.
13 For life and AD&D, the prior rate, .245 last year. And
14 Reliance Standard basically this year has not increased
15 our rate. The rate will remain the same for life,
16 AD&T -- AD&D and dismemberment.

17 CHAIRPERSON PARDO: Okay.

18 MS. SULLIN: The retiree rates is \$1.40. It
19 remains the same. And also the (inaudible) is .03. It
20 remains the same per 1,000 employees -- per 1,000 lives.

21 CHAIRPERSON PARDO: Okay, great. Thank you.

22 Anything from Council?

23 Madam Clerk.

24 CITY CLERK WARD: Council Person Thomas.

25 COUNCIL PERSON THOMAS: Yes.

1 CITY CLERK WARD: Council Person Lowe.

2 COUNCIL PERSON LOWE: Yes.

3 CITY CLERK WARD: Council Person Brooks.

4 COUNCIL PERSON BROOKS: Yes.

5 CITY CLERK WARD: Pro Tem Davis.

6 COUNCIL PERSON DAVIS: Yes.

7 CITY CLERK WARD: Chair Pardo.

8 CHAIRPERSON PARDO: Yes.

9 CITY CLERK WARD: Unanimous vote.

10 CHAIRPERSON PARDO: Thank you. Item three.

11 CITY CLERK WARD: Resolution 110-11, a
12 resolution of the City Council of the City of Riviera
13 Beach, Palm Beach County, Florida authorizing Solstice
14 Benefit, Inc., 7901 Southwest 6th Court, Plantation,
15 Florida to offer supplemental vision coverage to City
16 employees beginning in the policy year 2010 through '11,
17 and authorizing the Interim Finance Director to
18 facilitate our employee payments through payroll
19 deduction and providing an effective date.

20 COUNCIL PERSON THOMAS: So moved.

21 COUNCIL PERSON DAVIS: Second.

22 CHAIRPERSON PARDO: Properly moved and second.

23 MS. SULLIN: This is the first time the City
24 has offered vision coverage for employees, a separate
25 vision coverage beside the vision discount that our

1 health insurance usually provide us. And this
2 particular plan does not involve the City making any
3 type of payment.

4 This is solely voluntary on the employee part,
5 where anyone can actually enroll for a vision coverage.
6 And it's \$2.26 per pay period for employee, and \$6.11
7 for families, a two tier plan. We've never had this
8 particular plan before. This is a first time and this
9 will cover vision exam, eyewear, contact lenses, and a
10 discount for LASIK surgery.

11 COUNCIL PERSON BROOKS: Madam Chair, question.
12 Would it cover an ophthalmologist, or just an
13 optometrist?

14 MS. SULLIN: It covers an optometrist.

15 COUNCIL PERSON BROOKS: But not an
16 ophthalmologist?

17 MS. SULLIN: That is correct.

18 COUNCIL PERSON BROOKS: Okay.

19 COUNCIL PERSON DAVIS: Wouldn't an
20 ophthalmologist be medical?

21 COUNCIL PERSON BROOKS: Yes. They have an
22 M.D. degree, but they specialize in diseases of the eye.

23 COUNCIL PERSON DAVIS: No, I'm talking about
24 wouldn't that be covered under the medical plan if it's
25 an ophthalmologist?

1 MS. SULLIN: Yes.

2 COUNCIL PERSON BROOKS: So it's under the
3 medical, okay, good.

4 MS. SULLIN: So you kind of have a dual
5 coverage. You still have the discount plan under your
6 medical coverage, and then you have this plan, which is
7 a standard long plan. If the employee chooses to do so,
8 they are able to do so to get additional benefits for
9 regular eye checkup, and to purchase eyewear or contact
10 lenses, or may even have LASIK surgery if they wanted
11 to.

12 COUNCIL PERSON BROOKS: I want to be clear
13 now. With Coventry --

14 MS. SULLIN: I'm sorry?

15 COUNCIL PERSON BROOKS: I want to be clear.
16 We've just chosen Coventry. So should I go to an
17 ophthalmologist, their vision provides for seeing an
18 ophthalmologist. And then what you're proposing here is
19 for an optometrist.

20 MS. SULLIN: Okay, the optometrist is covered
21 under your medical coverage with Coventry. The
22 ophthalmologist would be covered under the voluntary
23 vision plan if you choose that plan.

24 COUNCIL PERSON BROOKS: Okay.

25 MS. SULLIN: Only if you choose that plan.

1 UNIDENTIFIED SPEAKER: It's just the opposite.

2 MS. SULLIN: Opposite. Sorry.

3 COUNCIL PERSON BROOKS: So it's just the
4 opposite.

5 UNIDENTIFIED SPEAKER: Opposite.

6 COUNCIL PERSON BROOKS: Okay, okay. So if I
7 want to see an ophthalmologist, then I would opt for
8 the -- okay.

9 MS. SULLIN: That would be correct.

10 COUNCIL PERSON BROOKS: Because many persons
11 who are diabetic really need to go to an
12 ophthalmologist. And we have a number of people, I'm
13 sure, who are diabetic and would need that, so it should
14 be clear to them.

15 MS. SULLIN: Okay, it would be covered under
16 the medical plan for that.

17 COUNCIL PERSON BROOKS: Okay.

18 CHAIRPERSON PARDO: Okay --

19 COUNCIL PERSON BROOKS: Thank you.

20 CHAIRPERSON PARDO: -- anything else? All
21 right, thank you. Madam Clerk.

22 CITY CLERK WARD: Council Person Thomas.

23 COUNCIL PERSON THOMAS: Yes.

24 CITY CLERK WARD: Council Person Lowe.

25 COUNCIL PERSON LOWE: Yes.

1 CITY CLERK WARD: Council Person Brooks.

2 COUNCIL PERSON BROOKS: Yes.

3 CITY CLERK WARD: Vice-Chair Davis.

4 COUNCIL PERSON DAVIS: Yes.

5 CITY CLERK WARD: Chair Pardo.

6 CHAIRPERSON PARDO: Yes.

7 CITY CLERK WARD: Unanimous vote.

8 CHAIRPERSON PARDO: Thank you. Item four, new
9 business. Item four.

10 CITY CLERK WARD: Resolution 115-2010, a
11 resolution of the City Council of the City of Riviera
12 Beach, Palm Beach County, Florida supporting the
13 International Coastal Cleanup campaign by hosting a
14 cleanup in the Monroe Heights neighborhood and a cleanup
15 of the City's south end neighborhood on September 25th,
16 2010.

17 The International Coastal Cleanup is an annual
18 event sponsored by the OC, and it's held on the third
19 Saturday in September to promote litter reduction,
20 support recycling, preserve and protect our environment
21 to help make our neighborhoods more livable, and
22 providing an effective date.

23 Madam Chair, I think as a courtesy I will read
24 this resolution in its entirety, since it's being hosted
25 by a Council person.

1 CHAIRPERSON PARDO: Okay.

2 CITY CLERK WARD: Whereas protecting the
3 integrity of the City's neighborhood is vital to the
4 stability and future growth of the City of Riviera
5 Beach;

6 And whereas the International Coastal Cleanup
7 began in 1985 as an environmental study, the first
8 volunteer driven cleanup occurred in 1986 and is now one
9 of the largest international volunteer events;

10 And whereas the ICC allows citizens around the
11 world an opportunity to clean up their local waste and
12 to be a part of a large organization organized annual
13 event;

14 And whereas the ICC encourages the local
15 environmental nonprofit and agencies to spotlight
16 environmental issues and to promote community ownership
17 throughout;

18 And whereas Neighbors United of Riviera Beach
19 was formed and founded in 1990 by Ms. Isabel Cunningham
20 as an effort to promote and excite cleanup efforts in
21 the surrounding neighborhood;

22 And whereas, as a result of the vast growth of
23 Neighbors United, Ms. Willie Daniels serve as the
24 president, and for the past eight years Ms. Bernie
25 Wooten has served as site coordinator wherein she is

1 responsible to organize and coordinate efforts for the
2 neighborhood cleanup;

3 Now therefore, be it resolved by the City
4 Council of the City of Riviera Beach, Palm Beach County,
5 Florida that:

6 Section one: Members of the City Council
7 express concerns about the quality of life of all
8 residents, and Council Person Billie Brooks and Council
9 Person Cedrick Thomas began working with neighborhood
10 groups, City residents, employees and volunteers on ways
11 to clean up neighborhoods beginning in Monroe Heights
12 and the south end;

13 Section two: Council Person Brooks and
14 Council Person Thomas are joining thousands of others
15 across the county, across the country in a national day
16 of cleanup being sponsored by the OC and organized
17 locally by nonprofit organizations, Keep Palm Beach
18 County Beautiful;

19 Section three: The Coastal Cleanup annual
20 event focus is on waterways. There is recognition that
21 picking up trash inland neighborhoods to help prevent it
22 from traveling to coastal areas and waterways;

23 Section four: Council Person Brooks and
24 Council Person Thomas are the hosts of this event to
25 push the importance and value of cleaning up

1 neighborhoods;

2 Section five: That the City Council hereby
3 supports the Keep America Beautiful campaign and
4 authorizes the cleanup of Monroe Heights and the City's
5 south end neighborhood as part of the International
6 Coastal Cleanup as planned from 8 a.m. till 12 p.m. on
7 September 25th.

8 This resolution shall take effect immediately
9 upon its passage.

10 CHAIRPERSON PARDO: Thank you. Do we have a
11 motion?

12 SEVERAL VOICES: So moved.

13 COUNCIL PERSON DAVIS: Madam Chair.

14 CHAIRPERSON PARDO: Yes.

15 COUNCIL PERSON DAVIS: I just have one
16 question. Is this going to create overtime for the
17 employees, for the, you know, any employees who are
18 going to participate?

19 COUNCIL PERSON THOMAS: I don't --

20 COUNCIL PERSON BROOKS: (Inaudible) zero, yes,
21 volunteer.

22 COUNCIL PERSON DAVIS: Is that for sure?

23 COUNCIL PERSON BROOKS: Is Marian here? Okay.

24 COUNCIL PERSON DAVIS: I mean I just don't
25 want, you know --

1 CITY MANAGER JONES: Chair Pro Tem Davis --

2 COUNCIL PERSON DAVIS: Yes.

3 CITY MANAGER JONES: -- we're going to --
4 there are individuals that have volunteered their time.
5 What we have cautioned them about, and that is if it is
6 their regular job and it is a furlough week, they cannot
7 expect overtime or it be calculated into their hours.

8 We are also --

9 COUNCIL PERSON DAVIS: Wait a minute. But --

10 CITY MANAGER JONES: -- beginning to talk to
11 their labor unions, because that's where the first
12 question came up, to ensure that employees are in line
13 with their union agreements and that no one thinks this
14 is considered overtime.

15 COUNCIL PERSON DAVIS: So are you saying that
16 even if it's -- okay. What date is it going to be
17 again?

18 COUNCIL PERSON BROOKS: Saturday, the 25th.

19 COUNCIL PERSON DAVIS: It's on Saturday. So
20 it's not a furlough week. The 25th?

21 COUNCIL PERSON BROOKS: The 24th is a Friday.

22 COUNCIL PERSON DAVIS: Oh, that's right, the
23 last furlough day. So because they have a furlough day,
24 are you saying that this is a day, you know, by
25 volunteering the half day, that they will be paid for

1 the half day?

2 CITY MANAGER JONES: Uh-uh. We have to talk
3 with them to ensure that they know.

4 COUNCIL PERSON DAVIS: Okay. And the only
5 reason I'm asking, because if it was, that was fine with
6 me, I just didn't want the employees to assume that, you
7 know, this was going to be a paid something when it's
8 not, you know.

9 COUNCIL PERSON BROOKS: Right.

10 COUNCIL PERSON DAVIS: You know, so I just
11 wanted to put that out there and make it very clear,
12 because I know that if we had to pay overtime, it's
13 going to impact the budget, so --

14 COUNCIL PERSON BROOKS: Correct.

15 COUNCIL PERSON DAVIS: And lastly, not that
16 it's a big deal, but while you were reading, I was
17 trying to find where you were reading from. I got
18 something totally different, so -- but it's fine.

19 CITY MANAGER JONES: The resolution that the
20 Clerk read is not the one that I approved. It's the one
21 that she wrote personally.

22 COUNCIL PERSON DAVIS: Oh.

23 CITY CLERK WARD: To add history of the
24 cleanup and make sure we incorporated the two Council
25 people that hosted the event.

1 COUNCIL PERSON BROOKS: And to give credit to
2 the persons who started it in the beginning. I think
3 that's good. Okay. We're on the same page.

4 COUNCIL PERSON LOWE: Madam Chair.

5 CHAIRPERSON PARDO: Yes, Mr. Lowe.

6 COUNCIL PERSON LOWE: I'd like to ask to amend
7 that, this resolution in order to authorize the City
8 Manager to allocate \$500 for volunteers for lunches and
9 waters and drinks and stuff, if possible.

10 COUNCIL PERSON THOMAS: Did we not have that
11 already --

12 UNIDENTIFIED SPEAKER: It's covered, I
13 believe.

14 COUNCIL PERSON THOMAS: -- taken care of?
15 Yes.

16 COUNCIL PERSON BROOKS: It's taken care of?
17 Yes.

18 COUNCIL PERSON THOMAS: It's already taken
19 care of. Yes, but we appreciate that, man.

20 COUNCIL PERSON LOWE: No problem.

21 COUNCIL PERSON THOMAS: Thank you.

22 COUNCIL PERSON BROOKS: Because I had to ask
23 some of you guys to -- if you would take it out of your
24 promotion. But we got it covered.

25 CHAIRPERSON PARDO: All right, anything else?

1 All right, Madam Clerk.

2 CITY CLERK WARD: Council Person Brooks.

3 COUNCIL PERSON BROOKS: Yes, of course.

4 CITY CLERK WARD: Council Person Thomas.

5 COUNCIL PERSON THOMAS: Yes.

6 CITY CLERK WARD: Council Person Lowe.

7 COUNCIL PERSON LOWE: Yes.

8 CITY CLERK WARD: Vice-Chair Davis.

9 COUNCIL PERSON DAVIS: Um-hmm.

10 CITY CLERK WARD: Chair Pardo.

11 CHAIRPERSON PARDO: Yes.

12 CITY CLERK WARD: Unanimous vote.

13 CHAIRPERSON PARDO: Okay, thank you.

14 COUNCIL PERSON DAVIS: Madam Chair.

15 CHAIRPERSON PARDO: Yes.

16 COUNCIL PERSON DAVIS: Before you go on, could
17 she give us that short example before we adjourn, you
18 know, that I had asked her for stuff? It will only take
19 like five minutes.

20 MS. HOSKINS: Karen Hoskins, Finance
21 Department.

22 And again, this is strictly based on my
23 income, my deductions. So at the 177, which is the
24 family, the employee plus family, my taxes went down by
25 \$8, but my net went down also by \$23. So I don't have

1 the percentage --

2 COUNCIL PERSON DAVIS: Okay.

3 MS. HOSKINS: -- because it's --

4 COUNCIL PERSON DAVIS: I thought you were
5 going to put it up on --

6 MS. HOSKINS: No, no, I didn't work it out on
7 the computer.

8 And then for the 122, my taxes went up by \$6,
9 but my net went up about \$14, which is --

10 COUNCIL PERSON DAVIS: Okay. Can you tell us
11 what your net would be, as it is right now, and then
12 show us what your net would be, you know, pretax, after
13 the pretax dollars?

14 MS. HOSKINS: My net right now with the 122,
15 the employee plus family, it went up by \$14.

16 COUNCIL PERSON DAVIS: Okay. Telling it like
17 that is not giving us the picture that I'm looking for,
18 so that's okay. Thank you.

19 CHAIRPERSON PARDO: Okay, is there a motion to
20 adjourn?

21 COUNCIL PERSON DAVIS: So moved.

22 UNIDENTIFIED SPEAKER: Second.

23 CHAIRPERSON PARDO: Thank you.

24 (Whereupon, the proceedings were concluded.)

25

APPROVED:


THOMAS A. MASTERS
MAYOR


JUDY L. DAVIS
CHAIRPERSON

ATTEST:


CARRIE E. WARD
MASTER MUNICIPAL CLERK
CITY CLERK


BILLIE E. BROOKS
CHAIR PRO-TEM


CEDRICK A. THOMAS
COUNCILPERSON


DAWN S. PARDO
COUNCILPERSON


SHELBY L. LOWE
COUNCILPERSON

MOTIONED BY: B. BROOKS

SECONDED BY: D. PARDO

B. BROOKS AYE

J. DAVIS AYE

C. THOMAS AYE

D. PARDO AYE

S. LOWE AYE

REVIEWED AS TO LEGAL SUFFICIENCY

PAMALA HANNA RYAN, CITY ATTORNEY

DATE: _____

