



UNIFIED FIRE AUTHORITY BOARD COMPENSATION & BENEFITS COMMITTEE MINUTES

Monday, November 19, 2018 at 1:00 p.m.

In Attendance:

- | | |
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| ✓ Chair Dahle | ✓ IAFF Local 1696 – Darren Park |
| ✓ Chief Petersen | ✓ IAFF Local 1696 – Cliff Burningham (on phone) |
| ✓ Mayor Hale | ✓ Arriann Woolf |
| ✓ Councilmember Bush | ✓ Calogero Ricotta |
| ✓ AC Higgs | ✓ Michelle Morse – AJG |
| ✓ CLO Roberts | ✓ Rebecca Norfleet – AJG |
| ✓ CFO Hill | ✓ Clerk Roper |

Absent:

- | | |
|-------------------------|--------------------------|
| ✗ Mayor Overson | ✗ Councilmember Ferguson |
| ✗ Councilmember Bowen | ✗ AC Watson |
| ✗ Mayor Peterson | ✗ AC Ziolkowski |
| ✗ Councilmember Stewart | ✗ Talsan Schulzke |
| ✗ Mayor Silvestrini | |

Call to Order – Chair Dahle at 1:00 p.m. Quorum not preset

Mayor Dahle acknowledged and appreciates the UFA Task Force that are currently headed back from California where they were assisting with multiple fires.

Public Comment

No Public Comments

July 26, 2018 Minutes Approval

Unable to approve July 26, 2018 meeting minutes due to lack of quorum.

Review of Current Health Benefits by Gallagher

Mayor Dahle recapped the July Compensation & Benefits meeting in which the Share concept was being discussed.

Michelle Morse stated that Gallagher appreciates the partnership with UFA. Handed out binders created for each member of the committee and stated that new tab with new data will be brought for the next meeting. Reviewed the following:

Updates / Strategy

- Employee education strategy
 - Created monthly communication calendar for fire station distribution
- Outstanding deliverables
 - Local city benchmark and best in class benchmark
 - EAP utilization reports
 - Connect Care (virtual visits) reporting

Cal Ricotta stated that traditionally the utilization is higher in January & February during slower months and then again in May & June to meet or exceed their deductibles.

Mayor Dahle stated that the trending this year is under what it was at the same time last year.

Michelle Morse reviewed the highlights from the **Experience Data**:

- Claims Experience Report – Rolling 12 months
 - Loss ratio of 95.7%
 - Inpatient and outpatient facility usage is significantly up
 - Fifteen large claimants for 22% of the premium
 - Four new large claimants that have exceeded \$50,000
 - 2 of the top 5 prescriptions by cost are to treat diabetes
- Healthcare Analytics Insights – NEW
 - Clinical report that helps identify the cost drivers of the plan and stratify the risks found in the population. This report can help us identify the actionable opportunities that can help improve the costs and overall health of the plan.
 - Highlights from the report:
 - Hospital admissions -20% benchmark
 - Emergency room visits higher than benchmark and result in higher admissions, but this tells us that the population is using the ER for correct type of care (i.e. life threatening/high trauma situations)
 - Behavioral health office visits higher than benchmark
 - 2% of the population makes up 39.4% of large claims which falls below benchmark
 - Asthma is more prevalent in UFA population, but diabetes cost us more.

Cal Ricotta stated that the plan is made up of 51% dependent children, which could show our utilization as being lower which plays into our favor.

Michelle Morse stated they could pull out the children to see what the utilization will show as.

Councilmember Bush stated that Utah has the highest rate of asthma in the United States due to the air quality.

Michelle Morse stated that nothing stuck out that caused concern within the last 4 months. Will have more information to present in January or February to determine if UFA should go self-funded. The Share Platform is projecting a low single digit renewal and might not recommend it if self-funded.

Timeline for Renewal:

- January / February
 - Release renewal projection
 - Review experience data
 - Monte Carlo simulation (self-funded vs. fully insured analysis)
- March / April
 - Renewal received from SelectHealth
 - Review experience claim data
 - Decision will be made to go to market and/or plan modifications with current carrier

Mayor Dahle asked if benefit fairs are currently happening at UFA and if so, how often?

Cal Ricotta stated that benefit fairs are usually held in November but found that the attendance has been low in the past couple of years due to the fact that the provider has stayed the same. The year that we switched providers was by far the largest attendance. Information goes out to employees on how to access their benefits, etc. Gallagher has provided

us with an all-encompassing benefits book that employees can use to gather information. Looking to increase communication moving forward.

Michelle Morse reviewed the differences between the Share program and provider based.

Mayor Dahle asked who was on the Share program currently and are they pleased with the care they are receiving?

Michelle Morse stated Utah County is on their 4th year. They are happy but found that it is a struggle to get the employees to meet certain health requirements and maintain them.

Mayor Dahle suggested moving to a model where the healthcare costs aren't driven by the services provided. The concept of paying doctors to keep people healthy proactively is ideal. Is there a way to start taking about this new concept while things are good?

Cal Ricotta stated if things are good, it would not be advantageous to get on that plan now. Changes can be made to the plan we have to lower renewals. When the 8% or 10% increase comes in, then start looking at the other plan.

Mayor Dahle asked if the Share program is strictly a SelectHealth offering? Would they be open to reducing our premiums if we move to the Share program?

Michelle Morse stated that the Share program is only available through SelectHealth. There could be a reduction depending on how the plan was written.

Mayor Dahle stated that with other agencies currently using this program, there is data that show it is a good program. If the premiums drop 5%, that money can be moved into wage increases. Would be interested in what employees would think about that.

Darren Park stated there is concern of taking someone away from a healthcare provider that they have had for a long time or a specific specialist. Would be interested in sitting down to discuss further. With the current model, there should not be a drastic increase.

Chief Petersen would like Labor to meet with Human Resources and Gallagher to determine the trigger points prior to the sign up date.

Cal Ricotta will run the analysis, look at the Share Program and get a breakdown to present. Will also look at the flex program.

Michelle Morse stated that the Share Platform is becoming bigger. There are decrements that can be implemented to save money.

Chief Petersen would like any trigger points brought to the next meeting to review.

Michelle Morse stated that meeting in February 2019 would be best to review the 6-month marker

Mayor Dahle would like to see the market updates and a wage comparison study.

Cal Ricotta will plug in the updated numbers.

Chief Petersen stated that meeting in February 2019 to review concepts and proposals will be ideal.

Mayor Dahle recommended having the meeting a week prior to the February Board meeting to update the board on trends, etc.

Possible Closed Session

None Required

Meeting concluded at 1:50p.m. – No quorum to adjourn meeting

DRAFT