

CAPE ELIZABETH HEALTH INSURANCE REVIEW COMMITTEE

Meeting Minutes
December 3, 2009

Opening:

The regular meeting of the Cape Elizabeth Health Insurance Review Committee was called to order at 7:07 p.m. on December 3, 2009 in William Jordan Conference Room by Chairman David Hillman.

Present:

David Hillman, Mary Townsend, Alan Barthelman, Penelope Jordan, Kyle Parrish, Pauline Aportria, Sean McCue, Dwight Ely, Matthew Sturgis.

Excused: Jim Walsh

A. Review of Information Received

The Committee received information on cost sharing / employee and employer share of different municipalities and schools.

Chair Hillman provided general information that he received from comparable sized organizations from the private sector.

The Committee consensus was to pull the information together and summarize the data in order to arrive at a conclusion and recommendations.

B. Identification of Key Information Learned to Date

Plans were gathered

Interviewed providers

Met with independent broker on plans

Comparable businesses plans received

Comparable schools / municipalities information received

Understand the numbers of our own organization.

1. We have received a summary of the plans for both the school and municipality.
2. Need to understand the number of enrollees in each plan. How many eligible's are in each plan?

Need to make a statement on non Medicare covered employees who have their insurance provided.

3. Jim Walsh added post meeting that the committee consider implementation of new plan through new hires. Implementation through this method may make acceptance to any changes more palatable.
4. The Committee received expert testimony from the Acadia broker.
5. The Committee received plan testimony from both providers, MEA Benefits Trust and the Maine Municipal Employees Health Trust.

C. Need to Organize Information

1. Need to review plans of schools and municipalities
2. Need to provide recommendations on opportunities for change. Need to perform a “gap analysis” of what cost of premiums and sharing agreement is vs. the market. Explore relationship of benefits provided vs. the market (peers and private sector comparables).

Percentage of premium paid by employers should be compared and examined to Cape Elizabeth.

Need to perform a comparative analysis. School benefits compared to eight other school systems, and Municipal benefits to eight other towns. These comparables may be ranked and ranged to examine Cape Elizabeth’s position in comparison. Also compare both to private cost plans and cost shares.

Examine and compare contribution share and plan costs.

What would the cost of a private plan be? One recommendation is to get a bid from the market through a broker.

D. Possible Recommendations

1. Recommend that the Town / Schools pursue the private bid process for a bona-fide price comparison.

Recognize that the bidders need to provide comparable benefit levels and coverage.

Receive quote on our census with identical plan.

Need to consider the risks vs. the rewards. Possible risks are angst among employees, employee comfort with the known plans / providers, what coverage is available for retirees uncovered by Medicare.

2. Examine Alternatives.

- a.) Existing plans
- b.) Bid process
- c.) Thoughts on possible risks / benefits of a and b.

Penny Jordan and Kyle Parrish will compile the data from plans and comparisons for the Committee to review and act on. Matt and Pauline will work with Penny to provide the comparable data for Towns and Schools. David Hillman will provide the data from private businesses to Penny to include for comparison.

Motion: Kyle Parrish, second by David Hillman. The Committee discussed its composition and decided to send an e-mail / letter to the Council and School Board stating they want to continue as constituted.

Passed unanimously, 5-0.

E. Agenda for Next Meeting

Penny and Kyle will provide the data summarization for the Committee to review. The Committee will begin arriving at conclusions and recommendations at the next meeting.

Adjournment:

Meeting was adjourned at 9:12 p.m. by Chair Hillman. The next general meeting will be at 7:00 p.m. on January 14, 2010 in the Technology Conference Room, in the Basement of Town Hall.

Minutes submitted by: Matthew Sturgis, Secretary to the Committee

Approved by: