

TOWN COUNCIL
SPECIAL MEETING
MARCH 26, 2013
7:00 PM

Mayor Moore-Present
Vice-Mayor Greer-Present
Councilman Ward-Absent
Councilman Massey-Absent
Councilman Doughty-Present
Councilman Metz-Present
Councilman Lewis-Present

STAFF PRESENT: Zeke Jackson, Arthur Miles, Ethel Parks, Chief DiMartino.

CALL TO ORDER:

The meeting was called to order at 7:00 pm by Mayor Moore. Mayor Moore established a quorum with two members, Mr. Ward and Mr. Massey, absent.

PLEDGE OF ALLEGIANCE:

The Pledge of Allegiance was recited by all present.

INVOCATION:

The Invocation was given by Vice-Mayor Greer.

CONSIDERATION OF CHANGES TO EMPLOYEE HEALTH PLAN:

Mayor Moore stated that they are here to consider changes to the employee health and asked Mr. Jackson to explain the changes.

Mr. Jackson explained the current plan, Optima HMO Vantage 10/25, is increasing by 11%. He stated that the in-network deductible is none, co-insurance is none, the cost to go see a primary care physician is \$10 and a specialist visit is \$25. He said that where this plan really saves is with in-patient hospital stays; a maximum of \$500 per hospital stay, emergency room is \$200 but that is waived if you are admitted and urgent care center is \$25. Mr. Jackson noted that one other plan that is similar to the level of benefits that we have and will keep our premium close to what we are currently paying is Optima HMO Vantage 15/80%. He said that the co-insurance goes from none to 20%, primary care office visits increase by \$5, specialist office visits increase by \$10, and the in-patience hospital stay will be 20% up to the out-of-pocket maximum of \$2,000, urgent care increases by \$10 and prescriptions increases marginally. Mr. Jackson explained the third health plan, the Optima HMO HSA, Health Equity. He stated that with this plan the employee will have to pay the first \$2,500 per year out-of-pocket and after that insurance will pay 90% (employee-10%). He stated that, currently the Town contributes \$200 per month to the HSA for the enrolled employee. Once the deductible is met the prescription drug benefit is met and it is similar to the 15/80% plan. He said that the co-insurance on the HSA plan is 10%, primary care office visit-the deductible has to be met and then it is 10% up the maximum, specialist office visit-the deductible has to be met and then it is 10% up to the maximum up to \$2,500. Mr. Jackson noted that to renew the current plan for all employees it will cost the Town \$108,353.88, which is \$10,742.28 more than we are currently paying, the Optima HMO 15/80% will save the Town \$5,111.64 over the current plan, and the Optima HSA 2500/90% will cost the Town \$64,000 the first year due to the \$750.00 incentive per employee plus \$270.83 per month per employee, which is an increase of \$15,673.56 in the first year. He noted that if all employees go with the HSA plan, there is potential for a 4-year projected cost savings of over \$17,000 based on an annual 10% increase. He said that he would like to provide employees a choice over their health care and that a couple of Councilmen have suggested that the employee pay the difference in premium if they choose to stay with the current plan. The difference is approximately \$52.00 per month. Mr. Jackson asked the Council for authorization to put all three plans in place for the employees.

Vice-Mayor Greer made the Motion to accept the three plans as presented. The Motion was seconded by Councilman Metz. Discussion-None. The Motion was passed unanimously.

Councilman Lewis asked if Option 1 (current plan) is the only plan that is going to cost the employee. Mr. Jackson told him it is and that if all employees stay on the current health plan and the Town pays 100% it will cost the Town and additional \$10,742.28. Vice-Mayor Greer said that he feels the \$52.00 per month is a small price to pay, compared to other companies, if the employees chose to stay with that plan. He said that the employees earning lower wages and could not afford to pay the difference would be getting a raise anyway. Vice-Mayor Greer made the Motion to tack on the 11% health insurance increase for those who choose Option 1. The Motion was seconded by Councilman Metz. Discussion-None. The Motion was passed unanimously.

ADJOURNMENT:

Councilman Doughty made the Motion to adjourn the meeting. The Motion was seconded by Councilman Lewis. The Motion was passed unanimously. The meeting was adjourned.

William M. Moore, Jr. Mayor

Ethel Parks, Town Clerk