

Minutes 9-6-05

These are the minutes for the 9-6-05 Called Meeting agenda.

This meeting was called to order at 7:15 PM by Mayor Englund. A quorum was reached with Earl Starks, Richard Hulslander, Ron Cox and Donna Clarke. David Peterson was absent-with-permission doing volunteer work in Lufkin with the Hurricane Katrina Refugees.

Every city employee attended this meeting.

The minutes of August 16 were reviewed. Donna Clarke requested an addition to the last paragraph, page 1. She asked that sentence 2 be changed to read "...cap the employee payroll deduction at \$500 per month for family coverage." With this change, Dick Hulslander moved to approve these minutes, Donna Clarke seconded the motion. Earl Starks, Donna Clarke and Dick Hulslander all voted aye. Ron Cox abstained because he missed this meeting.

GROUP HEALTH INSURANCE: The first item on the agenda was the Group Health Insurance Contract. Foy Pricer from TML attended the meeting and answered many questions that the council had about our current coverage, the changes for this plan year, the claims practices of TML and transition policies.

Mayor Englund said that he must listen when an employee complains that the insurance company does not pay claims, and one Ransom Canyon employee seemed to have had repeated insurance coverage complaints. One such claim involved an accident for a child, and the report was that TML would not cover the accident.

Foy Pricer explained the TML policy for accidents that occurred out of the network area, on vacations for example. The care is covered at 80% usual and customary, until such time that the patient can be moved to an in-network facility. The claim is paid, in other words. Foy said HIPPA laws prevented him from discussing the individual complaints that had been relayed to the city council.

Mayor Englund asked the rest of the employees if anyone had complaints about TML's claims handling. There were no other complaints.

Foy also explained that TML had a 30 day cancellation notice, and he cautioned the city to be sure of their prices with a new company prior to cancellation with TML. If the time passes the annual year, the city would go on a month to month pay anyway. The premium charged effective 1 October will be at the new rates, however. Foy said if Ransom Canyon wanted to go back to TML next year, the group would have to withstand scrutiny on an individual basis, with no balance or discounts offered by the group.

Melissa offered that in her opinion, the removal of the Office Visit Co-pay, which was part of TML's new provisions, would present a hardship.

Earl Starks had several questions for Foy Pricer. Foy explained that the Group Benefits was a risk pool which was one of two risk pools that were managed by the TML League of Cities Group that represented city interests in the legislature.

Foy explained that the 25% increase that was passed along to our group this year reflected our individual city loss ratio that was above 100%. Foy explained that the 25% increase to Ransom Canyon was due to our loss ratio, but the Office Visit 7.5% buy back provision was arrived at from the group losses as a whole. The TML group losses this year were 92%.

Earl commented that since we were being individually rated anyway, leaving the pool was not much of a risk factor. It wouldn't necessarily hurt us to go out and come back in.

Dick Hulslander said there were 2 decisions to be made. One was to decide about the 500 or 1000 deductible plans. Donna Clarke commented that the city could make up the difference if/when employees passed the 500 mark, and the city could possibly save money on the employees who might not reach the deductible anyway. Dick Hulslander said he would like to avoid anything that took the city into a position of managing insurance expenses for employees.

Donna asked if the change would cause the employees to incur a duplicate deductible for 2005. Mary answered that the Scioli and Sypert people had both assured us that in the transition, the new insurance company would assume the individual deductible status as of October 1.

Dick Hulslander commented that he had experience with PacifiCare where they knowingly misrepresented themselves. The council asked if anyone knew United health Care, and Earl checked their proposal to see if they had an exclusion for pre-existing conditions. They did not, for employees who had a 12 month coverage with TML. There was some question about an exclusion for prescription drugs.

Dick Hulslander made a motion:

- To award the bid to United Health Care 500, pending their final underwriting.
- To cap the employee family contribution at \$500, with the city paying the rest of that premium, based on the fees as represented today.
- If the final premium is higher for some reason, the policy will default to the existing coverage with TML.

Donna Clark added that coverage for pre-existing conditions must apply, and former risk pool credit must be given.

Earl seconded this motion

All voted aye to the above proposal.

OVERTIME PAY REQUEST: The next agenda item requested overtime for Cory Needham and Benny Garcia. Dick Hulslander made a motion to pay the OT. Earl Starks seconded the motion, all agreed.

The council agreed that the OT policy should be reviewed to be sure it was in compliance with federal labor laws.

The council told Harold to begin to interview for the new employee. Dick Hulslander will assist with this project. Ron Cox said he also would be available for interviews on Tuesday and Thursday.

Open Forum:

Earl Starks asked if the city planned to do anything to contribute to the Hurricane Katrina relief.

Mayor Englund answered that he will introduce a Resolution to the council to raise funds specifically to pay for gasoline for David Peterson's caravan to and from Lufkin to feed the refugees there. If money is left over, a contribution will be made to the Salvation Army. David took his mobile kitchen and six other volunteers from Ransom Canyon. The Salvation Army sent him to a Pentecostal Church Encampment in Lufkin, where he is feeding 300 people three meals a day, until the local hospital can get up to top speed to absorb this responsibility. Tricia Englund and David's parents went with them. They have had experience feeding people who have lost everything. There are children without parents and parents without children. There are mentally retarded children who are alone.

David reports that his job is feeding three meals, cooking the noon meal. The hospital provides breakfast, and local churches are bringing the evening meal.

David reports that there are around 100 permanent workers there from FEMA, the National Guard, the Red Cross and the Salvation Army, as well as the military presence. The evacuees have immune suppressed diet needs after having been on the I-10 bridge with no food or water for the days of Hurricane devastation in New Orleans.

David plans to return to Ransom Canyon on Saturday.

Fuel costs for the trip are estimated to be around \$1,000.

There was no more business, so Dick Hulslander moved to adjourn, Earl Starks seconded and all agreed.

Melissa Verett

City Administrator