



CITY OF GERMANTOWN TENNESSEE

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Personnel Advisory Commission

March 19, 2014 – 2:30 p.m.

Personnel Conference Room

Municipal Center, 1930 S. Germantown Road

MEMBERS PRESENT: Scott Williams, Chairman; Sudhir Agrawal; Rebecca DeRousse;
Ronald Poll; Steve Priddy; Alderman Rocky Janda;
Susan Hopson; Patrick Lawton; Gelietta Wilson

MEMBERS ABSENT: Mark Holland

PRESENT NON MEMBERS: Adrienne Royals

Call to Order

Chairman Scott Williams called the meeting to order at 2:30 p.m. Code of ethical conduct forms were submitted by commission members present.

Approval of Minutes

The minutes from the March 20, 2013 meeting were accepted as presented.

City Administrator Updates

Patrick introduced Adrienne as the budget and performance analyst for the city. He stated that the role of the Personnel Advisory Commission was an advisory commission to assist with the Personnel department and bring new ideas to the table. All decisions will ultimately be approved by the board and the mayor. Patrick and Susan expressed the value that the commission represents in providing the city with great recommendations.

BMA Direction Surrounding – Wellness & Health Clinic

Susan said that she had attended a Wellness Conference in 2013 where ideas were presented for establishing an in-house wellness program and health clinic. The testimony from other companies was that it did not take a lot of start up cost, could reduce time that employees missed from their jobs, and prescriptions could be dispensed on site.

BMA Direction Surrounding – Wellness & Health Clinic Continued

The health clinic is currently in the budget for the 2015-2016 year with a possible implementation date of January 1, 2015. This would be an external vendor so employees would feel more comfortable with the handling of their health information.

Consensus from the commission was for a RFP process to commence and then the commission would assist in screening the potential vendors to help decide the best fit for the city. Also options for user friendly prevention programs would be considered such as: Diabetes Prevention, Obesity and Smoking Cessation.

One option was for a clinic to be provided at a location such as Walgreens that would allow the employee to be covered under our health plan and to be able to get in and out in a fast and efficient manner thus reducing time away from work. This would assist in reducing the expense of employees going to the emergency room after hours as well.

Review of Changes to Health Plan Last Year

Susan Hopson handed out a sheet, (Summary of Material Modifications), that highlighted changes made during the previous year and the beginning of this year to reduce cost to the city for employee health benefits. Adrienne Royals presented a chart that summarized changes in medical claim expenses. The summary showed that costs are down \$1.1 M.

This is partly due to the combined network of Cigna Great West and Cigna which assist employees in finding more physicians that are in-network especially for those who have dependents who are not in the immediate area. The stop loss usage was down from the previous calendar year. Also the healthcare premiums were increased for employees. All of these changes helped to reduce the cost to the city.

Educating the employees on the savings for mail order is a top priority to further reduce the cost. Currently only 10% take advantage of this savings to the city. A follow up was to obtain the number of employees currently taking advantage of the retail 90 day prescription discount and to educate more employees on this option. This would be an additional benefit for employees that like to go to the local pharmacy versus taking a mail order prescription.

The annual employee survey was cited. There is indication from the survey that satisfaction in our health and retirement benefits went up. The revised cafeteria plan has been a great source of satisfaction for the employees.

Health Plan Discussion

A premium increase in the emergency room visit was discussed. This would be an incentive for the employee to go to a regular physician or after-hour clinic instead of an emergency room to help reduce costs. A possible percentage of the emergency room total visit or an increase to the employee co-pay was presented by the commission. After further information on who is going and how many employees are going, a decision will be suggested by the commission. If the condition was an emergency requiring an overnight stay, the patient would be admitted and the emergency room co-pay would be waived.

Susan Hopson will seek further information on employee visits to emergency rooms and will also send the city's health summary plan description to commission members.

Discussion was also made on the cost of brand name prescriptions versus generic. There is a need to educate the employees on the savings to themselves as well as to the city in receiving generic prescriptions and participating in the mail order program. We need to determine what is the driver of the problem and then the board will make a recommendation.

Susan Hopson distributed a handout showing the different health cost splits and benefit load for several other municipalities. The City of Germantown is currently a 80/20% split which is the normal split. The cost of how much the company pays versus how much the employees pays (premiums and co-pays) will be obtained and given to the commission. The commission will wait on the additional data and make a recommendation surrounding an increase to premiums at the next meeting.

ADJOURNMENT

Scott reminded those present to bring their current company's health care program to discuss in our next meeting on Wednesday, April 2, 2014 at 2:30 pm. There being no further business to be brought before the Commission, the meeting was adjourned at 4:15 p.m.