

A workshop of the Town Board of the Town of Moreau was held on September 11, 2018 in the Town of Moreau Municipal Building, 351 Reynolds Road, Moreau, New York for the purpose of discussing the Town's Health Insurance.

The Supervisor called the workshop to order at 6:00 p.m.

Town Board Members Present

John Hogan	Councilman
Alan VanTassel	Councilman
Kyle Noonan	Councilman
Theodore T. Kusnierz, Jr.	Supervisor

Town Board Members Absent

Gina LeClair Councilwoman

Also present: Leeann McCabe, Town Clerk; Jeffrey Cruz, Principal Account Clerk; Laura Conway and Matt Schuette from Jaeger & Flynn Associates, Inc.

The Supervisor welcomed everyone to the workshop. He commented that he, Councilwoman LeClair and Jeff Cruz had already met with Jaeger & Flynn. He stated that the Board will need to decide which direction they want to go in, for the fiscal year 2019.

A packet was presented to all Board members showing the current rates and proposed rates for MVP, CDPHP and Blue Shield. Mr. Schuette commented that the rates submitted by the insurance carriers have to be approved by New York State. He gave a history of Jaeger & Flynn, stating that the Town has been with them since 2015. He commented that the Town has had a high deductible plan since starting with them in 2015. Mr. Schuette stated that the Town has two plans at present and explained the current costs vs. 2018 costs. He explained that the deductibles and co-pays would remain the same for MVP in 2018. The rate for the MVP Silver 3 plan will have an increase of 11.82% for 2018 and the rate for the MVP Silver 8 plan will have a 13.17% increase for 2018. He also stated that because there are so many different variables of contribution, which they didn't have, he wasn't able to reflect that on the spread sheet. Mr. Schuette stated that they can imbed the information into the spreadsheet if the Town provides them with the employee contribution information.

The Supervisor commented that the Town is paying approximately \$400,000.00 for medical insurance for less than 40 employees.

Mr. Schuette stated that the Town may want to have discussions regarding municipal cooperatives and shared services down the road. He stated that he would be happy to discuss at another meeting.

Mr. Schuette explained the alternative rates. The rate for CDPHP was the lower, which would be a 1.27% decrease from the current plans. Mr. Schuette stated that on paper the benefits are the same. He stated that beyond that it comes down to the network. Ms. Conway stated that it would still be eligible for an HRA. There was a discussion relating to HMO's and Ms. Conway stated that with an EPO, it would give the Town a national network and with an HMO you would need to stay in the local network. She stated that CDPHP is a local plan. A map was provided to show the covered area. Ms. Conway stated that with the CDPHP HMO, you would need to select a PCP but no referrals would be necessary. She stated that you would need to stay in the network, with the only exception being an emergency. She stated that any emergencies that were to occur while traveling out of town would be covered, even if out of the Country. Mr. Schuette stated that for those people who are ill or have an ill child and wish to go to New York City or Boston, it wouldn't be covered. He also gave the example of having a child who is in college. If they're out of the network, they wouldn't be covered (unless an emergency).

Mr. Schuette stated that the Town can offer plans from different insurance companies. He stated that the Town can offer the CDPHP plan as well as the MVP plan, which has the national network. Ms. Conway stated, that by offering two different plans, you're allowing the employee to choose the plan that meets their needs as well as their financial needs. Mr. Schuette stated that he didn't feel the MVP Silver 8 plan fit into the mix. Ms. Conway stated that employees had chosen the Silver 8 plan initially because of the cost.

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She stated that it was priced attractively. The deductibles and out-of-pocket expenses were lower and it gave the employees what they needed at the time. She stated that it's not there now.

Mr. Schuette described some of the other plans which included co-insurance and stated that the two plans the Town has at present, have no co-insurance. He stated that although the Town has high deductible plans, they're high quality deductible plans.

Councilman VanTassel asked if they were recommending that the Town leave the replacement of the Silver 3 and get rid of the Silver 8 and consider replacing with the CDPHP Silver HMO plan. Mr. Schuette stated the MVP Silver 3 and the CDPHP HMO or some combination of those. He stated that there's no harm in keeping the Silver 8, it wouldn't cost the Town any more to have a third plan. He stated it would add a layer of confusion to offer three plans instead of two. Ms. Conway stated that there would be a difference in premiums for the employees who would want the national plan.

The Supervisor stated that by looking at this from a financial standpoint and keeping in mind the budget with trying to stay within the 2% cap, it's was clear to him what option they should be looking at. Mr. Schuette stated, that at Jaeger & Flynn, they have 92 employees and they offer MVP Silver 3 and CDPHP HMO for options.

The Supervisor stated that he has to have the tentative budget completed by the end of this month, by law. He stated that he would have the Town Board members review the information tonight and be prepared to act on it at the next Town Board meeting, so they can plug the numbers into the budget. He suggested that if the Board members have any questions, they can reach out to Jaeger & Flynn.

The Supervisor asked when the new rates would kick in. Ms. Conway stated that the renewal is December 1, 2018 and that the rates would take effect that same day.

Mr. Schuette stated that if the Town wants to give him a breakdown of employee contributions, he'll be happy to integrate those into the numbers for those two plans. He'll break down the Town costs and the employee costs.

Councilman Noonan asked about the CDPHP vision plan. He noticed that the MVP has exam and hardware every 24 months and CDPHP is exam and hardware every 12 month. Ms. Conway stated that most employees probably never use the vision insurance that's embedded in the medical. She stated the Town has such a rich vision stand-alone plan through CSEA, which isn't subject to a deductible.

Councilman VanTassel stated that the out-of-network plan might be an issue for some employees. He also stated that it will be a personal choice. Ms. Conway stated that depending on what college or university a student goes to, they may offer insurance programs. She stated that sometimes it makes sense to put their children on a separate plan through the university. She stated that it's all in the math. If a mom and dad are already paying for a family plan because they have more than one child, it may not make sense to purchase another plan. If they only have one child and don't have to pay for a family plan, it may make more sense to purchase a separate plan.

The Supervisor thanked Ms. Conway and Mr. Schuette for their time.

The workshop concluded at 6:34 p.m.

Respectfully submitted,

Leeann McCabe
Town Clerk