

**City of Coral Gables City Commission
Special Meeting
September 5, 2014
City Commission Chambers
405 Biltmore Way, Coral Gables, FL**

City Commission

**Mayor Jim Cason
Vice Mayor William H. Kerdyk, Jr. (Absent)
Commissioner Patricia Keon
Commissioner Vince Lago
Commissioner Frank Quesada**

City Staff

**Interim City Manager, Carmen Olazabal
City Attorney, Craig E. Leen
City Clerk, Walter J. Foeman
Human Resources Director, Elsa Jaramillo-Velez**

Public Speaker(s)

Robert Shafer, Insurance Consultant

Mayor Cason: All right. Good afternoon, everyone. Welcome to the special session today of the Commission on insurance matters, approving the insurance contracts, and I will ask Interim City Manager if she would introduce the item.

Interim City Manager Olazabal: Yes. Item -- I guess -- do we first need to approve the minutes?

City Attorney Leen: No, it's a special meeting.

Interim City Manager Olazabal: It's a special meeting, OK. So Item B-1 is a resolution approving the recommendation to award a group healthcare insurance,

Florida Blue, a dental insurance, to Florida Combined Life; the vision insurance to Humana, the insurance; the life insurance to Unum; authorizing the City Manager to execute a contract with Florida Blue for a one-year term, effective October 1, 2014 through September 30, 2015, with the City's options -- option to renew on a yearly basis; a contract with Florida Combined Life for a two-year term, effective October 1, 2014 through September 30, 2016; a contract with Humana for a two-year term, effective October 1, 2014 through September 30, 2016; and a contract with Unum for a two-year term, effective October 1, 2014 through September 30, 2016. And Elsa Jaramillo-Velez is here to present the -- to process the results and give a recommendation.

Human Resources Director Jaramillo-Velez: Good afternoon.

Mayor Cason: Good afternoon.

Commissioner Lago: Good afternoon.

Human Resources Director Jaramillo-Velez: As you all know, in mid June we were notified that Humana was not going to continue their contract with Baptist, effective August 15, so we went out to RFP (Requests for Proposal) in July, and these are the results of that RFP. We received for the group health insurance, we received responses from Florida Blue, from Humana, and from United Healthcare. For the dental, we received responses from Assurance, from Delta Dental, from Florida Combined Life, from Humana, from Standard Life Insurance, and from United Healthcare. For the vision, we received the responses from Humana and from United, and for the life insurance and AD&D (Accidental Death & Dismemberment), we received responses from CIGNA (Connecticut General Life Insurance Company of North America), Florida Blue, Hartford, Minnesota Life, Standard Life, Symetra, and Unum. The Evaluation Committee met. The criterias that were looked were four of them. The overall costs, those were 40 points. The service and network capacity,

that was 25 points; coverage offered, that was 20 points; and corporate stability, that was 15 points. Bob Shafer, the City's consultant, analyzed and provided us with a summary of all the different plans, all the various responses. And what we're talking about is -- hold on a second. The Evaluation Committee met, and based on the overall package that was provided and based on the analysis that Mr. Bob Shafer provided us, that's when we decided to have the group health insurance for Florida Blue, the dental for Florida Combined Life, the vision to stay with Humana, and the life insurance to go to Unum. The Insurance Advisory Committee also met, and they concurred with the Evaluation Committee's recommendation, and that's what we have before you. We can go into the specifics, I guess Bob, if you want to go into the specific reasons why the various companies were selected, the benefits that they were providing that attracted the Evaluation Committee to vote the way they did or we did.

Robert Shafer: Sure. Thank you very much, Elsa. And first of all, thank you very much for pulling this together on a special. I know that was quite a task so that it helps keep the timing of this going, so I appreciate that very much.

Mayor Cason: If I could say that the Vice Mayor is out of the City, probably out of the country, so he would have been here otherwise.

Mr. Shafer: Right.

Mayor Cason: -- that's why he's not here.

Mr. Shafer: Thank you. The health insurance, as was mentioned, is going with Florida Blue. It was a good situation, excellent situation, actually, for the City. They match and the current benefits that we have in place, offering two HMOs (Health Maintenance Organizations) and a PPO (Preferred Provider Organization) program; actually upgrading one of the HMOs that used to be what's called "Gated," meaning, you needed a referral to go to your specialist. Both of them are open access HMOs,

so that's an upgrade there at that same time. The premiums are about basically the same as what you're paying right now, which is pretty much what we expected. You might remember, I was here with you probably three or four months ago talking through the renewal, so we knew from a pricing standpoint we had a very competitive program, and so when we got this program, we weren't really expecting, you know, a windfall of cash in that regard, so it -- but it supported how competitive our program was with Humana, pricewise, and so this is just underneath .3 percent.

Commissioner Lago: When you say 3 percent, are you talking about a 3 percent increase from our --?

Mr. Shafer: Three-tenths underneath where we are now.

Commissioner Lago: Point three.

Mr. Shafer: But, again, when you put the numbers to that, I mean, it's 9 or \$10,000. It's a minor amount less than what we're paying today in total.

Mayor Cason: Anything change in terms of the experience, in terms of catastrophic sicknesses or anything? Is that basically the same?

Mr. Shafer: It's basically -- it's all the same. They're matching the benefits of what we have today, OK. Maybe there's a little nuance here and there, but that's more of just how insurance companies pay things, but the major benefits are what we're talking about there; they're the same as where we are today, and that was part of the RFP, is that we identified our plans. We broke them down into probably 25 to 30 different benefit levels, showed them where we are, and asked them to respond, and they can match straight across. For a group of this size, it's more customized as opposed to an off-the-shelf product.

Mayor Cason: Any impact on doctors people can see?

Mr. Shafer: Well, there could be. I mean, every carrier has networks, and that's the focus of an HMO. An HMO is nothing but in-network benefits, so Dr. Smith isn't always in everybody's network. However, Florida Blue is one of the largest networks around. They got their start with just being network. That's what Blue Cross Blue Shield means; one's a connection with a doctor and one's a connection with a hospital. And so they've been doing networks, I guess, since day one, and they're considered one of the largest investment networks in the state, and so it gets us great availability of hitting or seeing your doctor in the network. From a hospital standpoint, remember, the main focus of this, the reason we went to the RFP, was because of the Baptist Health situation. They are in the network. In fact, they have even a stronger situation than just being in the network. They have a true partnership with them. They have something that's called "Accountable Care Organization." It's an agreement whereby Florida Blue and Baptist are working together for better outcomes and more cost-effective outcomes, and so they're part -- outside of the network, they're partners already, and Florida Blue is doing this with a couple of hospital systems around the state, but not many, but Baptist is one of them. So regardless of the networking, they have created a partnership there that will last for a long time, which I think just solidifies the network side of things as well. Any other questions or I keep going?

Commissioner Quesada: Yeah, basic question. I see here on your report, pages 7, 8, 9, sort of breakdown. I just want to -- if you can just summarize for us so we can have it on the record here. What's the average employee going to pay monthly for health insurance?

Human Resources Director Jaramillo-Velez: Well, it depends --

Commissioner Quesada: I guess it really depends if it's spouse --

Human Resources Director Jaramillo-Velez: It depends.

Commissioner Quesada: -- it's your children, yeah.

Human Resources Director Jaramillo-Velez: Exactly. It depends on whether there's spouse and children.

Mr. Shafer: It's going to be similar to what they're paying right now.

Human Resources Director Jaramillo-Velez: Right. Right now they're -- for example, the City covers the cost of the 712, right? So it will go to 710.

Commissioner Quesada: OK.

Human Resources Director Jaramillo-Velez: So it's a difference of a few dollars, so it's right there.

Mr. Shafer: Yeah.

Human Resources Director Jaramillo-Velez: And it depends on (UNINTELLIGIBLE).

Mr. Shafer: From a price standpoint, it's almost as this exact same amount.

Commissioner Quesada: OK.

Commissioner Lago: Can you do me a favor? Can you explain a little bit about the funding arrangements that allow for a possible split of any unused balance between premiums and expenses? I think that's -- when I read that, I --

Mr. Shafer: That was actually my very next item that I was getting to. It's exciting in that it's a shared funding arrangement. Let me back up a second. This is a fully insured end product. It's not self-insurance. It's not close to self-insurance. This is just a funding mechanism attached to a fully insured health plan. That gives you protection. You want to be fully insured at this point. However, they have -- it's called "Pro Shared Funding." And at the end of a two-year period, a two-policy year period, there's a look back over that two-year period, and they compare premiums to expenses. Expenses would be claims, administrative costs, OK. Premiums to expenses. If there's money left unused, if there's a balance, they'll take that balance, cut it down the middle, give us back 50 percent.

Commissioner Lago: Cost sharing.

Mr. Shafer: Right.

Commissioner Keon: But under the healthcare laws. Under the statute of healthcare laws, they're required to spend -- what is it? -- 80 percent of their premium dollars on services?

Mr. Shafer: Yes, yes. That's the medical loss ratio.

Commissioner Keon: Right. So they use -- don't they annually -- when they evaluate that, do they -- they do a return on the -- to the policy holders?

Mr. Shafer: There could be. There could be.

Commissioner Keon: OK. So that's -- so this is a two-year one as opposed to a annual one?

Mr. Shafer: This is separate from that situation.

Commissioner Keon: OK, so separate from that.

Mr. Shafer: It's separate from that situation.

Commissioner Keon: OK.

Commissioner Lago: Let me ask you another question, and this goes back to -- I remember Keon, who mentioned in a previous meeting -- I'm not sure exactly what date it was, but I -- something that really stuck with me in regards to wellness.

Mr. Shafer: Yes.

Commissioner Lago: We're striving for wellness. I'm working on a project right now that Danette is probably going to be reaching out to the City Manager and to yourself to discuss free screenings with the Kidney Foundation. The Kidney Foundation is located here in the City of Coral Gables. I've had two meetings with them. I'm a recipient of a kidney transplant when I was very young. Thank God; I've never had any problems, you know, in the last 30 years after my surgery. But the reason why I bring this up is because I -- they're offering, at no cost to the City and to its employees, kidney screenings to test for a multitude of potential issues, especially people who are diabetic, have kidney problems. What are we doing? What does this plan offer? How does that address the issue that Commissioner Keon brought up, which is incredible, because the future is wellness --

Mr. Shafer: Sure.

Commissioner Lago: -- preventative medicine. So what does this plan offer? because I see one of the stipulations is a \$40,000 wellness credit for taking their

healthcare coverage. Now, I'm looking here -- we're talking about a \$3.4 million City expense only, obviously. It doesn't talk the premiums that the individuals who are on the City plan will be paying on a monthly basis. But what are we looking at? Does this plan offer anything in regards to wellness --

Mr. Shafer: Sure.

Commissioner Lago: -- incentives to stay healthy?

Mr. Shafer: It definitely does.

Commissioner Lago: Weight loss, you know, involvement.

Mr. Shafer: They're very aggressive for an insurance company in the wellness area, and this is something we've been having discussions with for a while.

Human Resources Director Jaramillo-Velez: With Baptist and different people.

Mr. Shafer: Right, right. We've had discussions with several vendors already, talking about wellness. This kind of got in the middle of it for a second. We needed to sort of get this settled before we could pick it up again. But like Humana has their programs of wellness, Florida Blue has it, and it's really kind of ramped up even more than that. They have all the lunch and learns, all -- they'll have screenings that they will also provide. Now, I think it's a great idea what you're talking about, to bring in somebody else. I think that's --

Commissioner Lago: Yeah. That's national foundation, which we're going to bring hopefully --

Mr. Shafer: Sure.

Commissioner Lago: -- after we have the meeting with the Manager. I was just getting the foundation laid to be able to bring that forward to the Commission, and it's just going to be completely free. And what the key there is to try to find people who have any issues with their blood pressure -- systolic, diastolic -- who may have any issues in regards to their liver enzymes or their kidney enzymes and try to deal with those issues before it becomes a grave problem and it becomes a costly problem, which, in the end, will drive up our costs as a city.

Mr. Shafer: That's kind of the whole focus of wellness.

Commissioner Lago: Especially if it's free.

Mr. Shafer: It's to not only look at the individual to try to create kind of a baseline, if you will, but also encourage a lifestyle change when it's necessary. The \$40,000 credit -- I'm sorry. I didn't mean to --

Commissioner Lago: No, no. I was going to give you something -- you said something that was very pointed, and it goes back to Baptist. Baptist is -- has the most hospitals in the county right now. They have a hospital located within Coral Gables, Doctor's Hospital, so they're -- they see the "800-pound gorilla" in this community. They have an extensive network, so I think it's an incredible partnership to have them with the City of Coral Gables. But I learned something very interesting, and when you talk about wellness, look what Baptist does, OK. My wife gave birth on Friday in South Miami Hospital. It was a very pleasurable experience. But when I went downstairs to have lunch, they have a \$3 menu, which is healthy menu. So, for \$3 you get a glass of water, you get a piece of chicken or fish, vegetables, and a whole grain piece of bread. So, basically, that line of people trying to get that \$3 deal was longer than any other line. People do it -- obviously, this is a cost saving, because they're pushing wellness. I think if we need to look

more into detail on -- you see the large companies doing that, because at the end of the day, it affects their bottom line. All the employees were in the line trying to save all that money. Because if you buy at regular menu, you probably spend 7, \$8, \$9, \$10.

Mr. Shafer: We couldn't agree with you more, and we've been doing a lot of that work already.

Human Resources Director Jaramillo-Velez: We have quotes.

Mr. Shafer: Yeah. We had some quotes --

Human Resources Director Jaramillo-Velez: We have two different quotes from Baptist.

Mr. Shafer: -- from some vendors to help us out already.

Mayor Cason: Can --?

Mr. Shafer: And what this will do? -- it says \$40,000 credit. Actually, it's a \$40,000 check. Once all the dust settles, we get all of this in, we will write a letter to Florida Blue and say we would like to receive our \$40,000 wellness credit, and they will use our letter as kind of an invoice, if you will, to write a check for \$40,000, payable to the City; then the City can take that \$40,000 and then spend it -- actually, spend it however you want, but this is really -- we would want to spend it for wellness, and that's what it's designed for.

Mayor Cason: Question about -- a lot of the individual -- I'm on a federal fegli it's called -- which it used to be Coventry and now it's Edna. They have a whole range of wellness programs where individuals can sign up and they'll give you, individually, \$50 credit if you take a health --

Mr. Shafer: Assessment.

Mayor Cason: -- assessment if you'll follow through, if you -- They have coaches. They have nutritionists who'll be on the phone with you and so on. So --

Mr. Shafer: Florida Blue has all of that.

Mayor Cason: OK.

Mr. Shafer: And what I think we may want to do, just as a thought, and I talked to another municipality about how they use their wellness credit. They did that same thing, in that they created a -- like gift cards like to Target, and they had like a \$25 gift card. You fill out this, you get your \$25 gift card, or you do something else. And that was also -- And so they used their credits that they got back and spent them on that, again, to encourage people to get in line.

Mayor Cason: Can we, as part of this, invite the wellness people or the coaches or the examiners to come to some -- either City Hall or some facility and bring our employees in, do the assessments, because it's a lot easier that they come to you and you have to take time out of your work.

Human Resources Director Jaramillo-Velez: Absolutely. We have talked about having several locations throughout the City.

Mr. Shafer: We've already kind of looked to try to identify the best location, that we grab them.

Mayor Cason: Because Baptist was doing that with our seniors over at the Youth Center...

Mr. Shafer: Yes.

Mayor Cason: -- once a year, and they've added -- not only they give free flu shots for the first 100 people, but they also do -- we got them to bring in hearing tests; lots of kind of tests that you don't normally get, but they had four or 500 people there, and you get in line and you get all kinds of advice. That kind of a model would be great.

Commissioner Lago: You know, that's -- The National Kidney Foundation, we are going to bring that forth now to the City, once the Manager provides their insight in regards to how we want to handle this. I want to see how many of the 800 employees that we have to take advantage of this free, completely free screenings. So, I mean, I think that's going to kind of -- that's going to be a litmus test.

Mr. Shafer: Yeah. You will know that that's going to need to be encouraged --

Commissioner Lago: Of course.

Mr. Shafer: -- in all of these plans, regardless.

Commissioner Lago: And they're in the City, they are on Ponce de Leon.

Mr. Shafer: It's -- it starts from the top, you study any of these things, it starts from the top. It works from you down to the Managers; the Managers down. I mean, it's -- So what you're saying right now is extremely encouraging for us as we're trying to develop the wellness.

Mayor Cason: Particularly because, if bad experience -- things that could have been caught or not caught because people are lazy, for example, or just too busy to take advantage of this, or whenever it was. In the end, we may end up paying for it in our

insurance, because they didn't catch it and it's too late; then we get a million dollar bill for all kinds of things.

Mr. Shafer: Absolutely.

Commissioner Keon: One of the biggest issues I think that drive healthcare costs are chronic illnesses, and I've seen some models for wellness programs where once you've identified your population that are diabetic in a wellness program, they oftentimes with the hospital would summon -- they manage -- they help them manage their diabetes between, you know, diet -- it's a very much more holistic program where it is. It's diet, it's exercise, but it's also, you know, making sure that you, take your insulin, that you have your insulin, that you don't forget to pick it up; that it, you know, remains affordable for you. And the other one is high blood pressure. I think are probably two of the biggest chronic illnesses that really drive up healthcare costs, and they are both something that, you know, can be managed, and -- I mean, that people oftentimes don't manage well on their own, but when they're given sunny and people to actually help them and to stay in touch with them with regard to their healthcare issue, they will manage it, and they'll manage it much better. And I think, you know, those are some of the elements of a wellness program I would like to see. I know, then, all of them have, you know, their online programs and whatever else, but you know, there's --

Mr. Shafer: Well, that's just a part of it.

Commissioner Keon: Right, that's just really a part of it, but I think it's a -- we can find a way to help people manage chronic illness, we will save considerably in, you know, our cost for insurance, but also having a healthier workforce that comes to work more often and is in better shape and feels better and, you know, is a more productive workforce also, so it's (UNINTELLIGIBLE).

Mr. Shafer: It helps in absenteeism.

Commissioner Keon: Absolutely.

Commissioner Lago: Just to go off what Commissioner Keon just said. If you look at the concept that I mentioned in regards to Baptist Hospital, South Miami, they give you that \$3 lunch, they're incentivizing you, basically to save 8 or \$9 a day, have the lunch or have dinner, depending on what your work schedule is; you save all that money, but subliminally behind you, you're actually saving the hospital money, 'cause they may not be making money in the cafeteria, but they're making money in the long run, because if you're eating food with less sugar, less salt, you know, you're kind of putting yourself on a dietary situation where you're being healthier.

Mr. Shafer: I agree.

Commissioner Lago: So --

Mr. Shafer: I agree wholeheartedly.

Mayor Cason: And the other thing, too, is a smoking sensation, things of that sort. Some organizations, they'll give you -- they'll do everything possible to help you stop smoking, to do all these things; and if you don't, some organizations turn it around, and they start penalizing you in terms of your -- Because a few people decide they don't care and we end up paying for it. You know, there'll come a time where we may have to look at a combination --

Mr. Shafer: Yeah, that's a contribution strategy inside of the whole plan.

Commissioner Lago: Let me just -- Going off what the Mayor said, how do we handle insurance? -- obviously, we have to provide insurance benefits for all

employees.

Mr. Shafer: Correct.

Commissioner Lago: That's my understanding, correct? We have to provide insurance benefits for all employees.

Human Resources Director Jaramillo-Velez: Yes.

Commissioner Lago: They can opt out --

Human Resources Director Jaramillo-Velez: Yes, but remember --

Commissioner Lago: -- but we have it by law.

Human Resources Director Jaramillo-Velez: -- the insurance that we're dealing with today is sort of like the general employees.

Commissioner Lago: Yeah.

Human Resources Director Jaramillo-Velez: This excludes Fire and Police that their own trust.

Commissioner Lago: So when I go and fill out -- for example, I filled out a life insurance policy a few years ago. They asked me, "smoker," "nonsmoker?" Nonsmoker. My question to you is when someone fills out this new insurance policy, are they going to have to state that they've been a smoker for 10,15, 20 years? And how do we limit that exposure?

Mr. Shafer: Well, right now there's nothing in place to do that. It would need to be

something that we would -- maybe it's part of our wellness initiative going forward.

Commissioner Lago: Because I think that's catastrophic.

Mr. Shafer: Yeah.

Commissioner Lago: Because let me tell you, if someone -- again, like the Mayor said, I hate -- I use this word very carefully, very carefully. If you're irresponsible right now in 2014 and do not understand that smoking will kill you, you know --

Mr. Shafer: Right.

Commissioner Lago: -- you're -- basically, what you're doing is you're turning a blind eye and you'll potentially leave your family behind in a very horrible situation, and you're doing a disservice to your employer. So I think that's something that we need to maybe look at-- I don't know the legalities. I'd have to look into our --

Mr. Shafer: I mean, that's definitely something we can talk about and see a strategy -- again, that gets back to being kind of a contribution strategy, but it's an encouragement back to -- going back from (UNINTELLIGIBLE).

Commissioner Lago: Well, you know that you pay more -- you know you pay more life insurance --

Mr. Shafer: Right.

Commissioner Lago: -- if you mark off the fact that you're a smoker --

Mr. Shafer: Absolutely.

Commissioner Lago: -- that you have health conditions. The older you get, your life insurance policy premiums go up, so --

Mr. Shafer: Absolutely.

Commissioner Lago: -- why is it that you're basically forced to pay more as you get older or when you have, you know, an existing precondition or you're admitted smoker for 20, 25 years, 15 years, whatever the time may be -- I think that has to apply to health insurance.

Mayor Cason: Yeah. One of our fastest growing items in the budget is health. I mean, we're spending millions and millions. And as you said over and over again, it's because of the experience we had -- one of the times we discussed is there were a couple of people that had a couple of million dollars, \$500,000. It'd be interesting to find out if those were smokers, for example. But the impact of irresponsible behavior or habits, we, the taxpayers, are stuck with that bill. So I think it would be -- we ought to do everything we can to encourage --

Mr. Shafer: OK.

Mayor Cason: -- through the unions, which represent them, to take advantage of something that should improve not only their life, but their families and enable the City to be in a better financial health so we can do other things.

Mr. Shafer: Well, we expect to be back in front of you in the short term to talk to you about wellness --

Commissioner Lago: And that's something --

Mr. Shafer: -- and a suggested program to go along with that.

Commissioner Lago: Something I was going to mention before, because if you're going to come before us, I was looking in regards to our Insurance Advisory Board, and they have met twice in a year. Let me see. There's a bunch of no meetings, no meetings, no meetings. Predominantly, you know, you see one, two, three, four, five, six, seven, eight, nine, ten no meetings, and they met twice. So maybe we, as elected officials, who these individuals represent us, maybe we can have these meetings more often and they can discuss, I don't know, health fair, getting -- engaging, you know, the employees to do something. Let's take advantage of these individuals who are giving up of their time, you know, to -- instead of just only showing up for two meetings, let's get them more engaged.

Mayor Cason: By the way, just to --

Commissioner Lago: Proactive.

Mayor Cason: -- to correct the record, it shows that I don't have an appointee, but Roger Serola has been my appointee for several years. So we -- all five -- we have five -- five reps, I think; one of them is not listed, but --

Commissioner Keon: They skipped him.

Mayor Cason: Yeah, yours.

Commissioner Keon: Mine, yeah.

Mayor Cason: We have five people; they do show. If it's --

Commissioner Lago: It would be great, I mean they're on the board. I mean, they want to help out the City for a reason, so maybe we can have more meetings.

Mr. Shafer: One other item here, if you think you like it so far, it's just going to get better. The dental carrier that we're staying -- we're staying with our existing dental carrier, Florida Combined, and that's important for a couple of different reasons. One is voluntary only. The employees are paying for this, so you don't want to disrupt that -- talking about networks and having to find new dentist or whatever. You don't want to disrupt that network, unless it's a significant difference; otherwise -- because it's their money and they've chosen that. Florida Combined has worked well with us for years. The price has been very competitive. They are a subsidiary of Florida Blue. And so you might see on my notes that I left for you there's a \$40,000 wellness credit for renewing their dental coverage. That's in addition to the \$40,000 before, so now that number's up to \$80,000. So now we have assuming your approval, we have an \$80,000 check coming back from Florida Blue that we can use really however we want, but really focused on wellness is the idea so --

Commissioner Keon: They're very responsive.

Mr. Shafer: They're --

Commissioner Keon: -- in -- with the dental insurance. They really are very responsive to claims and --

Mr. Shafer: And we're --

Commissioner Keon: --they do a good job.

Mr. Shafer: By being able to combine -- for us, from an administrative standpoint, being able to combine the medical and the dental, we have then now a local account manager, which is important to us from a support standpoint as well, so that's very important. The vision care is with Humana. It's a voluntary vision plan. It's been

in place for about a year and a half; got a good participation. It's got a two-year rate guarantee from there. The life insurance will be moving to Unum from Standard Life. This is a hundred percent paid by the City; includes all employees, including Police and Fire, except on the AD&D portion. But that's about a \$32,000 annual savings to the City by making this change of same benefits and it's -- I don't want to minimize it. It's life insurance. I mean, it's not a lot of bells and whistles that go along with it.

Commissioner Lago: That would be term, right, versus whole?

Mr. Shafer: Yes, it's group term life insurance and AD&D coverage. And so -- but it's \$32,000 annual savings to the City. Off the bat, that's a two-year rate guarantee. So the recommendation is Florida Blue, Florida Combined, Humana, and Unum, effective October 1. That'll tie it to your fiscal year, so now maybe from a budgeting standpoint, it may be a little easier to project those.

Mayor Cason: So it'll be back in cycles, 'cause we were all cycled on a couple of the others.

Mr. Shafer: Well, yes. We're trying to get everything under October 1.

Mayor Cason: Great. That'd be great. One of the suggestions might be, since we have a Teamster Union referenced here, is to check with your members and see what they would like in terms of -- they may have ideas in terms of wellness, things that we haven't thought about, the kinds of check-ups they would like and -- I mean, this is for your membership.

Commissioner Lago: You know, you're talking about -- since we're talking about money. This is -- bottom line, this is about all -- this is about saving money. If we're going to be getting back, let's say, close to hundred and -- \$102,000, I think --

\$112,000 was the amount, if we put both 40 and 32, and we can pledge that money towards, you know, obviously wellness, but gym memberships, healthy eating, nutritionists.

Commissioner Keon: You know, most wellness programs that are run through a provider, there is cost to it. I mean --

Mr. Shafer: Yeah, I --

Commissioner Keon: You know, once you have --

Mr. Shafer: Yeah. I'd like the opportunity to be able to come back to you with some at least, format. Because they are vendors that we would like to engage; there's a cost to -- there's a cost to those vendors, as well, but we'll take advantage, obviously, of the Kidney Foundation, but from the kind of the management of the --

Commissioner Lago: You have to take advantage of it, because it is free.

Mr. Shafer: Yes, exactly.

Commissioner Lago: That's the bottom line.

Mr. Shafer: From the management --

Commissioner Lago: And they wanted to see all 800 employees, so --

Mr. Shafer: Yes.

Commissioner Lago: -- you can't turn away "free."

Mr. Shafer: Yes. From the management of it and from the long-term commitment of it, there will be some dollars that go into that; nothing close to what I'm talking about getting back --

Commissioner Keon: Right.

Mr. Shafer: -- but still, there is some, so I --

Commissioner Keon: There is a cost.

Mr. Shafer: -- I'd love to be able to come with a framework first and then let you, you know, add to it, if you're --

Commissioner Lago: It just has to be simple. Always remember that.

Mr. Shafer: Initially, for sure.

Commissioner Lago: It has to be completely simple process for people to get into wellness.

Commissioner Keon: Well, it has to be accessible.

Commissioner Lago: It can't be complex.

Mr. Shafer: I agree.

Commissioner Lago: If it becomes complex --

Mr. Shafer: I agree.

Commissioner Lago: -- people are not going to --

Mr. Shafer: They won't show. They won't show, even if it's free.

Mayor Cason: We can have a 20 kilometer run and ask Frank to lead it.

Commissioner Lago: Twenty kilometer run; you're going to lead it, you're going to run?

Commissioner Quesada: Absolutely.

Mayor Cason: Just kidding.

Mr. Shafer: Not in this heat.

Mayor Cason: Anymore questions? Anybody have anything else you'd like to ask?

Commissioner Keon: No.

Mayor Cason: If not, do we have a motion?

Commissioner Keon: I just want to ask about the renewals and the "opt out" -- so is it October 1 that people have the opportunity then to "opt in" or "opt out" of what they do? Is that right or no? I mean, with like vision and dental and all those --

Mr. Shafer: Yes.

Commissioner Keon: -- other things.

Mr. Shafer: Yes.

Human Resources Director Jaramillo-Velez: Right.

Mr. Shafer: This is the open enrollment period. Yes.

Commissioner Keon: OK.

Human Resources Director Jaramillo-Velez: Yeah. It will start next week.

Mayor Cason: So they'll make sure everybody gets notified of --

Human Resources Director Jaramillo-Velez: Yes.

Mayor Cason: OK. All right.

Commissioner Keon: When will they have the cards and all of the things available? I mean, from the time that we approve whatever else until -- I mean --

Human Resources Director Jaramillo-Velez: We have a conference call with them scheduled for Monday morning.

Commissioner Keon: OK.

Human Resources Director Jaramillo-Velez: And we have a lot of different things to discuss, including something called "passive enrollment," which is a process that they -- everybody stays as they are presently, and then we will allow an additional, like 30 days for everybody to -- if they want to reconsider and change the action to the different plans, they can.

Commissioner Keon: OK.

Mr. Shafer: This is an excellent way of trying to get everybody into the system as quickly as possible, and that's really our goal here. I mean, from what I do, three weeks is a short period of time to make a group of this size happen, so if we can do the passive enrollment, we can, theoretically -- no; reality, get electronically from Humana down, send it over to Florida Blue, and then everybody will be in the system.

Commissioner Keon: And everybody is enrolled in --

Mr. Shafer: And then Florida Blue will come back out, let's say, on the flip side of that, explain the plans to the employees again, and then allow -- they're going to allow a 30-day window from October 1 to the end of October to change.

Commissioner Keon: OK.

Mr. Shafer: The idea is we want to get everybody in the system as quickly as we can for October 1st.

Commissioner Keon: Right. So everybody --

Mr. Shafer: Invariably, if I'm your employee, invariably, October 2 something's going to happen to me, so I want to try to get this information in as quickly as I can. Then the employees will have a chance in October to look at it again and say, "You know, I didn't want to really just be moved from this HMO to this HMO. I wanted to get over to the PPO." Great; now you can do that, but it gets them into the system as quickly as possible.

Commissioner Keon: OK. All right.

Mr. Shafer: So that's what we're discussing.

Commissioner Keon: So they know that they're covered for -- from October 1st on?

Mr. Shafer: They will be covered from October 1st on with Florida Blue.

Commissioner Keon: OK. And are we still covered through Humana until October 1?

Mr. Shafer: Until October 1. There's no gap in coverage.

Commissioner Keon: Oh, so there's --

Human Resources Director Jaramillo-Velez: Yeah, there's no gap in coverage.

Mr. Shafer: No gap in coverage. You know, just the reality right now is that the Baptist Health System is now part of a --

Commissioner Keon: Right.

Mr. Shafer: -- network.

Commissioner Keon: But even now --

Mr. Shafer: And even now today --

Commissioner Keon: Even now, Baptist Health is not part of this -- the network.

Mr. Shafer: Even now today --

Commissioner Keon: OK.

Mr. Shafer: -- they do not have an agreement in place.

Commissioner Keon: OK, all right. The employees need to know and understand that, that there is no gap, but they --

Mr. Shafer: Right, there's no gap in coverage.

Commissioner Keon: But Baptist is not --

Mr. Shafer: There's something in the Florida law called "No loss. No gain." So, you don't lose benefits; you gain benefits because of the change in carrier. And so, if you had coverage before, then you have coverage going forward.

Commissioner Keon: But the coverage is under the contractual conditions of Humana at this moment?

Mr. Shafer: Absolutely.

Commissioner Keon: OK.

Mr. Shafer: And it is till the end of September, the last -- till midnight of September 30th?

Commissioner Keon: Yeah.

Mr. Shafer: OK, October 1st midnight, Florida Blue takes it over.

Commissioner Keon: OK. But -- there's someone -- something happens to someone now, then they --

Mr. Shafer: Then it's Humana.

Commissioner Keon: It's Humana. And Baptist Health Systems is not covered; is that right?

Mr. Shafer: Correct. That's correct.

Commissioner Keon: OK. So they really need to know that if something happens, or whatever, that they got to wait -- I mean -- well, one, if you have an appointment, you shouldn't make -- move it to till October.

Mr. Shafer: For an emergency, they are covered. They can go anywhere they want on an emergency --

Commissioner Keon: Well, for emergency. That's true.

Mr. Shafer: -- basis, but for scheduled planned procedure, it would not --

Commissioner Keon: But if anyone has something scheduled, you know, before October 1, they really need to be advised about that. Do we send out a notice --

Mr. Shafer: Yes.

Commissioner Keon: -- and tell people that?

Mr. Shafer: Yes.

Commissioner Keon: We have.

Human Resources Director Jaramillo-Velez: I know we sent out through e-mail.

Mayor Cason: And their union representative.

Commissioner Keon: OK.

Human Resources Director Jaramillo-Velez: Right.

Commissioner Keon: I mean, it needs to be to be very clear to everyone that if they have a procedure scheduled at Baptist, they should postpone it.

Human Resources Director Jaramillo-Velez: Right. We've... e-mails to them.

Commissioner Keon: OK, thank you.

Mayor Cason: OK.

Commissioner Quesada: Quick question before I make a -- I'll make a motion, but you have any relation to Penny Shaffer?

Mr. Shafer: No, I'm not.

Commissioner Quesada: Is it spelled differently?

Mr. Shafer: It's spelled differently.

Commissioner Quesada: It is.

Mr. Shafer: She has two "f's"; I only have one.

Commissioner Quesada: The president of Florida Blue Penny Shaffer.

Mr. Shafer: Penny Shaffer, right, right.

Commissioner Quesada: I just realized that. I'm going to make a motion --

Mayor Cason: OK.

Mr. Shafer: Yeah.

Commissioner Keon: I second it.

Commissioner Quesada: -- to approve for it to -- following the recommendation of staff, which is approval.

Mayor Cason: OK. The motion's made by Commissioner Quesada; seconded by Commissioner Keon. City Clerk.

Walter J. Foeman (City Clerk): Commissioner Keon?

Commissioner Keon: Yes.

Mr. Foeman: Commissioner Lago?

Commissioner Lago: Yes.

Mr. Foeman: Commissioner Quesada?

Commissioner Quesada: Yes.

Mayor Cason: Mayor Cason?

Mayor Cason: Yes.

Commissioner Quesada: I'm actually -- let me ask you one more thing. Maybe we could reach out to Penny and have her come at the next Commission meeting, once we're fully implemented. I know they like to have their name --

Mr. Shafer: I'm sure she would love to do that. I will be seeing her --

Commissioner Quesada: I know they love the PR opportunities, and maybe it works to our benefit in the future when we renew.

Mr. Shafer: That's a great idea. I think that's a great -- I will be seeing her Monday morning --

Commissioner Quesada: OK.

Mr. Shafer: -- and we can offer that opportunity once the dust settles and we get this in.

Commissioner Quesada: Perfect. Sounds good.

Mr. Shafer: Thank you.

Mayor Cason: Thank you very much.

Commissioner Quesada: Thank you so much.

Mr. Shafer: Great.

Commissioner Keon: Thank you.

Mayor Cason: Anybody got anything else?

Commissioner Quesada: Yeah, I got one quick motion I want to make.

Mayor Cason: Sure.

Commissioner Quesada: To require Commissioner Lago to wear a tie and jacket to every Commission meeting.

Mayor Cason: I second that.

Commissioner Lago: Call the roll.

Mayor Cason: OK, nothing else?

Commissioner Keon: You know, can I -- I have one thing.

Mayor Cason: OK.

Commissioner Keon: You know, we have continued a meeting some time ago, a few months ago. We brought up again to discuss the issue of our schools and working with our local schools or whatever. I asked you if you would mind if I would --

Commissioner Lago: I would love to --

Commissioner Keon: -- continue to take the lead on it. We have -- Fausto Gomez has really been working with us, along with Cindy Birdsill and Carmen in the meeting

pretty regularly with the school system. Any of you that would -- I don't think we're -- we're not ready to bring it to a discussion, you know, in a public -- out of Commission meeting yet, but Fausto can update you at any time so you know, please weigh in --

Mayor Cason: An opportunity as well. There's going to be -- Raquel Regalado has a meeting coming up on the bond implementation. I was invited, but I have another event, so if you wanted to go and -- they wanted representatives from the cities that she represents.

Commissioner Keon: OK.

Mayor Cason: If you're available or anyone else wants to --

Commissioner Keon: This is really -- I mean, I think that it's been a very, very positive experience in our discussions with the school system with regard to our local public schools and types of things that maybe we can help and move toward. But I really would encourage you to talk to Fausto.

Commissioner Lago: I met with Fausto last week, so he gave me an update.

Commissioner Keon: OK. So I really would encourage you to --

Commissioner Lago: I met with some of the individuals from MDCPS in regards to this and -- I thought we were going to have a SHADE meeting

Mayor Cason: At some point.

Commissioner Lago: To discuss this.

Commissioner Keon: I didn't know that -- we could have a SHADE meeting on this?
I don't think it's an issue that we --

Mr. Leen: No.

Commissioner Keon: You can't have a SHADE meeting.

Mr. Leen: You can't have a shade meeting, unless there's pending litigation.

Commissioner Quesada: And what can we --?

Commissioner Keon: We could have a Sunshine meeting.

Commissioner Quesada: Sunshine meeting.

Commissioner Keon: We can have a Sunshine meeting.

Commissioner Lago: I'm sorry; I apologize.

Commissioner Quesada: But hold on a second, though. Why don't we do a workshop in a Commission meeting so we're all involved, because I am a little bit on the outside here. I want to get caught up.

Commissioner Keon: OK, I -- absolutely. That's why I'm -- I wanted to bring it up that, you know please feel free to talk to Fausto. He can -- and -- you know, I think we have been following his lead as to how we, you know, address it and when we, you know --

Commissioner Lago: But I still want to do Sunshine meeting.

Commissioner Keon: Absolutely.

Commissioner Lago: I would like to. Because there's a lot of -- there's a few things that I want to discuss in regards to the schools in the city --

Commissioner Quesada: When you say Sunshine, it makes me think it's just going to be the two of you. Let's do it in a Commission meeting.

Commissioner Lago: Yeah, that's fine.

Commissioner Keon: No. Well, a Sunshine meeting is just -- it's separate and apart, and it's --

Commissioner Quesada: Yeah.

Commissioner Keon: No. It can be as many of us that want to participate.

Commissioner Quesada: I just think at a future Commission meeting, we should do it so we can --

Commissioner Keon: OK, why don't you talk to Fausto

Commissioner Quesada: I'll talk to Fausto first.

Commissioner Keon: Thank you.

Commissioner Lago: There's a few moving parts that Commissioner Keon is not drilling down on right now in regards to the University of Miami, in regards to the public schools, in regards to a few different things that I think everybody needs to come -- get up-to-speed on this, because it may be coming --

Commissioner Keon: Yeah, yeah. But I would really suggest that speak with Fausto and -- when we're ready, it's certainly, absolutely should be on the agenda.

Commissioner Quesada: Should we speak to Fausto?

Commissioner Lago: You want to schedule a date?

Commissioner Keon: You know, if you can speak to Fausto.

Mayor Cason: I've talked with him too.

Commissioner Lago: So you want -- OK, if every -- OK, I've talked to Fausto; you've talked to Fausto. Would you like to schedule a date and have this workshop -- have a SHADE meeting, not a sunshine meeting.

Commissioner Keon: A workshop.

Commissioner Lago: Have a workshop.

Commissioner Keon: Yeah. I would follow his lead on the timing. That's all. Yeah.

Mayor Cason: Come back when we can --

Commissioner Keon: And we can come back with the time.

Mayor Cason: All right. Anything else for today?

Commissioner Keon: Thank you.

Mayor Cason: If not, meeting adjourned.

Commissioner Lago: Thank you.

Commissioner Keon: Thank you.