

CORAL GABLES INSURANCE ADVISORY COMMITTEE

Minutes of April 20, 2009

2801 Salzedo Street – Human Resources Conference Room

MEMBERS	M	J	J	A	S	O	N	D	J	F	M	A	APPOINTED BY
Roger Serola	-	-	-	P	-	P	-	-	-	-	P	P	Mayor Donald D. Slesnick II
Ivan Brannon	-	-	-	P	-	P	-	-	-	-	P	P	Vice-Mayor William H. Kerdyk, Jr.
Juan Carlos Diaz-Padron											P	P	Rafael “Ralph” Cabrera, Jr.
Ignacio Borbolla	-	-	-	P	-	P	-	-	-	-	E	P	Maria Anderson
Ruben Acosta	-	-	-	P	-	P	-	-	-	-	P	P	Wayne “Chip” Withers

A = Absent
E = Excused Absence
P = Present
- = No meeting

STAFF:

Marjorie H. Adler, Human Resources Director
Maria Milian, Benefits Specialist
Michael Sparber, Risk Management Administrator

GUESTS:

Ronald Crumbley, CGEA Acting President
Victor Goizueta, CGEA Second Vice President
Bob Shafer, Robert J. Shafer & Associates, Inc.

RECORDING SECRETARY:

Meralva Piñero

The meeting was called to order by the Chair, Roger Serola at 8:34 a.m. A quorum was reached.

I. INTRODUCTIONS:

For the benefit of Committee members, Ms. Adler, Human Resources Director, introduced Ronald Crumbley, CGEA Acting President and Victor Goizueta, CGEA Vice President.

II. APPROVAL OF THE MINUTES OF THE MARCH 16, 2009 INSURANCE ADVISORY COMMITTEE MEETING:

A motion was made by Mr. Acosta and seconded by Mr. Borbolla to approve the minutes of March 16, 2009. The motion passed by voice vote.

III. BOARD ITEMS/CITY COMMISSION UPDATES/CITY PROJECT UPDATES:

Ms. Adler informed the committee of the City Commission's approval of the Property, Casualty, and ancillary coverages insurance renewal.

IV. HUMANA RENEWAL:

Bob Shafer, Health Insurance Consultant, distributed a report regarding Humana's incurred claims experience and renewal information for 2009-2010.

Humana had requested a 17.6% rate increase based on current trend and the City's loss ratio over the past term. Taking into account the City's most recent health claims history, the paid loss ratio currently stands at 103.8% on the HMO.

Staff and Shafer sought to balance cost to the City, to the employees and offering employees a choice of plans. HUMANA agreed to lower the renewal rate to 4% for a slightly revised HMO. Staff and Shafer also recommended offering an Open Access-HMO and a national Point of Service Plan.

The committee also discussed health and wellness events.

A motion was made by Mr. Acosta and seconded by Mr. Borbolla to recommend that the City Commission approve the recommendation as to the Health Insurance renewal. The motion passed by voice vote.

V. BLUE CROSS/BLUE SHIELD:

Mr. Shafer indicated no change in benefits or rate in the City's Dental Insurance premiums for the 2009-2010 period.

A motion was made by Mr. Acosta and seconded by Mr. Borbolla to recommend that the City Commission approve Mr. Shafer's recommendation as to the Dental Insurance renewal. The motion passed by voice vote.

VI. STANDARD LIFE INSURANCE RENEWALS

Mr. Shafer indicated no change in benefits or rate in the City's Life Insurance premiums for the 2009-2010 period.

A motion was made by Mr. Acosta and seconded by Mr. Borbolla to recommend that the City Commission approve Mr. Shafer's recommendation as to the Life Insurance renewal. The motion passed by voice vote.

VII. JOHNS EASTERN RENEWAL:

Johns Eastern has been the City's TPA for three (3) years after a public procurement. Ms. Adler informed the committee that the first of the two one year renewal options for Johns Eastern will also be going to the Commission.

VIII. OLD BUSINESS:

Mr. Sparber gave a recap of the binding instructions given to our insurance brokers Arthur J. Gallagher and AON Risk Services, Inc. for the renewal of the City's property and casualty insurance program.

IX. NEW BUSINESS:

Ms. Adler informed the committee of the plans to issue a request for qualifications (RFQ) for a voluntary benefits services provider. The service has not been re-issued since 1990. Ms. Adler asked if the committee wishes to participate in the selection process. Mr. Serola and Mr. Borbolla informed Ms. Adler that if American Heritage Insurance Company, a division of Allstate Insurance Company, responds to the RFQ, they would be unable to be part of the Selection Committee. Mr. Acosta, Mr. Brannon, and Mr. Diaz-Padron agreed to sit on the selection committee.

X. NEXT MEETING DATE:

The Committee was advised there would be a meeting in the near future to consider the voluntary benefits services provider RFQ.

XI. ADJOURNMENT:

There being no further business to come before the Committee, the Committee voted to adjourn at 9:37 a.m. by voice vote.

Respectfully submitted,

Roger Serola
Chair

Marjorie H. Adler
Human Resources Director