

APPROVED MINUTES
BOARD OF TRUSTEES FOR THE CITY OF GALVESTON
EMPLOYEE HEALTH BENEFITS PLAN
REGULAR MEETING
March 27, 2019

1. Declaration of a Quorum, Call Meeting to Order, and Roll Call.

Stewart Goff (Chair) – Trustee
Andrew Jefferies – Trustee
Christopher Condy – Trustee
Xavier Hancock – Trustee
Michael Loftin – Trustee
Kent Etienne – Trustee
Stacey Minton – Boon-Chapman

Matthew Gauen – Boon-Chapman
*Arrived at 11:04 a.m.
Kimberly Danesi – Park Board
Christy Shinn – City Staff
Mareia Schreiber – City Staff
Donna Fairweather – City Staff

2. Conflicts of Interest.

None.

3. Public Comment on Agenda Items and Non-Agenda Items.

The City Council adopted a policy requiring that agendas for all City board, commission, and committee meetings include a section designated for public comment on both agenda items and non-agenda items. Members of the public may speak for a maximum of three (3) minutes regardless of the number of items being addressed.

No Public Comment was received.

4. Approval of the Minutes for the Regular Board Meeting of February 27, 2019.

Motion to Approve the Minutes from the February 2019 Meeting made by Xavier Hancock with a second by Kent Etienne. Unanimously Approved by those Trustees present.

5. Continuing report on implementation of CareHere Clinic participant “no show” administrative procedures, report on employee Health Risk Assessment participation, and overall employee health plan/financial participation-utilization information.

Kent Etienne delivered a report of HRA completion. The amount of no shows at the CareHere Clinics is down.

6. Financial reports as of February 2019 to include large claim cases and reimbursement by SA Benefit Services as reinsurer for year effective 10/1/2018. The same individuals are on the stop loss report.

Kent Etienne delivered a report on the current stop loss reimbursements. One Plan Member has exceeded the overage amount for this year. The Plan will start to receive reimbursements for the amounts over \$200,000.00.

7. Receive updates and announcements from Boon-Chapman regarding the Health Plan for the following items:

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- a. **Use of stand-alone healthcare clinics and emergency facilities;**
- b. **Cost drivers for the current Health Plan; and**
- c. **Top Diagnosis Report.**

This item is for informational purposes only and no action will be taken by the Board.

Kent Etienne: There have been questions about using Hospitality Health ER located at 4222 Seawall Boulevard in Galveston with the City's current health plan and network. Plan members have been asking if the facility is in network and how claims will be paid. Boon-Chapman wants to make sure the message to participants is tailored to inform them on what to expect if using this facility.

Stacey Minton: Confusion regarding billing differences at urgent care facilities and stand-alone emergency rooms has been a problem for a few years. There is work going on at the legislative level to address this issue. Stand-alone emergency facilities sometimes charge higher rates to patients. If a provider or facility state Aetna is accepted that does not necessarily mean the provider and/or the facility is in network for the City's plan. Employees need to be educated about their options. All claims that are submitted to Boon-Chapman are paid based on what the plan allows. In network and out of network services are paid differently. The plan determines what part of the charges are covered. The out of network providers do not have to write off any remaining balance that the plan will not pay. Out of network providers can balance bill the patient. The average bill for a stand-alone ER is near \$8,000 while the average bill for an ER in a hospital is near \$6,000. If an employee visits an out of network provider for something life threatening or something that presents as life threatening, they will receive the in network coverage for that service.

Stacey Minton also discussed cost drivers and top diagnoses for the health plan. The diagnosis report compared claims incurred in 2018 to claims incurred in 2017. Cancer was the top diagnosis in 2018 and the number three diagnosis in 2017. Health status/encounters (includes checking for reoccurrences of cancers or is used to diagnose) was the number two diagnosis of 2018 and 2017. Blood disorders increased in 2018. The largest increase from 2017 to 2018 was in cancer, cardiac disorders, hematological disorders, gastrointestinal disorders, and pulmonary disorders. The cost drivers report highlighted all claims submitted in 2018 that were \$50,000 and higher. There were 21 claimants that had payments over \$50,000 in 2018, and there were 12 in 2017. A prescription report was included that showed prescription claims at \$25,000 or higher. There were 15 claimants for both 2018 and 2017. The average script cost and employer cost have decreased in high cost pharmacy cases.

8. **Receive the tentative schedule for the City's Request for Proposals regarding employee health insurance and related services.**

Kent Etienne mentioned that this is the final year of the current plan contract with Boon-Chapman. In consideration with long range projections, the Human Resources Department

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wants to give ample time to schedule the RFP process. A draft schedule was provided to Board Members and Staff. The proposed schedule aims to have the RFP to Purchasing by April 1st and responses will be due to the City by June 1st. No discussion was had on this item.

9. Discuss tentative date(s) for next Board Meeting.

Tentatively agreed upon for Thursday, April 18, 2019 at 10:00 a.m.

10. Adjournment.

Motion to Adjourn made by Xavier Hancock with a second by Kent Etienne. Unanimously Approved. The Meeting was adjourned at 11:23 a.m.


Stewart Goff, Chair

Thursday, April 19, 2019
Date Approved