

MINUTES

SPECIAL CALLED MEETING

METROPOLITAN EMPLOYEE BENEFIT BOARD

July 17, 2012

The Metropolitan Employee Benefit Board met in a special called session on Tuesday, July 17, 2012 in the Civil Service Conference Room, Suite 163, 222 Building, Third Avenue North, Nashville, Tennessee, at approximately 9:30 a.m.

Benefit Board members: Chair: Edna J. Jones; Vice Chair: Christine Bradley; Members: Charles D. Clariday, Sr., *G. Thomas Curtis, B.R. Hall, Sr., W. Todd Henry, Richard M. Riebeling, Rita Roberts-Turner and Clyde D. Smith.

Member Ann V. Butterworth was unable to be present.

Others present: Shannon B. Hall, Metro Human Resources, Nicki Eke, Attorney, Metro Legal Department and Dr. Celia Goodson, Civil Service Medical Examiner.

A. APPEAL ANNOUNCEMENT

Shannon Hall announced the process and timeframe for appealing a decision made by this Board.

BENEFIT BOARD ITEMS

The Human Resources staff submitted the following for the Board's consideration and appropriate action:

1. Court order requiring decision on in line of duty disability pension – Disability pensioner from Fire Department.

Chair Edna Jones reported to the Board that this individual was awarded a medical disability pension, however, the court has remanded the issue of the in line of duty disability pension back to this Board for a decision. Ms. Jones stated that this item needs to be referred back to the In Line of Duty Committee for discussion.

Richard Riebeling moved that the court order requiring a decision on the in line of duty disability pension – Disability pensioner from Fire Department be referred to the In Line of Duty Committee for discussion. Clyde Smith seconded.

After discussion of what will be before the Committee, previous discussions regarding this item, and the Committee not making a decision on the in line of duty disability pension request, a vote was taken on the motion and was approved with B.R. Hall opposed.

2. Dental plans request for proposal.

Shannon Hall reported to the Board that there is nothing to report at this time regarding this item.

3. Medical plan design discussion.

Shannon Hall reported to the Board that this is a follow up from the June Study Session and July Board meeting. She stated that the plan design considerations allowable within grandfathering that do not require Council action are being provided for the Board's review. She also stated that the actuary will be presenting the proposed rates for the 2013 plan year.

David Shaub and Ed Scott, Bryan, Pendleton, Swats & McAllister, were present and provided a handout outlining the proposed rates for the 2013 plan year. Mr. Shaub reviewed the current plan stats, demographics of each plan, the Part D subsidy and reserves.

Ed Scott reviewed the claims, loss ratios and administrative fees for each plan.

David Shaub stated they are recommending a 3.7% increase for Blue Cross Blue Shield, 7.3% increase for Cigna, 4.9% increase for Blue Advantage (and a 4.0% increase for Delta Dental). He also reviewed the employee monthly premiums.

The Board discussed the activity/usage generated by each plan and the plan reserves.

*Denotes the arrival of G. Thomas Curtis.

Richard Riebeling moved for approval of the recommended rates for the 2013 plan year. Christine Bradley seconded

There was some discussion of last year's rate increases and the buydown, and using this fiscal year's reserves to buy down the 2013 rates.

Richard Riebeling clarified that his motion is to include no plan changes.

After some discussion of using the reserves to buy down the rates and risks associated with doing so, a vote was taken on the motion to approve the recommended rates of a 3.7% increase for Blue Cross Blue Shield, 7.3% increase for Cigna, 4.9% increase for Blue Advantage with no plan changes and was approved without objection.

With nothing further presented, the meeting adjourned at 10:20 a.m.

ATTEST:

APPROVED:

**Mrs. Rita Roberts-Turner, Director
Human Resources**

**Ms. Edna J. Jones, Chair
Employee Benefit Board**