

## MINUTES OF THE PLANNING AND ZONING COMMITTEE (P&Z)

Thursday, April 8, 2021

7:00 p.m.

The meeting was called to order at 7:00 p.m. by the Committee Chair Mr. Nichols. The purpose of the meeting was to discuss the selection of a new insurance plan for the employees of the Village of Silver Lake.

Committee members present: Mr. Tim Nichols, Mr. Christopher Scott, Mr. William Church, de facto member. Committee members absent: Mr. Matthew Plesich.

Others present: Mr. Dann Nivens, Council, Bernie Hovey, Mayor, Sean M. Housley, Clerk-Treasurer.

Others participating by video conference only: Mrs. Betsy Meyer, Council and Mr. Mark Farnham, Wichert Benefits Consultant.

Mr. Nichols: Mr. Farnham, please walk us through a brief description of our options. [The Council was provided physical copies of proposals by several insurance plans from Mr. Farnham.]

Mr. Farnham proceeded to summarize the various proposals:

- All options were chosen to be as close to current plan as possible.
- In Anthem Southern Ohio Chamber Alliance (SOCA) MEWA options, costs to employees would increase.
- The cheapest option is SummaCare, although its network is not as good. The costs of Summa are guaranteed until September, after which there may be an increase of not more than 3.5%.

**Note:** MEWA stands for multiple employer welfare arrangement (MEWA) and is a way for a group of employers to pool their resources to get their employees better health-insurance options. SMH 04/13/2021.

Mr. Farnham suggested staying with Anthem, through either the renewal or Plan 5T41.

Mr. Church asked Mr. Farnham why employee maximum “out-of-pocket” costs were high on all options. Mr. Farnham stated that this was a trend in the industry and those costs were increasing across the board from all insurance carriers in all plans.

Mr. Nichols asked about the drawbacks to Summa’s limited network, both in-state and out.

Mr. Farnham answered that Anthem is more throughout Ohio than Summa. Summa covers Cleveland Clinic but not Akron General Hospital. Anthem’s network is stronger nationally than Summa’s. Mr. Farnham suggested that employees should speak with their doctors to see whether

they accept SummaCare and what hospitals they are affiliated with. Anthem is national, but Summa gives coverage out-of-state by leasing other networks. He offered to find out more details.

Mr. Nivens further questioned which specific institutions were covered under Anthem. Mr. Church stated that under the renewal plan, employees would not have to change doctors and their network options would not change.

Mr. Nichols discussed the improved options handout of Anthem Plans. Specifically, he inquired of plans 5T41 and 5T4J, their lower maximum out-of-pocket costs and the change in premium.

Mr. Farnham briefly summarized both plans. The deductibles, maximum in-network out-of-pocket costs, and office visits all were less than the renewal. The differences between the plans were the coinsurance percentage paid and the annual premium.

Mr. Housley asked Mr. Farnham about the increase of coinsurance by 50% from 20% to 30% with Plan 5T41. Mr. Farnham confirmed this but stated that the deductible and maximum out-of-pocket costs were lower.

Mr. Housley stated that it would not take very long for an employee to hit the maximum out-of-pocket costs with a 30% coinsurance (Plan 5T41) and the current plan would probably cost the employees less.

Mr. Church and Mr. Nivens both expressed concerns regarding employee costs. Mr. Farnham mentioned that office visits and deductibles were lower in both Anthem Plans 5T4J and 5T41.

Mr. Nichols expressed a desire to give the employees as close a match to the current plan as possible. He recommended and the Committee agreed to staying with Anthem and not switching to SummaCare.

Mr. Scott expressed concern about the maximum non-network out-of-pocket costs being so high and noted these costs were not identified on the handout for Anthem Plans 5T4J and 5T41.

Mr. Farnham stated that Plan 5T4J maximum non-network out-of-pocket costs were \$15,000 per person/\$30,000 for family and for Plan 5T41 were \$16,500 per person / \$33,000 per family. Mr. Farnham added that the carriers want to steer customers toward in-network doctors.

Mr. Scott stated that Plan 5T4J is as good as it gets, noting that the premium was higher than the current plans renewal by \$5,383 but the deductibles and maximum out-of-pocket costs were the lowest.

The Committee transitioned to discussing dental plans. Mr. Farnham summarized the plans and suggested Delta Dental. The Committee agreed that Delta Dental was the best plan.

The Committee transitioned to discussing vision plans. Mr. Farnham suggested renewing the current plan.

Mr. Nichols inquired about the meaning of the 3x12's vs. the 4x12's identified in the various vision proposals. Mr. Farnham said that he would have to follow-up with an answer defining the meaning of this. Mr. Farnham was excused from the meeting.

Mr. Housley mentioned to the Committee that there were other health benefit options available that could potentially decrease employee out-of-pockets costs, including a Health Savings Account (HSA) and reducing the employee premium contribution from 12% to 10%.

Mr. Scott stated that the current 12% contribution is about as good as it gets, and HSA plans may only be available with a higher deductible than what Village employees are currently paying.

Mr. Housley explained that accepting a plan only guarantees a rate for 12 months. Once a plan is chosen, the Committee can continue to explore other options.


The Committee decided move forward evaluating the current proposed Anthem Plans and concluded the meeting, instructing the Clerk-Treasurer to:

- Find out the meaning of 3x12's vs. 4x12's in the vision plans.
- Break down how the costs of Plans 5T4J and 5T41 would impact employees, as determined by the monthly relative composite rate.
- Summarize the impact of reducing the employee contribution toward benefit premiums from 12% to 10%.
- In the longer-term, explore HSAs and HSA-qualified plans.

Mrs. Meyer spoke via Zoom and expressed support for offering multiple plans.

Mr. Nichols set another Committee meeting for April 15, 2021 at 7 p.m. to get consensus on the issue before bringing it before Council. The meeting was adjourned at 8:15 p.m.

ATTEST:

  
\_\_\_\_\_  
Sean M. Housley, CPA  
Clerk-Treasurer

prepared by: Kathryn Kleinhans, Assistant to the Clerk-Treasurer