

SPECIAL MEETING OF THE COUNCIL OF THE VILLAGE OF SILVER LAKE

Monday, March 25, 2019

5:00 p.m.

The Village of Silver Lake Council met in a Planning, Zoning, and Insurance Meeting on Monday, March 25, 2019, at Silver Lake Village Hall, 2961 Kent Road, Silver Lake, Ohio.

With President of Council Mr. Gerald Jones presiding, the meeting was called to order at 5:00 p.m.

Council members present: Mr. Dann Nivens, Mr. Tim Nichols, Mrs. Betsy Meyer, Mr. Gerald Jones, Mr. William Church, Mr. Matthew Plesich, and Mrs. Therese Dunphy (Arrived at 5:28 p.m.)

Other officials present: Bernie Hovey, Mayor, Sean Housley, Clerk-Treasurer, Robert Heydorn, Solicitor

Mr. Nichols said retaining or changing our current insurance carrier from Fedeli to Wichert for health care, dental and vision. We have paid for the April health care insurance through Fedeli. Does that mean we have signed up for another year or just the fees with the higher premium?

Mr. Housley said its just the monthly fees. That did not lock us in for another year. We would have had to pay that either way. The problem is, before we transition, they need to have a 10-14-day window of notification to let their employees know, so it's disruptive to make an instantaneous change. I also checked with Anthem and they need to have notification of our transition to one of their plans by April 15 to be eligible May 1.

Mr. Nichols said that deescalates the emergency for this meeting to make a decision then. The three categories would be the insurance agency, health care, and all others. First, insurance agency, my position is that we should change to Wichert. For the activism of Mr. Jones and Mr. Housley, we would be facing a 12% increase with Fedeli. They did not advise us with options nor were they responsive. I would say Fedeli is not as local and responsive as Wichert. There is no reason to remain with Fedeli based on a better deal. Anything that Fedeli can find with Medical Mutual, Summa, or Anthem, Wichert could find as well. That's not a motion, just my recommendation.

Mr. Jones asked who else is on the committee?

Mr. Nichols said Mr. Plesich, Mrs. Dunphy, and myself.

Mr. Church said I think Wichert is a better choice for a number of reasons. Mostly because it is the least expensive. I also think we would receive better service.

Mr. Plesich agreed. I think it's comparable and cheaper.

Mr. Nivens said we went to Wichert looking for other options and they reacted swiftly and accurately. Whereas with Fedeli, they've had the account how many years and we went to the 23rd on that.

Mr. Nichols asked is there anybody that thinks we should remain with Fedeli for any reason?

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No disagreements from Council.

Mr. Nichols continued to health insurance plans. I have talked to Mr. Housley and asked what he thought, not only professionally, but as an employee. We both agree that Anthem SOCAMEWA would be the best. I think it is because it's the same co-insurance, slightly lower out-of-pocket, higher physician services by \$20, slightly higher urgent care by \$25, and hospital care is the same. The difference is that it is 14% cheaper for the employees and the Village than the renewal plan. Currently, we pay \$401 vs. \$479 with the renewal plan. Summa Care is even cheaper but doesn't service Akron General. Next year we might want to consider an HSA plan. That's my recommendation, does anybody recommend something different?

Mr. Jones said I think we pretty much made the decision to change agencies at the last meeting. I think that's the right thing to do.

Mr. Jones said for dental, we currently have MetLife. Wichert doesn't propose MetLife as a plan. All but one is cheaper than what we have now. They are all the same in terms of deductibles and such. My position would be to go with the cheapest unless somebody disagrees.

Mr. Jones said I don't think Wichert would be proposing a company that wasn't good or fair.

Mr. Housley said we've used Ameritas in the past and we have a good record with them.

Mr. Nivens said I think that was Mr. Farnham's recommendation. They may be a couple dollars more but as far as services, they can provide more.

Mr. Nichols said they are right in the middle of fees, not the most expensive but cheaper than what we have now.

Mr. Plesich asked are you suggesting we go with Ameritas for dental and vision?

Mr. Housley said we've used them for both simultaneously before.

Mr. Nichols said looking ahead to vision, other than contact lens exam and vision exam, everybody's the same or close in cost. Ameritas network, contact lens exam is \$30. Companion Life is the cheapest at \$15. Those two are tied for cheapest vision services and on the higher end for monthly premium of \$780, but not the highest. Was that his recommendation for dental and vision to be the same? No bundling advantages?

Mr. Housley said no, they don't have to be and there is no bundling advantage.

Mr. Nichols said I'd go with Ameritas for that.

Mr. Plesich said if you want to go with the cheapest then go with that.

Mr. Nivens said with Ameritas are you looking at dental plan 4 or 5?

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Mr. Nichols said I didn't see plan 5, I was looking at the top.

Mr. Jones said the only difference is the \$1,250 vs \$1,500.

Mr. Nivens said on a 12-month period you're looking at \$24 a month.

Mr. Jones said that's the benefit maximum per member so \$250. \$26 more a month.

Mr. Nichols said for a single family it would be \$24-\$25 more payout vs \$250 greater maximum. I'd rather go with a greater maximum.

Mr. Housley said our current plan is \$1,250.

Mr. Nivens said our biggest exposure is on a single employee, we've only got two people enrolled in hospitalization that have a family. How many employees do we have that do not receive benefits?

Mr. Housley said we have two.

Mr. Nivens said what do we do for those two employees?

Mr. Housley said we cash them out at the end of the year for up to \$100 a month.

Mr. Nivens said they're working for \$2 less an hour than the other employees. We're giving \$100 a month to these employees for not participating in the hospitalization.

Mr. Jones said that's got to be unique.

Mr. Plesich said I think it's pretty standard, but it's not an equal amount, it's not like we're trying to equalize anything.

Mr. Jones said why are they not participating?

Mr. Housley said they have healthcare available elsewhere, may or may not be a spouse. In the past, a spouse has had another plan or if they're retired military, they might have that available.

Mr. Nivens said what I'm looking at is were paying \$400.92 a month for a single employee just on the healthcare and giving them back \$100 so were saving \$300. Do we up that amount to say thanks for saving us so much?

Mr. Jones said that's their choice, they opted out for some reason.

Mr. Plesich said it's just an amount, we don't match it or anything. I believe there's other employers that penalize you if you don't take it elsewhere. If their spouse has it available and they choose not to take theirs, they get penalized.

Mr. Housley said they pay the whole premium here.

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Mr. Nichols said if a spouse has an insurance policy somewhere else, they are required to take it.

Mr. Jones said I thought we made them take it.

Mr. Housley said they can still be on our plan, but they have to pay the full amount if they choose too.

Mr. Jones said does anybody do that?

Mr. Housley said no.

Mr. Nichols said that's a good point, but unless there is a big wave to change it, I'm happy with the way things are now.

Mr. Church said we spent hours and hours on that and I'm happy with the way it is.

Mayor Hovey said I'm not aware of what private industries do, but this kind of situation is pretty common with governments, \$100 seems pretty standard.

Mr. Plesich said we're not obligated to do this at all.

Mr. Housley said there is no formula behind it, it really is what we determine to be a proper incentive.

Mr. Nichols said before that, we were stuck on dental. We were determining if we prefer Ameritas for dental, plan 3 or plan 5. Plan 5 has a higher maximum and a higher premium.

Mr. Jones said do we have plan 3 right now?

Mr. Nichols said yes, it's equivalent.

Mr. Housley said MetLife is our current plan. Still \$10 less a month than what we are paying now for employee benefit.

Mr. Church said are the employees happy with it?

Mr. Housley said I haven't heard any complaints.

Mr. Church said I mean with the equivalent plan?

Mr. Housley said nobody has complained to me about anything.

Mrs. Dunphy joined at 5:28 p.m. with Mr. Nichols summing up what she has missed.

Mrs. Dunphy said none of these plans include orthodontists I noticed.

Mr. Nichols said Ameritas vision is a little higher than the middle of the pack.

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Mrs. Dunphy said the one thing I liked with Fedeli is lens were covered at 100%. Do we have to do everything through Wichert?

Mr. Nichols said yes.

Mr. Housley said I can check.

Mr. Jones said I don't think they would be interested to cover 1 thing.

Mr. Housley said I can check to see if Wichert can get that same policy.

Mr. Nichols said that's a good idea.

Mrs. Dunphy said I know that when you get into the double/triple lens coverage, \$25 is not a lot.

Mr. Housley asked what plan are we checking again?

Mrs. Dunphy said all of them have the single vision. But I think we were looking at Ameritas.

Mr. Nichols asked Mrs. Dunphy what Fedeli gave us, what are you talking about?

Mrs. Dunphy said if we could just ask Wichert to do something on the lens coverage because Fedeli had lens covered at 100%.

Mr. Housley said the format of this meeting is if you want me to check on those things, we will have to meet again and make a final decision.

Mr. Jones said we are meeting again Monday, we don't need to have another special meeting.

Mr. Nichols said is that a "to be determined" or can we delegate it to a committee?

Mr. Housley said if you tell me how to complete it, you can tell me what you want and I can present it to Council Monday, you don't have to take any action on this legislation tonight.

Mr. Nichols said the last item would be life. We've got 6 carriers represented by Wichert.

Mrs. Dunphy said on the current life insurance policy we have \$25,000 for current employees and \$10,000 for retirees. This is just simply a \$25,000 policy. Are we converting the retirees to this \$25,000?

Mrs. Jones asked are those the employees that went to court?

Mr. Heydorn said we are talking about retirees who have life insurance policies.

Mr. Jones said I don't know how many are left.

Mr. Housley said three are.

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Mr. Church said so the question is if we were going to bump up the \$10,000 to the \$25,000 or not, correct?

Mrs. Dunphy said I'm asking because we don't have the \$10,000 option here.

Mr. Jones said we really can't if that's what the agreement is.

Mrs. Dunphy said I know we don't want to, but I just don't see an option here.

Mayor Hovey said our employees have always had more than \$10,000.

Mr. Plesich said you're going to contact Wichert and ask if they can offer \$10,000 to these employees or it's going to be bumped up.

Mr. Housley said we have checked with the Fedeli Group in the past and they told us they can't get any other carriers to pick up the retirees. We've been stuck with Dearborn. We may have to stay with them, but I can check with Wichert on that.

Mr. Nichols said Wichert may be able to represent Dearborn too.

Mr. Plesich said I thought he said we could stay with them for this one thing.

Mr. Housley said I'll check and let Mr. Nichols know what they say and then you can tell me how you want the legislation drafted up for Council Monday.

Mr. Nichols said what we're saying is we are going to be changing to Wichert, health plan to SOCAMEWA plan 2, dental with Ameritas plan 5, and vision is to be determined, but pursuing a higher lens coverage and life insurance is what we just discussed.

Mr. Jones asked if there were any other questions.

Mrs. Dunphy said one other thing I asked about was catastrophic coverage and if there was a policy that covered the Village in case an employee had a high value claim. Some businesses carry that. For example, my company had \$400,000 claims from me and when that happened, that triggered their catastrophic coverage so that they didn't get kicked off their plan. I didn't know if that was something we've ever discussed or had interest in pursuing. It's a good protection.

Mr. Church said is that because of something that happened at work?

Mrs. Dunphy said no, it was because I had a health issue and had such a high claims value that it triggered their catastrophic coverage. I've seen it with other small businesses where you have one employee who has significant claims. It can disrupt the policies for everyone. I think it is something we should consider.

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Mr. Church said I think you could ask Wichert to see if there's a policy available we could add into this.

Mr. Housley said I will call them tomorrow and let you know. Did you want me to ask if Wichert could be present at the meeting Monday?

Mr. Jones said it couldn't hurt. We'll meet again Monday at our regular meeting and get this finalized.

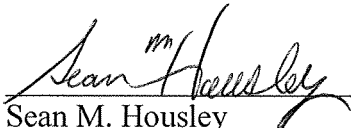
There being no further questions or comments, the meeting adjourned at 5:42 p.m.

APPROVED:



William Church, Vice President of Council
Acting President

ATTEST:


Sean M. Housley
Clerk-Treasurer

prepared by: Karly Easterling
reviewed by: Suzanne Lipan