

RECORD OF PROCEEDINGS

Minutes of *MIFFLIN TOWNSHIP BOARD OF TRUSTEES* Meeting

Held

JANUARY 24,

2007

Chairman Spanovich called the Special Meeting to order at 9:30 A.M. with Mr. Stewart and Mr. Angelou present. The Fiscal Officer was absent.

Also present were:

Sean Sprouse	OTA Health Plan
Ryan Grady	United Health Care
Lynn Stewart	561 Laurel Ridge
Brian Dunlevy	Insurance Committee Chairman
Jim DeConnick	Fire Chief
Calvin McKnight	Service Director
Steven Blake	Code Enforcement Officer
Sandy Witham	Secretary

Mr. Spanovich asked to dispense with the Pledge and Prayer.

The Special Meeting was called to discuss 2007 Health Insurance and Temporary Appropriations. The media was properly notified.

Mr. Spanovich said the Board was given a copy of Temporary Appropriations for 2007 as prepared by the Fiscal Officer for approval that includes carry-overs for all funds and the advance for taxes received from the County. She also asked that the Board approve another Request for Advance of Taxes for Mifflin Township.

Res. 26-07: Approve 2007 Temporary Appropriations for All Funds as Presented

Mr. Spanovich moved to approve 2007 Temporary Appropriations for all Funds as prepared by the Fiscal Officer. Mr. Angelou seconded. All voted yea. Motion carried.
(See Referral File)

Res. 27-07: Approve Request for Advance of Taxes Collected for Mifflin Township

Mr. Angelou moved to approve a Request for Advance of Taxes Collected for Mifflin Township as recommended by the Fiscal Officer. Mr. Stewart seconded. All voted yea. Motion carried.

Mr. Spanovich said the remainder of the meeting will be for the discussion of health insurance for 2007. Firefighter Brian Dunlevy, Chairman of the Mifflin Township Employee Insurance Review Committee, said that the Committee turned in a recommendation at the last meeting recommending the proposal of United Health Care. The cost as quoted by United Health Care is about \$347,799 less than the bid offered by our current provider, Medical Mutual. He thanked the Committee members, Board of Trustees and all who participated in the review.

Sean Sprouse of the Burnham & Flower Insurance Group said that he appreciates everyone's time today and the feedback we have had in the weeks prior to this in identifying the best option for Mifflin Township. He distributed a copy of the Ohio Township Association Health Plan (OTAHP) booklet in which he outlined the services of Burnham & Flower and explained the benefits of letting them handle all our insurance needs. He said that once it is decided what plan the Township will renew to, Burnham & Flower will provide COBRA administration service at no charge to make sure the Township stays in compliance. Mr. Sprouse said that after exhausting all major group health plans for our renewal, it was found the most competitive proposal came from United Health Care. Medical Mutual raised the Township's rates by 31% but did offer another option lowering their rates somewhat but they could not compare with the rates and benefits of United Health Care.

Ryan Grady, an Account Executive with United Health Care was present to answer any questions and explain the benefits and services of United Health Care. Lynn Stewart asked if there was documentation showing a comparison benefit to benefit between Medical Mutual and United Health Care. Brian Dunlevy said that the Committee compared the two and there were some questions which were asked and answered and taken into consideration before their recommendation was made.

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Mr. Stewart and his wife Lynn reviewed the UHC Benefits Summary and had several questions. Under Exclusions, who decides that experimental, investigational or unproven services that are excluded will not be paid even if it is the only available treatment for a particular condition. Mr. Grady said that the doctor would need to submit his recommended treatment to the UPC review board before the procedure is done. He said there are exceptions to exclusions but it depends on the circumstances and this is true in most all plans.

Steve Blake said that it is very important to be knowledgeable regarding our insurance so one of the things he pulled from the Ohio Department of Insurance was on complaints. The most recent figures they had were from 2005 and the most complaints came from denials. Medical Mutual and UPC had good ratios and were comparable. Lynn Stewart said you can't always go by statistics because there are so many denials that never reach the complaint board because that is the game the insurance companies play. The computers automatically reject it the first time so half the people go away.

Mr. Stewart asked if we could stay with Medical Mutual until a decision is made or is February 1, 2007 the deadline to go with United Health Care. Sean Sprouse said we are on a month to month basis with Medical Mutual paying the increased premium of 31%. Ryan Grady said it would be to our advantage to go with United Health Care effective February 1, 2007 but he could probably get it extended to March 1, 2007. He said there could be a slight increase in rates because their quote was based on a year's premiums but he was able to change it to February 1, 2007 with no increase. Sean Sprouse said that the sooner we reach a decision, the sooner we can make this a smooth transition.

Mr. Stewart said he would like to see a list of network doctors, hospitals and facilities. Ryan Grady said they are listed on line by going to myuhc.com. He said the list will help you pick the best doctor at the best price. Mr. Stewart said he is concerned that rates would be a factor because he does not want the cheapest doctor but the best.

Sean Sprouse said that going with UHC is recommended because they can deliver the level of benefits that Mifflin Township currently provides. He said that we have the best plan available in the marketplace and UHC is able to match that best plan in the marketplace with a couple of changes in the drug card. It is the most cost effective, efficient plan for the amount of money we are spending without compromising the quality of benefits here at the Township.

Mr. Angelou had to leave the meeting at 10:45 a.m. He said he feels we need additional information on UHC in answer to some of Mr. Stewart's concerns. He said he is agreeable to another special meeting if necessary.

Sean Sprouse said the Insurance Committee asked that he explore the self insurance option of reimbursing deductibles. He said if this is a consideration, he could ask UHC to bring in a comparable plan for comparison to Medical Mutual's Option 1. Ryan Grady said that if we set up a health reimbursement account, UHC would handle the account internally for us at no charge. Medical Mutual does not have this option, it would all have to be done at the Township or with a third party administrator.

Mr. Stewart said he still has some concerns regarding United Health Care such as the number of claims that are disallowed, the wording under exclusions especially unproven services. Brian Dunlevy said the Insurance Committee was made up of someone from all the Departments and it was felt they recommended the best plan but Mr. Stewart brought up some good questions and a little more time would be appropriate.

Mr. Spanovich said that a large number of entities have gone to employee contributions. He said this is something we may want to explore. This is one area that is a strain on our total budget.

Mr. Stewart asked Ryan Grady to provide us a list of references from the Central Ohio Area that United Health Care represents. Mr. Spanovich said he would like to see a comparison list of plan designs and employee contributions of other entities in the Central Ohio Area.

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Steve Blake said he agrees with Mr. Stewart on getting a comparison on “exclusions”. He said he feels we are going in the right direction. Another matter that employees will be concerned over is whether or not their doctor is in the network.

Brian Dunlevy said the Committee tried to come up with a good balance between coverage and cost and that grey areas are defined. He said Mr. Stewart had some good questions and the Committee will look into it further. Unless the Committee finds reasons to change, they will stay with their recommendation.

Lynn Stewart said the items Mr. Stewart wants clarified are: the definition of unprovens, the provider list, denied claims statistics, Section 6 of the COC, references and under that employer contributions. Sean Sprouse said he will have UHC put together a comparable plan to Medical Mutual’s high deductible option. Ryan Grady said UHC could probably match that plan for about \$200,000 less a year.

Mr. Spanovich asked that the Insurance Committee meet before our Staff Meeting on February 5th to review the answers to the questions above. As Brian Dunlevy said above, if they are okay with the answers, they will stay with their recommendation.

There being no further business, Mr. Spanovich moved to adjourn the meeting at 11:25 a.m. Mr. Stewart seconded. All voted yea. Motion carried.

Joseph F. Spanovich, Chairman

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