



Town of Southington
Southington, Connecticut

Self Insurance Committee
Meeting Minutes of
Wednesday, June 24, 2009

The Self Insurance Committee of the Town of Southington held a regular meeting on June 24, 2009 in the Town Council Chambers, Town Hall, 75 Main Street, Southington, Connecticut.

Members Present: Harold Kane, Chairman; Jill Notar-Francesco, Wayne Stanforth, Sherri DiNello, Phil Pomposi

Ex-Officio members present: John Weichsel, Attorney Mark Sciota

Also present: Ronald Theriault and Tim Connors from Ovation Benefits

Absent were: John Carmody, Emilia Portelinha, Francis Verderame, Arthur Secondo

The meeting was called to order at 3:02 p.m. by Chairman Kane.

1. **Review of the FY 2008-2009 Self Insurance Budget Status including Recent Budget Variances:**

The committee reviewed the report as submitted. Mr. Tim Connors reviewed the High Dollar Claimant Report for members with paid claims experience over \$50,000 from March and April. Of the five (5) large claims, only one (1) is anticipated to continue with high claims going forward; the others have been resolved.

2. **Presentation by Ovation on Analysis of Health Savings Account (HSA) for the Town and Board of Education:**

Representatives from Ovation Benefits gave an in-depth analysis of the benefits of a Health Savings Account for both the Town of Southington and Southington Public School employees. The data presented explained that 70-plus districts in Connecticut have implemented Health Savings Accounts as an additional plan offering to their bargaining units. However, very few Connecticut towns and school districts have implemented HSA's as the only plan option. Those that have been successful were fully insured and have achieved success in lowering costs.

A suggested plan designed by Ovation would be a \$1,500 deductible per individual, \$3,000 deductible per family or two-plus persons with 100% co-insurance after deductible in-network and 80% out-of-network for all medical and prescription services. This plan design, if implemented as the only option for health coverage, has a proposed cost avoidance for the town in the amount of \$5.4 million with a \$4.6 cost avoidance for the employer and over \$800,000 could be a cost avoidance for the employees.

A lengthy discussion took place after the presentation and all committee members clearly understood that proper education of the benefits and design of a Health Savings Account would need to take place with all employees in an effort to explain the potential benefits for both the town's increasing health costs and the increasing cost share for employees. The committee seemed to believe that this would be a worthwhile endeavor for management to begin future negotiations with all unions.

3. **Discuss Programs to implement in order to Jumpstart the Health Wellness Program:**

Ovation representatives distributed a PowerPoint presentation on the Southington Health Awareness Council (SHAC) and highlighted the calendar events listed on the last page. However, due to time constraints, this item will be reviewed at a future meeting.

4. **Miscellaneous:**

a) Approval of April 22, 2009 meeting minutes:

MOTION: by Sherri DiNello, seconded by Jill Notar-Francesco

“Move to approve the April 22, 2009 Self Insurance Committee meeting minutes.”

Motion carried unanimously by voice vote.

b) Committee members would like a meeting scheduled on Wednesday, July 29, 2009 for follow-up conversation on these agenda items.

The meeting was adjourned at 4:20 p.m.

Respectfully submitted,



Sherri P. DiNello
Self Insurance Committee