



Town of Southington
Southington, Connecticut

Self Insurance Committee
Meeting Minutes of
Wednesday, August 26, 2009

The Self Insurance Committee of the Town of Southington held a regular meeting on August 26, 2009 at 3:00 p.m. in the Town Council Chambers, Town Hall, 75 Main Street, Southington, Connecticut.

Members Present: Harold Kane, Chairman; Jill Notar-Francesco, Wayne Stanforth, Fran Verderame and Sherri DiNello.

Ex-Officio members present: Attorney Mark Sciota

Also present: Ronald Theriault, Katie Baldwin, and Laurie Barrett from Ovation Benefits

Absent were: John Carmody, Emilia Portelinha, Arthur Secondo, Philip Pomposi

The meeting was called to order at 3:05 p.m. by Chairman Kane.

1. **Review Current Budget Status:**

The committee reviewed the claims for the month of July that showed the claims were \$97,745 over the budgeted amount.

2. **Discussion and Review Wellness Program and the Incentives:**

Mr. Kane stated that he had appointed a sub-committee that met on Wednesday, August 19, 2009 comprised of Harold Kane, Art Secondo, Wayne Stanforth and representatives from Ovations. The sub-committee reviewed the Wellness Program proposal for Southington teachers that is proposed to begin on January 1, 2010 through June 30, 2012. Representatives for the sub-committee agreed that a \$220 incentive reward was the appropriate payment that would be made to individuals who met the requirements annually. If there was 100% participation by all employees, the approximate cost to run the Wellness Incentive Program would be \$300,000.

Mr. Theriault from Ovations shared with the committee some of the remarks and feedback he received from the sub-committee meeting were statements such as, "*The \$300,000 spending should be looked at as preventative spending versus claims spending.*" Mr. Secondo had shared that \$300,000 was a small investment for the most expensive asset that the town has regarding the salary line items.

Committee members continued to struggle with how Ovation Benefits would be able to measure the success of the Wellness Program. The proposed \$220 incentive that is recommended by the sub-committee is left open-ended as to how the money would be paid to employees.

Mayo Clinic would be the vendor providing the online personal health questionnaire and overseeing the biometric screenings at the work site. The approximate cost for Mayo Clinic if 80% of our employees participated is \$30,000.

The committee had a long discussion about how the Wellness Program could be funded. The main concern was if the program was to begin on January 1, 2010 and participants were eligible for the \$220 incentive in 2010-2011. How and where would that funding for the incentive be budgeted? Many ideas were shared among committee members as far as whether payments should be made out of the Self Insurance Fund, whether an appropriation needed to be made, or postpone the start of the Wellness Program until the 2010-2011 budgets are adopted.

Committee members will get some feedback when they report out the funding concepts to the Town Council and Board of Finance and come back to the next Self Insurance Committee meeting with a recommendation.

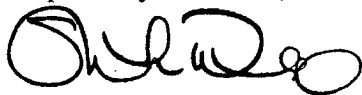
3. **Any other business considered proper to come before the committee:**

Mrs. DiNello expressed her concern with Anthem's hiring of a third-party vendor to administer the COBRA Insurance Plan for employees. There have been numerous errors over the summer regarding COBRA payments and eligibility of members for the COBRA insurance offering. Anthem has shared our frustration; however, has yet to be able to come to some resolution with CONEXIS, the third-party administrator for the COBRA Plan. Ovation Benefits has been helpful to the Payroll Benefits Office at the Southington Board of Education as we try to sort out the continued concerns; however, the committee is requesting that Anthem attend the next Self Insurance Committee meeting so we can find out how they plan to address these issues.

Mrs. DiNello pointed out that obviously Anthem is collecting an administrative fee for this work and if we are unhappy with the service, she believes that money should be held back in regard to administrative fee payment to Anthem.

The meeting was adjourned at 4:00 p.m.

Respectfully submitted,



Sherri P. DiNello
Self Insurance Committee