

**SELF INSURANCE COMMITTEE**  
**MINUTES TO MEETING OF APRIL 28, 2010**

The Self Insurance Committee of the Town of Southington held a meeting on April 28, 2010 in the Town Council chambers, Town Hall building, 75 Main Street, Southington, Connecticut.

The following members were present: Harold Kane, Sherri DiNello, Jill Notar-Francesco, John Moise, Joe Labieniec, and Dr Al Natelli.

Ex-officio members present: John Weichsel, Mark Sciota and Emilia Portelinha. Also present were Ron Theriault, Tim Connors and Katie Baldwin from Ovation Benefits.

Absent were: John Barry and Francis Verderame.

Chairman Moise called the meeting to order at 3:27 pm.

1. Approval of Minutes of the March 24, 2010 meeting

Mrs. Notar-Francesco made a motion to approve the Minutes of the March 24th meeting. Mr. Kane seconded. Motion passed unanimously on a voice vote.

2. Wellness Presentation by Dino Costanzo (The Hospital of Central Connecticut), John Meyers (YMCA) and Trish Walden (Central Connecticut Health Alliance)

Mr. Theriault updated the committee on the progression of the wellness program to date.

- (a) Trish Walden presented the program Good Health- Great Partnership which is centered on three concepts: (1) Pre-habilitation – be fit prior to surgery; (2) Community outreach and education; and (3) Employee wellness. The group is recommending a partnership between Ovations and the Good Health – Great Partnership group.
- (b) Dino Costanzo presented the “Economic Burden of the Total Cost” including treatment expenditures, lost productivity, etc. Every dollar spent on prevention results in six to ten dollars in savings. The essence of this program is physical activity. Stats indicate that 60% of individuals are underactive, 25% of individuals are completely sedentary, and only 15% of individuals are active and healthy.
- (c) John Meyers presented the shocking “Obesity Trends for Adults from 1985 – 2006”. They are recommending a group approach. The key is to get people active, change the culture and make it fun. Leading by example.

Mrs. Walden suggested that the Good Health – Great Partnership group work with Ovations to create a pilot program to be kicked off in the Fall, possibly at a health fair. The program would offer a full gambit of services such as an 8 week class at the YMCA, Health Risk Assessments, etc. The committee will measure success in terms of enrollment and participation. Make people see that their lives have improved for the better. The group is open to designing this program with the input of the Self Insurance Committee. Ovations will share some of the costs of this pilot program with the money paid to them for the Wellness Program.

Mr. Costanzo stated that the Town needs participation to start at the top. The group will bring the proposed pilot program to the committee at the next meeting.

3. Discuss the next step in the Wellness Program

Dr. Al Natelli, Joe Labieniec, Sherri DiNello and John Moise will form a sub-committee of the Self Insurance Committee to work with the Good Health- Great Partnership group and Ovations on the proposed pilot program.

4. Update on the current FY 2009-2010 Self Insurance Budget Status.

The members reviewed the March 2010 summary of the Self Insurance Fund. Total Claims through March are \$850,000 under budget. Both the Town and the Board of Education are doing well. Over the last several years claims have historically been higher in February and March. However, this year claims have been fairly consistent from month to month.

Dr. Natelli asked Ovation for statistical information, which they will be providing on a regular basis.

5. Ovation to provide Anthem Stop Loss Options

Per Ovation, Anthem revised their renewal increase based on the last two months' claims to 6.4%. At the last meeting, Ovation had recommended that the Self Insurance Committee should budget an 11.5% increase for Health Insurance. However, due to the unknown ramifications of the Health Reform bill, the Committee decided to remain at 13%. Now we know that the requirement to insure students up to age 26 will only be effective July 1, 2011. Ovation recommended a renewal increase of 10% to play it safe.

Ms. Portelinha cautioned the committee to realize that Anthem's renewal is based on an abnormal drop in claims over the last two months.

The committee reviewed the various Stop Loss options presented by Ovation. Currently the Town has a \$500,000 Individual Stop Loss (ISL) and a 120% Aggregate Stop Loss (ASL). Mr. Theriault proposed that the Town decrease costs and increase protections. Going from a 120% ASL to a 125% ASL will save the Town approximately \$53,000. Currently the Town has 4 individuals with claims over \$125,000 with the highest at approximately \$140,000. The claims appear to be waning. Ovation recommends keeping the Individual Stop Loss (ISL) at \$500,000 and adding prescription claims to medical for the (ISL) which will cost the Town an additional \$2.50 per contract.

Dr Natelli made a motion to add the Self Insurance Committee FY 2010 – 2011 Revised Budget recommendation to the agenda. Dr Natelli also made a motion to add the new Anthem Stop Loss Option effective with the FY 2010 – 2011 renewal to the agenda.

6. Update on the Health Reform Mandates

The Committee decided to delay the update until the next meeting.

7. Self Insurance Committee Revised FY 2010 – 2011 Self Insurance Fund Budget Increase.

Dr. Natelli made a motion to revise the Self Insurance Fund's FY 2010 – 2011 Budget recommendation to a 10% increase over the FY 2009 – 2010 Budget. Mr. Kane seconded.

Mr. Kane: yes.

Mrs. Notar-Francesco: yes.

Mrs. DiNello: yes.

Mr. Labieniec: yes.

Dr. Natelli: yes.

Mr. Moise: yes.

Motion passed 5-0.

8. Self Insurance Committee decision on the new Anthem Stop Loss option effective with the July 1, 2010 Anthem Renewal

Dr. Natelli made a motion to accept Option 3 as recommended by Ovation for a \$500,000 Individual Stop Loss (ISL) applying to both Medical and Prescription claims, and a 125% Aggregate Stop Loss(ASL). Mr. Kane seconded.

Mr. Kane: yes.

Mrs. Notar-Francesco: yes.

Mrs. DiNello: yes.

Mr. Labieniec: yes.

Dr. Natelli: yes.

Mr. Moise: yes.

Motion passed 5-0.

Mrs. DiNello stated that the Town has always utilized the December Anthem Renewal to charge premium shares. Both Mr. Sciota and Mr. Theriault concurred that this practice should continue.

Mrs. DiNello made a motion to adjourn. Ms. Notar Francesco seconded. Motion passed unanimously on a voice vote.

The meeting was adjourned at 5:05 pm

Respectfully submitted,

Emilia Portelinha  
Self Insurance Committee