



City of West Allis

Meeting Minutes

Administration & Finance Committee

Alderson Kevin Haass, Chair

Alderson Martin J. Weigel, Vice-Chair

Aldersons: Michael J. Czaplewski, Michael P. May, Daniel J. Roadt

Monday, January 8, 2018

6:00 PM

City Hall, Room 128
7525 W. Greenfield Ave.

REGULAR MEETING (draft minutes)

A. CALL TO ORDER

Chair Haass called the meeting to order at 6:00 p.m.

B. ROLL CALL

Present 5 - Ald. Haass, Ald. Weigel, Ald. Czaplewski, Ald. May, and Ald. Roadt

Others Present:

Rae Anne Beaudry, The Horton Group; Aldersons Gary Barczak and Tom Lajsic; Rebecca Grill, City Administrator; Peggy Steeno, Finance Director; Jane Barwick, Benefit/Wellness Coordinator; Sheryl Kuhary, Assistant City Attorney; Sally Nusslock, Health Commissioner; Philip LaSpisa, WA Professional Police Assoc.; Jeanette Wardinski, Recording Secretary.

C. APPROVAL OF MINUTES

[2018-0011](#)

Minutes (draft) December 11, 2017 Regular Meeting, December 19, 2017 Special Meeting, December 19, 2017 Recess Meeting, January 2, 2018 Recess Meeting.

A motion was made by Ald. Czaplewski, seconded by Ald. May, that this matter was Approved. The motion carried by the following vote:

Aye: 5 - Ald. Haass, Ald. Weigel, Ald. Czaplewski, Ald. May, and Ald. Roadt

No: 0

D. NEW AND PREVIOUS MATTERS

Held Items

1. [2018-0008](#)

Communication from City Administrator transmitting West Allis Fire Fighters Local 1004 proposal regarding retiree health insurance alternatives for its members.

Chair Haass introduced this item. Ald. May said he does not believe we are allowed to negotiate health care benefits, and Ald. Haass confirmed this is a non-permissible subject of collective bargaining.

A motion was made by Ald. May, seconded by Ald. Czaplewski, that this matter was Recommended to be Placed on File. The motion carried by the following vote:

Aye: 5 - Ald. Haass, Ald. Weigel, Ald. Czaplewski, Ald. May, and Ald. Roadt

No: 0

E. MATTERS FOR DISCUSSION/ACTION

2. [2018-0005](#) Update/Discussion regarding 2018 Health Care Budget and Options.

Chair Haass introduced this item and asked Ms. Grill for comments. Ms. Grill said this matter was previously discussed at the Committee's recess meeting on Jan. 2, and additional details are being presented this evening. She passed out handouts on the pharmacy benefit manager selection, stop loss provider selection, and rates/premiums, and noted that these items will be included in the electronic legislative file for general information purposes. Ms. Beaudry from Horton, Ms. Steeno, and Ms. Barwick were present for discussion. Updates were provided on the various topics, and key points/comments are noted:

a. Pharmacy Benefit Manager Selection. Ms. Grill said previous discussion presented the benefits of moving to Serve You as Pharmacy Benefit Manager (PBM). Ms. Beaudry said Serve You is not currently linked with Anthem, so a great deal of setup is needed prior to implementation. The process has already begun and that work continues on a daily basis. Anthem has increased its administrative fees to the City due to a change in PMB; however, the increase is offset by projected plan savings due to the change to Serve U (SU). If Anthem remains as administrator, the cost per employee is \$70 for Blue Priority (BP) and \$70.75 Non BP; for budgeting purposes, a proposed premium 5% increase for actives and 10% increase to retirees. Ms. Beaudry mentioned the Anthem/Serve You integration, and should this not be ready by March 1, a separate plan will be in place until such time as this is fully functional. She then offered comments on medications and SU's Formulary and that their program includes mandatory generics. A comprehensive communication plan will be launched by SU for employees, retirees and plan participants for complete information about the changes and time provided to work through any issues in advance of the March 1 implementation/renewal date. Ms. Beaudry responded to various questions dealing with filling prescriptions (mail order vs. local pharmacies), meaning of "therapeutic equivalent", etc.

b. Stop Loss Provider Selection. Documentation provides details on claims costs, administration fixed costs, etc. Ms. Beaudry responded to Ald. May's question on fixed costs and estimated claims, and Ms. Steeno explained retiree and employee costs.

c. Medicare Advantage Options. Ms. Grill said they are still working to bring ideas/options on this, hopefully in a May to July time frame. Ms. Beaudry commented that this issue will entail substantial explanation for Council members as well as employees at the appropriate time.

d. Rates and Premiums. In reference to the health insurance premiums impact analysis presented this evening, Ald. May noted the significant increase in the monthly cost for retirees. The pre-65 cost is extremely higher without the Medicare option. Ms. Grill said another option that can be presented is with both groups together rather than separating retirees and employees. Some further discussion ensued.

This matter was Discussed and Consensus Given

3. [2018-0037](#) Discussion regarding Employee Benefit Committee Recommendations.

Chair Haass asked Ms. Grill to comment. She reported that she hopes to have the group's recommendations at its next meeting on January 24. This is for information purposes only at this time.

This matter was Discussed and Consensus Given

4. [2018-0038](#) Discussion regarding Lean Training.

Chair Haass asked Ms. Grill to comment. Ms. Grill reported that negotiations were necessary to bring the pricing for this lean training in line with previous costs. The contract for services will be presented at the January 16 Council meeting, and the \$17K expense is budgeted. Ald. Weigel asked about participation, and Ms. Grill said employee participation is across the board and there are approximately 15 enrolled in the upcoming session.

This matter was Discussed and Consensus Given

F. ADJOURNMENT

A motion was made by Ald. Weigel, seconded by Ald. Czaplewski, that the meeting be adjourned at 6:33 p.m. The motion carried unanimously.