

BROWARD COUNTY HEALTH INSURANCE SELECTION COMMITTEE
115 S Andrews Ave - Room 430, Fort Lauderdale, FL 33301

MINUTES OF AUGUST 26, 2010 MEETING, 9:30 A.M.

MEMBERS PRESENT:

Dinah L. Lewis, CFO/Director, Finance and Administrative Services Department
Kent George, Director, Aviation Department
Kayla Olsen, Director, Office of Management and Budget
Chris Walton, Director, Transportation Department

MEMBERS ABSENT: Phil Allen, Director, Port Everglades Department

OTHERS PRESENT:

Lois Wexler, County Commissioner District 5
Dee Platt, and Scott Melvin, County Commission Office
Kevin Kelleher, Interim Director, Human Resources
Evan Lukic, County Auditor's Office
Mary O'Donnell, Director, Accounting Division
Blair Larson, Office of Budget and Management
Adam Katzman, County Attorney's Office
Howard Gruverman, Brian Kelly, Amy Tree and Julie Biles, EDIFY
Chris Ciano, CEO, Dr. Cathy Moffitt, Peter Joseph, Regional Vice President, John Cantillo, Cathy Aguirre, Dally Perez, and Lisa Wright, Coventry Health Care
Deford Smith, Vice President, Gina Ciccio, Vice President Client Management, David Weisman, Vice President, Dr. A.V. Beckles, and Natalie Jones, Aetna Incorporated
John Ricco, Florida Association of Counties
Thomas Moore, Regional Vice President, Dr. Manny Selva, Linda Jones, Doug Nedobity, UnitedHealthcare
Karen Walbridge and Mitch Cohen, Purchasing Division
Leah Brasso, Assistant to Department Director, Finance and Administrative Services Department
Freddy Castillo, Office of Economic and Small Business Development
Alex Perez, Risk Management Division
William Howard and John Voccola, ATU 1267
Celena Joaquin, ATU Local 1591
Will Vargas, FOPE
Rick Cutshaw, and Tom Williams, GSAF
Karen Ruh, Lisa Morrison, Tammy Futrell, Allen Wilson, Paulette Jules and Suzanne Sparrow, Human Resources Division
Irene Costa, Broward Sherriff Office
Candice Erick, ECI/United

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A meeting of the Insurance Selection Committee was held on Thursday, August 26, 2010, in Room 430 of the Governmental Center, 115 S. Andrews Avenue, Fort Lauderdale.

The Chair called the meeting to order at 9:35a.m. Members of the Committee present were: Dinah Lewis, CFO/Director, Finance and Administrative Services Department, and Chair of the Committee, Kent George, Director, Aviation Department, Kayla Olsen, Director, Office of Management and Budget, and Chris Walton, Director, Department of Transportation plus staff from EDIFY, the County's Benefit Consultant and staff from the County Attorney's Office, the County Auditor's Office, Accounting Division, Finance and Administrative Services Department, Office of Budget and Management, Office of Economic and Small Business Development, Human Resources and Purchasing.

The first item on the agenda was the approval of the minutes from the June 24, 2010 meeting. Ms. Olsen moved to approve the minutes the motion was seconded by Mr. Walton. All other members of the Committee voted aye and the motion carried unanimously.

The Chair stated that the purpose of the meeting was to short list, hear presentations and rank firms for selection of the vendor who will provide the Broward County Group Health Insurance Program.

Mr. Gruverman from EDIFY provided an analysis of the Executive Summary report of the responses to the RLI. Upon completion of the presentation, EDIFY staff responded to questions from the Committee. Mr. Kelleher added that staff had met with the Union Insurance Advisory Committee, which indicated its concerns as to the cost of insurance for employees. The Union Insurance Advisory Committee indicated that proposed plan RX-10 would be acceptable provided that employee premiums and health reimbursement account remain generally the same.

The Committee discussed and voted to determine which providers should be short listed and asked to provide a presentation.

Based on the tally of votes, Aetna, Coventry and UnitedHealthcare were requested to present. All three vendors for a Self-Insured option and Aetna and Coventry for a Fully-Insured option. Presentations were 15 minutes each with an extra 5 minutes granted if presenting on both Self-Insured and Fully-Insured options.

Mr. Peter Joseph, Regional Vice President of Coventry Health Care and his staff provided a presentation and overview of the Coventry Health plan proposal followed by questions from the Committee for further clarification.

Mr. Deford Smith, Vice President Public and Labor Sector for Aetna and his staff provided a presentation and overview of the Aetna Health plan proposal followed by questions from the Committee for further clarification.

Mr. Thomas Moore, Regional Vice President for UnitedHealthcare and staff provided a presentation and overview of the UnitedHealthcare plan proposal followed by questions from the Committee for further clarification.

Upon completion of the presentations from the representatives of the Health Insurance providers the Committee discussed the plan designs as outlined in the Executive Summary and the proposals submitted by the providers.

After further discussion a motion was made by Mr. George to rank the firms under two short lists, with two sets of rankings, the motion was seconded by Mr. Walton. All other members of the Committee voted aye and the motion carried unanimously.

Subsequent to the passing of the motion, the Committee voted to rank the companies. The results of the tally for the Self-Insured option was Aetna, total 5 votes, Coventry Health Care with 8 total votes, and UnitedHealthcare with 11 total votes. The results were Aetna, first ranked, Coventry, second ranked and UnitedHealthcare, ranked third for Self-Insured.

For the Fully-Insured vote there was a tie with Aetna Incorporated, and Coventry Health Care with 6 total votes. The tie breaker criteria was reviewed. The first tie breaker criteria was location within Broward County, both companies met this criteria. The second tie breaker criteria was whether the vendors possess a Domestic Partner Preference Program, both companies met this criteria. The third tie breaker criteria was if the vendors have a Drug Free Workplace Program, both companies met this criteria. The fourth option was for the committee to revote on the Fully-Insured plan. The results of the subsequent vote were Aetna Incorporated with 6 total votes and Coventry Health Care with 6 total votes. Mr. Katzman advised that the sixth tie breaker would be the vendor receiving the majority first place votes. Ms. Walbridge advised that they were tied on the first place votes. Mr. Katzman then advised that as items 1-6 did not break the tie vote, based on the Procurement Code the vendor/vendors should be selected by the Board of County Commissioners.

Mr. George made a motion that negotiations commence on plan designs RX9 and RX10 on both Fully and Self-Insured plans. The motion was seconded by Mr. Walton.

Mr. Kelleher asked for clarification on this motion and whether it was intended that negotiations begin before or after Board approval. Mr. George advised that the intent of the motion was that negotiations were to begin as soon as possible and that any firm that takes exception to the indemnification clause should not be considered and the negotiations should begin with the second ranked firm. The Chair asked for clarification on the motion from Ms. Walbridge. Ms. Walbridge advised that the Committee cannot proceed on the Fully-Insured model until the Board breaks the tie, and the item should be brought before the Board as soon as possible to break the tie.

Mr. George then made a motion that the Committee recommend to the Board plan designs RX9 and RX10, and the Committee recommended that the notification procedure be waived and staff should begin negotiations as soon as a ranking is

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determined. The motion was seconded by Mr. Walton. All other members of the Committee voted aye and the motion carried unanimously.

The Committee was reminded that the Cone of Silence would still be in effect.

There being no further business to discuss, the meeting adjourned at 2:15p.m.

A CD of the meeting is available for public review at the Broward County Records Division, Document Control Section, Room 336U, located at the Broward County Governmental Center.