

MINUTES
BRISTOL SELECT BOARD
October 31, 2013

PRESENT: Select Board Members: Don Milbrand, Joe Denning, Shaun Lagueux, Betsy Schneider, Janet Cote, and Town Administrator Michael Capone.

Mr. Milbrand opened the meeting of the Bristol Select Board at 5:37 PM.

New Business:

Work Session

Mr. Milbrand opened the work session to begin discussion on the health insurance benefits. Human Resources Coordinator Ms. Lacasse gave a presentation on health insurance options for consideration. An RFP was sent out to four companies in late August requesting health insurance bids. The current health insurance contract is with HealthTrust and will end on December 31st. All options were reviewed and variations discussed. Health insurance rates on the current health plan increased 14.4% for 2014. Looking at all the options, Mr. Capone and Ms. Lacasse recommended a plan from HealthTrust which was similar to the current plan with rates effective July 1st, 2014. However there were some differences in the deductible, specialist co-pay, urgent care and emergency room co-pays, and the loss of eyewear reimbursement. HealthTrust offered to continue the current plan into the first half of 2014 in order to move the Town to a July 1st renewal with lower rates.

Mr. Milbrand asked Ms. Lacasse to explain to the Board why one of the plans presented was not a good option for employees. A plan offered from HealthTrust used a Site of Service option which was not available in all areas and not used by some providers.

The Board discussed impacts of the changes with employees. Mrs. Cote inquired on the impacts of Health Care Reform Laws with the proposed plan.

Mrs. Cote inquired on the impacts of potential increases in enrollment by employees. Ms. Lacasse explained that any potential changes that were known currently, had been included in the budget figures presented. Although not all changes could be predicted, Ms. Lacasse did not anticipate too many more changes due to the current enrollment numbers.

Mrs. Cote inquired on a Health Care Reform law which prevented employers from covering spouses. Ms. Lacasse and Mr. Milbrand clarified that this is not a law, however it is a practice which is becoming used more in corporate businesses. Ms. Lacasse explained that in some instances by no longer covering spouses, this could create a financial hardship for some employees who would still need a family plan in addition to their spouses purchasing an additional single plan for themselves.

Mr. Denning inquired on the use of ERISA plans for employers. Ms. Lacasse will research the matter further for the Board.

The Board discussed changing coverage levels to new employees.

Mr. Denning suggested that either a Board member or Ms. Lacasse should take the role of researching and understanding Health Care Reform so that the Board can stay updated on the topic. Ms. Lacasse offered to do this as part of her current duties with Human Resources and will provide regular updates to the Board.

Mrs. Cote stated the financial impacts of additional deductibles on employees as a single person would have a financial exposure of \$2,250 in 2014 and a family could pay as much as \$4,750. This is in part due to the two plans merging and one half of the year is a different deductible than the second half. Ms. Lacasse will speak with the insurance company to clarify whether any part of the deductible will carry over into the new plan.

Mr. Denning motioned to accept the proposed 18 month plan with HealthTrust, seconded by Mr. Lagueux. Upon vote of the Board, all five members voted in favor of the motion 5-0.

The Board discussed employee contributions towards the health insurance premiums. Currently employees pay 7%. Mr. Denning motioned to keep the employee contribution the same since the Town was saving money on this plan's premiums. Mr. Lagueux seconded the motion for discussion purposes.

Mr. Lagueux inquired whether the Board had any agreement which bound them to keeping employee contribution at 7%. There is no policy regarding the employee contributions. Mr. Lagueux stated that if the Board decided to increase the employee contribution amount, it should be gradual and in steps.

Ms. Schneider stated she would like to see the change over to a 25% employee contribution, 75% employer or 20/80. Mr. Lagueux and Mr. Denning stated the change needed to occur gradually and not to that extent. Mr. Denning felt that 20% or 25% was more than tripling the employee's contribution and with little or no raises to compensate for such a drastic increase and that was not the right thing to do with the current economy. The Board discussed increasing employee contributions overall and various percentages were reviewed. Mrs. Cote and Ms. Schneider stated they would like to see the employee contribution change to 13% or 15%. Mr. Lagueux and Mr. Milbrand suggested 10% as an alternative.

Ms. Schneider stated that since the health insurance has continued to increase annually for the last few years, a change was needed. Mr. Capone clarified that the last two years the Town has lowered the health insurance costs.

Mr. Denning made a motion not to amend the employee contribution.

Mr. Milbrand reviewed costs of the various plans. There was further discussion on the impact to employees of not covering spouses.

Mr. Lagueux amended the motion to change the employee contribution to 10%, seconded by Mrs. Cote. Upon vote by the Board, the motion to increase employee contribution towards the health insurance premium to 10% passed in a vote of 4-1, with Ms. Schneider opposed.

Ms. Lacasse asked the Board how they intended to implement the change for employees, specifically in January or July with the renewal plan. The Board discussed implementation for the changes. Mr. Denning motioned to implement the increase in employee contribution in July with the new plan, seconded by Mr. Lagueux. The Board voted on the motion, 2-2 with one abstention by Mrs. Cote seeking further information on the financial impact. After further discussion, Mrs. Cote made an amendment to the motion to implement the 10% contribution change to January 1st to start with the calendar year for budgeting reasons. Upon vote by the Board, the motion passed 3-2, with Mr. Denning and Mr. Lagueux opposed.

Ms. Lacasse asked the Board if they would authorize Town Administrator Capone to sign the health insurance contracts upon receipt of the renewal. Mr. Lagueux made a motion to authorize Mr. Capone to sign the health contract, seconded by Mr. Denning. Upon vote by the Board, 5-0 voted in favor of the motion.

At 7:13 PM, Mr. Denning made a motion to adjourn. It was seconded by Mr. Lagueux. The Board voted 5-0 in favor of the motion.

Respectfully Submitted:

Kelly Lacasse

Don Milbrand, Select Board

Joe Denning, Select Board

Betsy Schneider, Select Board

Janet Cote, Select Board

Shaun Lagueux, Select Board

