

**GENESEE COUNTY COMMUNITY MENTAL HEALTH
420 W. FIFTH AVENUE
FLINT MI 48503
RETIREE HEALTH CARE ADVISORY COMMITTEE
August 5, 2009**

RETIREES PRESENT:

N. Bartkiw, P. Casey, G. Kennedy, D. Lee, M. Marcot, P. Primel, G. Stimson
Via Phone Conference: S. Higashi, P. Jordan, L. Smith, R. Sprague

RETIREES ABSENT:

L. Allen

BOARD MEMBERS PRESENT:

UNION REPRESENTATIVES PRESENT:

D. Simonds

STAFF PRESENT:

S. Mason, J. De Lay

Meeting called to order at 10:00 a.m.

Welcome and Introductions

Individuals in the room introduced themselves to those joining via phone conference.

Jordan thanked Higashi for her work on the survey and thanked the Agency for posting the minutes on the CMH website.

Minutes of 07-01-09

Stimson motioned, Kennedy supported acceptance of the minutes of July 1, 2009 as presented.

MOTION CARRIED

Preliminary Survey Results

Higashi noted that in addition to the surveys returned by the deadline, some individuals contacted her by phone and some surveys were received after the deadline. All surveys and all comments received via phone were incorporated into the survey compilation mailed out for review. Higashi noted her observations from the survey results. Noted was the number of retirees in 2000 when the Agency offered an early retirement program. Also of note was the change in the retirement factor from 2.2% to 2.4%. Higashi stated that in 1989 the Agency bargained with both Unions to lower the retirement factor as a cost savings measure and that within the next 2 ½ years those employees hired prior to the change would have been eligible for retirement thereby reducing the Agency's future financial obligations. Higashi further stated that all of these types of changes affect cost and subsequently retiree benefits.

Warth noted that the address list for retirees was received from the CMH Payroll Department and only 2 were returned with incorrect addresses. Addresses were obtained for those two retirees and the survey was remailed.

Higashi noted that one individual submitted a handwritten note regarding the inability to continue taking medication as prescribed (instead of every day began taking every 4th day) because of the high cost of co-pays. Higashi, following consultation with Jordan, contacted the individual to explain the Flex Blue. Following that conversation the individual was able to better understand the issue and also began taking the medication as prescribed. This issue goes to show the confusion that is out there.

There was much discussion on how to proceed with sharing the survey results, drafting an executive summary and presentation of the data to the CMH Board of Directors. Bartkiw stated that an executive summary may sound like all conclusions have been documented however the CMH Board should draw their own conclusions from the data; Jordan suggested writing the salient points to bring their attention to particular areas; Sprague recommended utilizing Higashi's vignette.

Other observations: Jordan stated that it appears some retirees have a certain amount of distrust for the Agency's intentions. Higashi pointed out that per S. Mason the Agency only receives the information shortly before implementation and retirees don't have enough time to make an informed decision.

Smith asked what department retirees should contact with questions related to insurance. De Lay stated either Human Resource or Payroll. Smith indicated that he spoke with Payroll and he was informed that the only plan he was eligible for was Blue Advantage which was incorrect.

Simonds pointed out that the survey results indicated that the time of day for availability of retirees was important and perhaps the Agency could implement that timeframe for someone to be available to answer questions.

Lee stated serious concerns about not being able to pay all bills and also pay for medications. Higashi noted that over a 2 year period prescription co-pays went from \$2.00 to \$20.00 to \$40.00 which is a 1000% increase. There is concern that the costs will go so high individuals will no longer be able to afford insurance.

Jordan: What are the next steps? Lee requested an opportunity to review the document to see if there are any major issues that need to be addressed with this Committee and the Board. Casey wanted the recommendations related to communication addressed. Smith noted that it would be important to have the information presented to the CMH Board before October 1, 2009 (beginning of new fiscal year). De Lay suggested that the Committee may want to look at preferences such as traditional plans versus HMO; co-pay versus premiums, etc. Jordan stated that no plan would meet all preferences. De Lay stated that open enrollment will be in November for all plans and it is anticipated that costs will be available by the first of October. When received De Lay will bring the information back to this Committee.

Lee moved, Stimson supported that the Committee meet August 19, 2009 at 10:00 for the purpose of the review of survey results and recommendations on language for an Executive Summary which will be reviewed at the September 2, 2009 meeting.

MOTION CARRIED

Update Regarding Declarative Suit – Deferred

FY 2010 Potential Cuts

De Lay stated that only bits and pieces have been sent out from the State as there has been no finalization of the budget. Speculation is between \$10M and \$50M in general fund. There does not appear to be any significant cuts for Medicaid. The Agency made significant changes over the last few years which have helped with the recent general fund reduction and the anticipated reduction next fiscal year.

During the first quarter of the current fiscal year, the Agency started to see a leveling off in Medicaid eligibles then a spike occurred. An increase is again expected in the first quarter of FY 2010.

The biggest concern is for FY 2011. The Feds, through the stimulus plan, are giving larger dollar amounts, however the State is in such a large deficit everyone is expecting changes to occur in Medicaid funding.

De Lay stated that the Agency doesn't see any significant impact to retirees for FY 2010 as long as we continue to manage being aggressive to keep costs down.

Smith stated that retirees are grateful that the Agency has been proactive. He noted that some CMHs have not been proactive and are in trouble with the funding cuts from the state.

Reason for Higher Cost for Blue Cross when Secondary to Medicare

De Lay stated that any secondary plan that works with Medicare changed when Part D came out – it increased the premium costs of the secondary plan (not just Blue Cross but any secondary plan). De Lay suggested looking up information on the Medicare Advantage Insurance company. This program takes care of managing Medicare and secondary insurances and is subsidized by the government for premiums.

2009 Retiree Health Plan Year Additional Clarification for High Deductible Health Plan Consideration

Simonds asked if this would be a trend for retirees. De Lay stated that he thought this group was looking at ways of changing the system to make it sustainable. He stated that at this trend the breaking point is 3 years. As it stands today, the high deductible plans have the lowest percentage increases; Blue Cross plans are still in the double digits for rate increases. Have looked at national plans but nothing available yet. There have been talks on and off with the Board Association about collaboration with other CMHs but nothing in the works. The County removed the Agency retirees from their group coverage because of our risk usage related to high usage of non-admit ER visits and prescriptions. The Agency has not received insurance usage data in the past but has recently begun receiving the data. Management will evaluate that data and anticipates being able to use this to educate staff and retirees. It is anticipated that with high deductible plans, behaviors will change and people will start asking more questions of health care professionals. There are current discussions about implementing a wellness program. Simonds suggested using Agency staff expertise for training staff and retirees, via tele-conference for those not in the area. Jordan suggested joining others/working through the Board Association for economy of scale.

Higashi stated that the “Warning” on the additional clarification document was not sent out in the initial information to retirees. De Lay stated that the Agency has had a rule in place that disallows having dual health insurance coverage so this should not have been an issue. He also noted that with high deductible plans there are IRS rules that need to be followed related to dual coverage.

Committee membership and voting rights

Kennedy stated an impression from the last meeting that non-retiree members were not voting and asked if they should. Lee stated that everyone that comes to the meetings has concerns and provides input so they should be a voting member. Bartkiw said that if a person is willing to allocate their time to attend meetings, as long as they are a member of the Committee, they should have voting privileges. Mason stated that as a liaison for management she would not vote. Jordan stated that every member is equal to make comment and vote if they want to.

There was a question regarding if the Open Meetings Act applied to this group. PA 267 of 1976; MCL 15.261. The Act applies to “*any state or local legislative or governing body, including a board, commission, committee, subcommittee, authority or council which is empowered by state constitution, statute, charter, ordinance, resolution or rule to exercise governmental or proprietary authority . . .*” A meeting is defined as “*the convening of a public body at which a quorum is present for the purpose of deliberating toward or rendering a decision on a public policy*”. This group does not have a quorum of a “public body” nor does it render decision on public policy. The role of the RHAC is to review new healthcare products, voice preferences and make recommendations regarding plan changes, and work with management to develop strategies to maintain sustainable levels of healthcare coverage for retirees. However in the spirit of remaining transparent and autonomous from the CMH Board and Management, it is recommended that the meeting schedule be posted on the CMH website and that public participation be included at the beginning and end of each agenda. Anyone wishing to make comment will be given an opportunity within a specified amount of time. Smith cautioned that the Committee should not respond to public comment, but take the comments under advisement. Jordan will draft ground rules for public comment. A notice will be posted on the CMH website, inviting the public to join (only through physical presence, not tele-conference).

Other

Discussion on when the survey should be posted. Only the survey results (no observations) will be posted at this time. Warth will post the survey and an announcement that comments related to the survey should be directed to S. Higashi (at her email address).

Stimson requested that during meetings, members state their name before speaking.

There was a question on how retirees can communicate with this Advisory group. Email addresses for members can be posted on the website once permission to do so is sent to Warth.

NEXT MEETING DATE

Agenda Items September 2, 2009 meeting:

- Executive Summary for Survey
- Survey Presentation to CMH Board of Directors
- Updated Insurance Information – De Lay
- Declaratory Suit Update

Suggestion for other items should be emailed to P. Jordan

Adjourned at 11:40 a.m.

Submitted by: Suzanne Warth, Executive Assistant