

INSURANCE & RISK MANAGEMENT COMMITTEE MEETING

September 13, 2006 – 2:30 p.m.

PRESENT: Chairman DeCerce; Supervisors Janik, Keyrouze, Richardson, Trottier, Wood, Gutheil; Sausville; Spencer Hellwig, Mgmt. Analyst; Jack Kalinkewicz, Bob Hartman, Personnel; Sue Lent, Self-Insurance; Barry McNamara, Kyle Wessels, Benetech; Steve Williams, The Gazette

Vice-Chairman Raymond called the meeting to order.

Mr. Wood moved to approve the minutes of the July 12th meeting. Mr. Trottier seconded. Unanimous.

Mrs. Lent distributed copies of the Self-Insurance Pool Report for the period 1/1/06 to 8/31/06 and for the same period last year for comparison. The cases for the month down by 2; cases for the year down by 13; expenses through July down by \$238,413; expenses through August down by \$47,960; yearly expenses down by \$286,374.

Mr. Kalinkewicz introduced the health insurance consultants from Benetech. He said as we go through this process, the three unions – Corrections, Road Patrol, and the General Unit, will be involved, as they have input.

Mr. McNamara distributed copies of a handout of what carriers the RFP was sent to and what they have heard from the potential bidders at this point in time. He said many of them have indicated they are going to be bidding on all of the coverages – medical, prescription drugs and dental. There are other potential bidders who do not offer medical and prescription drug coverage and will only bid on the dental, he said. He pointed out there are some pharmacy benefit managers listed, and all they do is prescription drugs. He stated the RFP went out on August 15. He said they requested a census from Blue Shield regarding the County's employees, and they didn't receive all of the information requested until last week. In light of that, he said they would like to extend the deadline for receipt of the RFP's to September 20th rather than September 15th. Ms. Keyrouze asked Mr. McNamara if they would take new RFP's that come along. Mr. McNamara said certainly because it is a public bid. He said they tried to cover the market.

Chairman DeCerce asked if there was any benefit having one agency with all three coverages. Mr. McNamara said generally. Probably 92% of your expenses are claims, so we might see a volume discount from packaging everything together, he said. There may be carriers who are dental specialists whose administrative expenses may be far less than any carrier listed, he added. He stated you really need to look at the best deal on each. Mr. Hellwig asked if any have indicated it is all or nothing. Mr. McNamara said no. He said anything received after the 21st will be returned unopened.

Mr. McNamara distributed copies of the RFP Timetable indicating that the finalist interviews would begin September 27th. We will be ready with our final recommendations October 6, and this Committee meets on October 11th where we will have our final report, he stated. Ms. Raymond said sometimes a little negotiating goes on after interviews before we get final recommendations. She asked where that was built in. She suggested if needed, we could push this Committee's meeting next month ahead a few days. Mr. Kalinkewicz said if needed, we will certainly ask for more time. He said we can go into November, but December 1 is our commitment to cancel the current holder and move on.

Chairman DeCerce appointed Ms. Raymond, Mr. Gutheil, Mr. Kalinkewicz and himself to a subcommittee to work on this with the consultants. Mr. McNamara said if there is a change, we should back up to mid-November to start the transition. A lot of activity surrounds a change, he said. Mr. Kalinkewicz said we would like to stay as close to the guideline as possible, but there is a little wiggle room.

Ms. Raymond pointed out September 27 through September 29 is the NYSAC Conference. She suggested the consultants do the interviews initially, and the subcommittee can sit on a second interview after that. Chairman DeCerce told Mr. McNamara that the Committee's goal will be for him to go through the first cut, and he and Mr. Kalinkewicz will decide on the second cut and when.

On a motion by Ms. Raymond, seconded by Mr. Wood, the meeting was adjourned.

Respectfully submitted,

Elaine M. Sodemann