

**City of Bristol, Connecticut
Insurance Committee Meeting
March 19, 2019**

A meeting of the Insurance Committee of the Board of Finance was held on March 19, 2019 in the 1st Floor Executive Meeting Room of City Hall. The following were in attendance: Committee Members: John Smith, Ron Burns and Jake Carrier City: Diane Waldron, Robin Manuele, Mark Penney and Barbara Kashuba BOE: Sam Galloway and Jill Browne Tracy Driscoll: Mike Rivers HD Segur: Nancy Cosgrove and Mary Ann Rosa Lockton: Lisa Daley, Dave McCluskey, Brenton Milardo and Liz Spencer.

1. Call to order.

John Smith called the meeting to order at 9:03 a.m.

2. Discussion on the City 's Liability Insurance with Tracy Driscoll and HD Segur and to take any action as necessary.

Mary Ann reviewed the Claims Report. A comparison of years from 2013 was presented, there have been a total of 434 total claims since 2013 with 386 closed and 48 open for all categories. Mary Ann broke it down by category, automobile, general liability, law enforcement, public officials, educator's liability and employment practice liability. A review of the open suit, open liability and open automobile claims was presented. A page was provided for Department Heads on their individual Departments. John questioned who reviews the sidewalk claims, Barbara stated Sean Harris in Engineering.

Mike Rivers discussed the renewal rates, which will be finalized in April. Excess Workers' Compensation may increase based on payroll increases. The Student Accident policy was discussed as there will be an increase because there is an increase in usage as more claims have been submitted on the policy. Nancy will provide specifics of claims larger than \$5,000 to Sam.

3. Discussion of insurance certificate requirements for BOE Executive Coaches and to take any action as necessary.

Jill explained the Executive Coaches are retired School Administrators who would work with new principals to build leadership skills. The current policy in place requires them to carry Certificate of Insurance (COI). Mike Rivers explained any time the City has subcontractors without insurance they are insured under the City's policy, however the City wants to shift the liability back to the person as the City takes on the exposure if they do not require a COI. The whole purpose is to limit the City's exposure. There is also an exposure in the advice the coach is providing to the individual, where the individual should want to carry the insurance to protect themselves. Mike stated there is miscellaneous professional liability insurance available for these types of professionals at a minimal cost. At the very least a waiver should be developed by the Board of Education Attorney, Shipman & Goodman, for hold harmless which Mike can review as well. Discussion was held and Jill explained it's difficult to find someone that is a professional and personal match with the same leadership style. Sam stated at Chippens Hill Middle School there is a new principal and two new assistant principals this year. John explained he is fine with it as long as there is a waiver in place that is reviewed by Segur and copied to the Comptroller's Office.

HD Segur left the meeting 9:45 a.m.

4. Discussion of the City 's building values and replacement cost calculations.

Mike Rivers reviewed the building valuations of several schools and city buildings that he had adjusted after speaking with Roger Rousseau and Tom DeNoto to the current cost of \$280 per square foot, which is just for the building not contents. He is going to work with Roger for the value on the remaining buildings such as firehouses and police court complex.

Mike Rivers left the meeting at 9:52 a.m.

5. Discussion on the City 's Health Insurance with Lockton Companies and to take any action as necessary.

- a. 2019 Budget Projections
- b. Preliminary Stop Loss Analysis
- c. Update on Rx Proposal

Lockton reviewed the following: 2019 budget projection, update on actual versus budget projections, update on pharmacy proposal with CIGNA and ESI, update on Dental RFP, and preliminary Stop Loss Analysis.

Brenton reviewed the budget projections which were provided with and without the margin. There have been seven claims over \$250,000 to date this year.

Lockton discussed negotiations with Cigna since the coalition is going away with ESI, a decision will need to be made by April 1, 2019 as a 90 day notice is needed per the contract with ESI. Lockton's Director of Pharmacy Solutions reviewed Cigna's proposal compared to ESI's current contract which Cigna's offer is highly competitive. Cigna is offering a \$1.50 per employee per month discount on the admin fees for consolidation, and a \$.50 cent per employee per month charge for data coordination will no longer be charged resulting in annual savings of \$40,944. The Rx rebates would increase as well resulting in an overall savings for the City and BOE of \$331,038. Consolidating would also provide an administrative ease. Lockton would aid in communication and education rollout to all union group if this is pursued. The disruption analysis was reviewed and there is a 97% match or improvement with the legacy formulary. John stated it makes sense to roll everything into one.

Ron Burns made a motion seconded by Jake Carrier "To approve Cigna's pharmacy integration proposal effective July 1, 2019 and refer to the Board of Finance for approval." After the Board of Finance approves this, Lockton will forward a letter for John's signature for termination to ESI.

The Dental RFP was sent out and returned with Anthem, Cigna, Delta and Guardian returning bids. Information was provided from one of Anthem's bids however, another meeting will be needed to further discuss the results of the bids.

Liz reviewed a preliminary stop loss analysis using five claims the City has had this year and the projected high costs for the next policy year. The cost would be \$279,363 a year which includes a Cigna interface fee of \$11,130.

6. Discussion of the 2020 Health Benefits budget and to take any action as necessary.

This item was not addressed. It was agreed to meet again before the Board of Finance on March 26 at 5 p.m.

7. Adjournment.

Jake Carrier made a motion to adjourn at 10:42 a.m.

Respectfully Submitted,

John Smith/jam
John Smith, Chairman