

MINUTES
ENGLEWOOD WATER DISTRICT
EMPLOYEE BENEFITS COMMITTEE
201 SELMA AVE, ENGLEWOOD, FL 34223
WEDNESDAY, JUNE 21, 2023 – 8:30 AM
BOARD ROOM

Committee:

Taylor Meals, Board Member

Ray Burroughs, Administrator

Heather Bagshaw, Human Resource Manager

Lisa Hawkins, Finance Director

Dakota Johnson, Distribution Maintenance Technical

Keith R. Ledford, Jr., P.E., Technical Support Manager

Austin Moriarty, Chemist

Amy Reif, Utility Billing

1. ROLL CALL – All present
2. PUBLIC INPUT – None
3. MEETING MINUTES – Heather called for approval of the meeting minutes. Ray moved **“to approve the minutes”** seconded by Taylor.

Unanimous

4. DISCUSSION

a. Selection of Florida Blue Healthcare Plans – Heather asked each committee meeting to give input on which plans to offer and how to do the salary additive if we keep it or do something different.

- Austin explained his spreadsheet using the current pay additive of \$646.61 and current plans chosen by each employee. His plan retains the pay additive and still contributes left over funds to 401K plans based on the plan picked by employees. Current employees who have insurance elsewhere would still receive the full pay additive (grandfathered in) but it would not be offered to future employees. Dental and vision was not calculated in his spreadsheet.
- Dakota added that there are employees who currently only insure themselves and their children and not their spouse because they can't afford the insurance we currently have. If family plans were covered by EWD it would allow them to have a better life, financially helping the employees who are paying out of pocket for their family's healthcare. It was added that the pay additive currently paid by EWD is 70% of the

lowest health, dental and vision plan. With the switch to PRM the pay additive amount could go down.

- Lisa calculated her plan using the best plan offered with EWD paying 100% of employee and 90% of the other ones, this would cost the District about the same (\$1.3M) as we are paying now. This does not include vision and dental. If an HSA was offered then the District could cover the deductible amount, putting it into their HSA but employees should be offered a choice of plans. This scenario does not contribute to 401K plans at all. It was added that it is unknown if the people who currently do not take EWD insurance would join the plan if EWD covered their families. If people still reject EWD insurance, the current pay additive amount being added to their 401K plans is too high. \$200 a month was suggested.
- Amy suggested that pay additive aside, the committee needs to pick the plan or plans that best serve the employees. Until the plans are picked, maybe EWD paying 100% of a lesser plan and 70% of a higher plan the pay additive can't be decided. It was added that if multiple plans are offered a maximum dollar amount would need to be offered to employees.
- Keith stated that in review of all the plans, for the price/coverage difference it makes sense to eliminate the HMOs. He then explained that his first handout was based on the highest PPO, including the highest dental and vision. This plan tiered the cost to the employee based on who they cover and does away with the pay additive. His second handout was based on the highest HSA, including the highest dental and vision. For this plan, EWD would contribute \$3,000 annually to the employee's HSA upfront. This would remove the deductible and give the single employee \$1,500 above the family. It was added that employees could also contribute up to the maximum allowable amount, the money can only be used for healthcare and would belong to the employee when they retire. If an employee did an early withdrawal, there would be penalties.
- Heather calculated her plan using the highest HSA with EWD covering 100% of employee and family including the highest dental and vision the annual cost came to \$1.3M. The current salary additive is \$1.36M but this plan was calculated without EWD covering any of the deductible. If EWD funded the deductible it would bring that total to \$1.5M. For the employees who took no insurance a \$500 subsidy would be offered either as cash or put into their 401Ks.
- Ray stated his concern of employees not understanding an HSA, and if this is a good plan for people with chronic illness or have an unexpected large cost medical event. He suggested also offering a PPO.

- Taylor suggested the committee forget about what we are currently doing and look at it as a business just starting out. The focus needs to be on keeping employees and their families healthy, tremendous debt could be incurred with just 1 medical event. He recommended coming to 1 plan that does the best job for employees, spouses and families and see what EWD can afford. Switching to PRM is already a 30% savings for EWD and employees are getting better coverage. His recommendation was taking the best PPO plan, lowering the total exposure is better for everyone. He also suggested finding a number/percentage where all employees participate in the cost of their insurance, and work backwards to find a reasonable number for employees who do not take EWD insurance. He would need to do more research on HSAs to make a decision. Heather will confirm with PRM if anything is not covered by an HSA plan. He also had concerns about the potential high medical cost of going out of network for care.

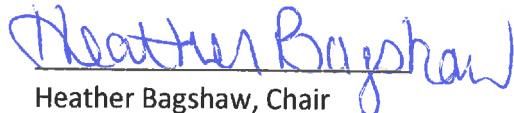
Because Ray and Teresa had another meeting, a brief recess was called.

At conclusion of discussion, the consensus was to narrow it down to two plans; the PPO 3748 and HSA 5168, including the highest dental and vision plans. Discussion for the next meeting will include what percentage of premiums EWD will cover and what will be given to the employees who do not take EWD's insurance. Heather also explained the maximum increase or possible decrease EWD could face depending on our claims year.

It was mentioned that an additional meeting could be added on July 12th if necessary.

b. Preliminary Discussion of Pay Additive – covered in the above discussion.

5. ADJOURNED @ 10:15 am



Heather Bagshaw, Chair

/tlh