



City of Manitowoc

900 Quay Street
Manitowoc, WI 54220
www.manitowoc.org

Meeting Minutes - Final Personnel Committee

Tuesday, September 29, 2015

5:15 PM

Council Chambers

Pursuant to Section 19.84(2) and (3) of the Wisconsin Statutes, notice is hereby given to the public, to the Herald-Times-Reporter, the official newspaper of Manitowoc, and to those news media who have filed a written request for this notice that a meeting of the above-referenced will be held at the date, time and location listed above.

Notice is hereby given that a majority of the Common Council of the City of Manitowoc may be present at this meeting to gather information about the subject matter over which they have decision making responsibility.

The above governmental body will meet to discuss and possibly take action on the agenda items set forth below.

1. CALL TO ORDER

The meeting was called to order at 5:15 pm.

2. ROLL CALL

Mayor Justin Nickels, Todd Blaser, Eric Sitkiewitz, Steve Corbelle, Jay Scott, Shawn Esslinger, Mary Mauer, David Yeghiaian, Debbie Dvorachek, Jim Brey, Rochelle Bliindauer, Kathleen McDaniel, Jason Sladky, Jane Rhode

Present: 5 - Hennessey, Able, McMeans, Sladky and Brandel

3. APPROVAL OF MINUTES

[15-1027](#)

Approval of September 29, 2015 Personnel Committee Minutes.

Moved by Able, seconded by Brandel, that the minutes be approved as presented. The motion carried by the following vote:

Aye: 5 - Hennessey, Able, McMeans, Sladky and Brandel

4. PUBLIC COMMENT

No public comment.

Mike Howe joined the meeting at 5:16 p.m.

5. DISCUSSION AND ACTION ITEMS

[15-898](#)

Discussion and Possible Action on Partnership for Clinic.

Alder Hennessey gave an overview on the purpose of the meeting. There were some concerns about the decision from the Personnel Committee Meeting on September 17, 2015 and how the Committee came to that decision. This meeting will give all parties a chance for discussion. The HFM representatives approached the table. Mary Mauer thanked the Committee for the opportunity and acknowledged government, education, business and health care. David Yeghianian then discussed the particular details including the Third Party Administrator, Tier 1 request, the clinic, and the RFP process. Since the City currently uses Focus Health, HFM is automatically excluded. Additionally, if the City plans to switch to Blue Priority, HFM would still be excluded. He discussed the most recent proposal by HFM to bundle our top ten services and felt that since this last proposal, communication has broken down. Several requests were made by HFM and according to Mr. Yeghiaian, HFM never received responses. Eventually, HFM was asked to waive the Tier 1 request, to which HFM declined. Ultimately, HFM offered to waive the Tier 1 request, provided the City would provide a direct to employer agreement for our top ten services. HFM stated their belief - that employees want to have a choice. M. Mauer restated that HFM wants what is best for the City of Manitowoc employees and asked if there were questions.

Alder Brandel asked if HFM had a contract with Anthem/Blue Priority, to which HFM indicated they did but not the plan the City is considering. Alder Brandel also asked for clarification on the top 10 services and physicians and whether there be steerage to HFM, to which HFM responded it was a possibility depending on how the City chose to create the plan. R. Blindauer stated that this would provide choice to employees if the billing issues were resolved. Alder Able questioned how the pricing with the ten services would compare to the current costs; HFM indicated they would be equivalent or better. Alder Brandel asked how the TPA related to the clinic; HFM indicated that they assumed they would not be chosen for the clinic if Blue Priority was chosen for the TPA, even though they felt they had a superior offer for the clinic. Alder Sladky questioned where the school district was in their decision, to which R. Blindauer indicated that the school district had voted in favor of an agreement with Aurora for the clinic and it passed. HFM stated that the vote was made subject to the City's final decision. Alder Howe asked HFM if they could provide the City with data that they will save \$300,000 to which HFM stated that they had no specific data to provide those numbers. Aurora's information was provided based on the narrow network. Alder Brandel stated that since the clinic is a three-year contract and the health care/TPA, which is a one-year agreement, there may be a conflict when the contract expires.

[15-899](#)

Discussion and Possible Action on Insurance Third Party Administrator.

Alder Hennessey invited AFG to the table for discussion. Jay Scott explained AFG's history of involvement in the RFP process. AFG researched a fully insured vs. self-insured plan including both HFM and Aurora. It's necessary to focus on the City's overall health costs and not ten bundles or five bundles, for instance. Mr. Scott expressed concerns with HFM's plan design, a direct to provider agreement, and stop loss coverage issues. Alder Brandel asked for clarification on Focus Health and how it differs from the Blue Priority network. Employees will always have choices but the City will continue to have a narrow network to be more cost-effective. S. Corbeille clarified that Blue Priority includes many health care providers including, but not limited to, Aurora, UW Health Care, Bellin, Theda, and Childrens' Hospital. Debbie Dvorachek from

Aurora mentioned that Aurora simply wants to provide quality care.

6. CONVENE IN CLOSED SESSION

A motion was made by Brandel, seconded by Able, to convene in closed session at 6:15 p.m. The motion carried by the following vote:

Aye: 3 - Hennessey, Able and Brandel

Nay: 1 - Sladky

Abstain: 1 - McMeans

Notice is hereby given that the above governmental body may adjourn into a closed session during the meeting as authorized by Section 19.85(1)(e) of the Wisconsin Statutes, which authorizes the governmental body to convene in closed session for the purpose of deliberating or negotiating the purchasing of public properties, the investing of public funds, or conducting other specified public business, whenever competitive or bargaining reasons require a closed session.

The specific subject matter that may be considered in closed session is:

[15-898](#) Discussion and Possible Action on Partnership for Clinic.

(Closed Session portion of the Minutes has been redacted.)

[15-899](#) Discussion and Possible Action on Insurance Third Party Administrator.

(Closed Session portion of the Minutes has been redacted.)

7. RECONVENE IN OPEN SESSION

A motion was made by Able, seconded by Brandel, to reconvene in open session at 6:34 p.m. The motion carried by the following vote:

Aye: 4 - Hennessey, Able, Sladky and Brandel

Abstain: 1 - McMeans

[15-898](#) Discussion and Possible Action on Partnership for Clinic.

Based on discussion in closed session, the Committee decided to uphold the Personnel Committee's decision from the September 17, 2015 meeting. The Committee thanked everyone for their time and efforts in the process. Alder Brandel encouraged future development in regards to HFM bundles and working directly with the insurance providers.

[15-899](#) Discussion and Possible Action on Insurance Third Party Administrator.

Based on discussion in closed session, the Committee decided to uphold the Personnel Committee's decision from the September 17, 2015 meeting.

8. ADJOURNMENT

A motion was made by Sladky, seconded by Able, to adjourn at 6:38 p.m. The motion carried by the following vote:

Aye: 5 - Hennessey, Able, McMeans, Sladky and Brandel

Submitted by Rochelle Blindauer, Human Resources Director.