

**DULUTH JOINT POWERS ENTERPRISE TRUST
BOARD OF TRUSTEES MEETING MINUTES
Wednesday, September 26, 2012**

Board Members Present: Rick Ball, David Montgomery, Randy Overby, Dan Russell

Others Present: Barb Akervik, Amy Diedrich, Keely Downs, Cookie Gilmore, Kim Hall, Terry Johnson, Alison Lutterman, Tom Maida, Ramona McCree, Amy Norris, Terri Nowak, Wayne Parson, Peg Spehar, Marlene VanPuymbrouck

Chair Montgomery called the meeting to order at 10:39 a.m.

Approval of Minutes: The July 11, 2012, Minutes were approved (4-0). Russell/Ball

Treasurer's Report

- Parson stated the dental plan is at a 5% trend increase.
- Medical is under budget for the third month in a row.

Delta Dental 2013 Premiums

- Diedrich recommends no increase to dental premiums. There is a surplus and increases are on track.
- Motion by Russell with second by Ball to approve no increase in dental premiums for 2013.
- Montgomery asked if we have been pleased with Delta, and staff confirmed we have.
- **Resolution JPE 0912-22** passed unanimously (4-0).

COBRA/Retiree Billing Third-Party Administrator

- Administrative functions for billing require a fair amount of precision, especially with COBRA and flex spending.
- Gilmore stated an RFP was issued for COBRA services because staff was having customer service issues with Genesis. Genesis' bid was a 44% reduction in current rates. An interview process was conducted with Genesis as the unanimous choice. Their bid includes a 3 year price guarantee and performance guarantees.
- Motion by Overby with second by Montgomery to approve Genesis as the COBRA/Retiree Billing Third-Party Administrator
- **Resolution JPE 0912-23** passed unanimously (4-0).

Wellness Communication Strategic Plan

- Amy Norris reminded everyone of the Wellness Fair on October 3rd.

- Norris stated the purpose of the Wellness Communication Strategic Plan is to inform current and former employees about wellness initiatives. The Wellness Committee requests \$5,000 from the Board to support this effort.
- Motion by Ball with second by Overby to authorize expenditure of \$5,000 for the Wellness Committee Communication Strategic Plan.
- **Resolution JPE 0912-24** passed unanimously (4-0).

Preliminary Medical Premium Setting Discussion

- Diedrich explained the JPE group's age demographics are much older than other groups.
- Trend increases have been approximately 9 to 10%.
- The projected shortfall for 2012 is at \$1.2 million.
- Diedrich reviewed 2013 projected data broken down between under 65 and 65 and over.
- By carving out the 65 and over, savings of \$1.8 million to the plan is projected. This would require the Board to approve a new contract with Health Partners.
- Motion by Russell with second by Overby to support staff moving forward with the transition to separate the two groups and enter into separate agreement with Health Partners. A final vote on this matter will occur at October 10 meeting.
- **Resolution JPE 0912-25** passed unanimously (4-0).

(Russell left meeting at 11:43 a.m.)

- Maida asked if an analysis on the self-insurance fund was conducted in regard to separating 65 and over. Diedrich stated it was. Maida asked if this would make the fund healthier. Discussion ensued.

Next meeting: The next meeting is scheduled for October 10, 2012, at 9:30 a.m. in Room 402 of City Hall.

The meeting adjourned at 11:55 a.m.

Minutes respectfully submitted by,

Terri Nowak
Executive Assistant
City of Duluth