

Rocky River Public Library
Board of Trustees Meeting
Wednesday, January 11, 2012

The special meeting of the Board of Trustees of the Rocky River Public Library was held in the Library on Wednesday, January 11, 2012.

Present: Audra Bednarski, William Henson, Betsy Lanzen, Catherine Manzo, Jean McQuillan, Diane Murphy and Cynthia Schafer

Absent:

Also Present: Nick Cronin, Director, Gary Hawkinson (Fiscal Officer), Jamie Mason (Deputy Director) and Pam Ward (Meeting Secretary) Steve Ligus and Mike Dillon from Hylant Group.

1. CALL TO ORDER: Ms. Manzo called the meeting to order at 6:30 p.m.

2. DISCUSSION OF HEALTH CARE INSURANCE OPTIONS: Mr. Hawkinson reported that the Library has been with Kaiser Permanente since 1999. Healthcare expense has become one of the most significant expenditures the Library has outside of salaries and library materials. Last year healthcare costs were \$234,000 which is 5.76% of the general fund expenditures. Ten years ago, healthcare costs were \$51,500 or 1 ¾% of the general fund expenditures. Kaiser has made significant changes to their program in the past year. The “Added Choice” option has been eliminated. Kaiser is changing to an HMO only network. Kaiser has also reduced its points of service and hours of operation. Kaiser is expanding in Summit, Medina and Lake Counties. The Library’s broker, Hylant Group, collected medical information in early December of all eligible employees and distributed that information to the major health carriers. Hylant was asked to look for a non-HMO product and a product with lower deductibles. Lower deductibles could not be found. There were 36 staff members on the Kaiser Health plan in 2011. Six of the 36 staff members were on the “Added Choice” program. Mr. Hawkinson suggested that the Board review the Kaiser HMO plan and two non HMO plans offered by SummaCare. SummaCare operates out of Akron General Hospital. SummaCare Select uses non-Cleveland Clinic Hospitals. SummaCare Premier includes Cleveland Clinic Hospitals. Mr. Hawkinson reviewed the SummaCare plans and costs. Mr. Ligus explained that the insurance carriers look at the number of people in the group, the ages of the group, the male/female ratio and the residential zip codes of the group. A tier rating is then assigned to the group. The rating assigned to the Library was based on the results of the online medical survey filled out by the staff members that are currently enrolled with Kaiser. Ms. Murphy asked that Hylant provide the rating assigned by Kaiser and SummaCare. After extensive discussion, the Board decided to remain with Kaiser for 2012 to keep the amount of changes for staff to a minimum. The choices for healthcare will be changing in 2014. The Supreme Court will be making a ruling by the end of 2012 which may open up access to state insurance exchanges.

Mr. Hawkinson presented information on dental coverage. Up to and including this past year, the dental provider has been Delta Dental thru Kaiser with Kaiser as the administrator. This

year we have 4 quotes for dental coverage including Delta Dental thru Kaiser and Delta Dental as a stand alone. Rates for Delta Dental as a stand alone would be a reduction in costs of 4.9% from the projected rates from Kaiser. The Delta Dental Stand Alone has the same coverage and benefits as Kaiser's dental plan. The Board agreed to the Delta Dental Stand Alone Plan for 2012.

- 3. DISCUSSION OF COST SHARING:** Mr. Hawkinson distributed information on the health care premium cost sharing of libraries in our region with a budget between \$4 million and \$10 million. The average amount paid by libraries in the survey provided is 86% for an employee and 60% for family coverage. Mr. Hawkinson reported that Senate Bill 5 suggested that public employees pay 15% of their healthcare costs. Currently, Rocky River Public Library pays 95% of healthcare coverage for an employee and 40% of incremental coverage and 100 % of dental coverage. He suggested that the Library move toward health care cost sharing. The Board agreed to have the employees pay 5% of their dental coverage for an individual and 60% of dependent coverage in 2012. The board decided to add the topic of healthcare cost sharing to the agenda at the Board retreat in February.
- 4. ADJOURNMENT.** There being no further business, the meeting was adjourned at 7:45 p.m.

Catherine Manzo,
President

William Henson, Secretary