

**MINUTES OF
MEETING**

Special Meeting Minutes

October 30, 2017– 5:30 p.m.

Orange County Water Control & Improvement District No. 1 Board Room
460 E Bolivar Street, Vidor, Texas

Robert Viator.....	President
Frank Inzer.....	Vice President
Tim Beard.....	Secretary
Trey Haney.....	Director
Guy Groves.....	Director
Norman Blackman.....	General Manager
David LeJune.....	Operations Manager

In accordance with Section 551.042 of the Texas Government Code, this agenda has been posted in the lobby and on the front door of the Orange County Water Control & Improvement District No. 1 Administrative office for the time required by law. The President requests that all cell phones and pagers be turned off or set to vibrate.

Members of the audience are requested to step outside the Board Room to respond to a page or to conduct a phone conversation.

The O.C.W.C & I.D #1 Administrative office is wheelchair accessible. Sign interpretation or other special assistance for disabled attendees must be requested 48 hours in advance by contacting the General Manager's Office at 409.769.2669.

CALL MEETING TO ORDER

President Viator called the meeting to order at 5:30.

ANNOUNCE THE PRESENCE OF A QUORUM

President Viator announced the presences of a quorum.

MEMBERS PRESENT

All Board Members were present.

MEMBERS ABSENT

None.

STAFF PRESENT

Norman Blackman, General Manager, Chris Serres, Director of Finance and Office Operations, and Larry Hunter, District's Attorney were present.

OTHERS PRESENT

George Garza of the Vidorian and Ian Garrett of Beaty Insurance were in attendance.

INVOCATION AND PLEDGES

Vice President Inzer gave the invocation and Director Haney led the Pledges.

MEETING AGENDA

1. Citizen comments.

There were no citizen comments.

2. Consideration and possible action regarding the selection of a health insurance policy for Orange County Water Control & Improvement District employees.

Norman Blackman pointed out that the current budget for health insurance is \$240,000.00 annually. At the time the budget was set it was known that the insurance was \$225,000.00 per year and that we would have to renew in December and that it would increase in cost some. They increased the amount to \$240,000.00 in the budget. We were hoping \$75,000.00 would represent the increase.

The renewal from United Healthcare with basically the same plan with an increase in deductible from \$2,000.00 to \$2,500.00, the out-of-pocket amount would increase from maximum from \$6,350.00 to \$7,000.00. This would increase the annual insurance to around \$260,000.00 a year. That is almost \$35,000.00 increase per year effective December 1.

Director Haney asked if that was actual cost or projected cost. Norman Blackman it was based on 23 employees and Ian Garrett would give them more information.

The committee looked at several different companies, one as close to United Healthcare was Humana.

Ian Garrett explained that the companies were sent the health questionnaires on all employees and some companies declined to quote.

Norman Blackman did state that the District paid 100% of employee only insurance.

Ian Garrett gave an overview of the renewal from United Healthcare. The deductible is going from \$2,000.00 to \$2,500.00. The employee insurance premium would go from \$722 per month to \$832. Employee out-of-pocket would increase from \$6,350 to \$7,000 per year and after this is met the insurance would pay 80/20.

Humana TX Simplicity insurance plan out-of-pocket is \$7,150 per year and after that it would pay 100%. There is no deductible on this plan, the difference is everywhere you go – to the doctor, to the hospital – you would pay a co-pay of \$55 in network and \$80 out of network, and all those co-pays add up to your total out-of-pocket. You have \$0 deductible for in network and \$5,000 for out-of-network. He stated that he had been on this plan for about 3 years and had never had an out-of-network charge. You will get to

your out-of-pocket quicker with Simplicity than you would with the United Healthcare program.

Norman stated that is he understand correctly, there were only a couple of employees that reached the \$2,000 deductible for the year. Actually there were 4 but 2 are no longer on the insurance. So statistically most of our people fall below that point. Humana has a plan that if you get a wellness checkup and some other things that can apply some discounts to lower costs to the District.

Ian Garrett explained that it is based on a point system and if you don't sign up for it you don't gain any rewards for completing any of the steps. If you achieve 7% employee participation you could gain Silver status in the rewards program for the District.

Norman asked if we had 5% participation early in the year if that might mean a savings to the District of about \$12,000 a year. He also stated that it might be good to incentivize this program early to maximize the benefits for all.

Norman stated that the other thing of concern was the cost of medication for the employees. In looking at that, there are only two employees that pay the maximum on medication and that is David LeJune and himself. He stated that he would be paying \$4,000 a month for his meds which is \$48,000 per year but he forgot to consider the maximum out-of-pocket is \$7,150 so he would not have that much out-of-pocket. David LeJune also has some expensive medications and they have not found out anything yet on his. But he thinks it should be covered now as it has been before.

President Viator asked if the insurance committee studied the plans and what they would recommend. Both Director Haney and Director Groves recommend the Humana TX Simplicity plan.

Norman Blackman stated that the United Healthcare renewal would represent a 15% increase in what we are paying now and the Humana plan would represent a 6% increase in the current plan cost. A total difference of the two is we would be paying about \$21,000 less in a year with Humana than if we took the United Healthcare renewal.

A motion was made by Director Haney and seconded by Director Groves to accept the Humana TX Simplicity Insurance Plan as the insurance plan for the Orange County Water Control & Improvement District No. 1 employees. All voted Aye.

3. Adjournment.

A motion was made by Vice President Inzer and seconded by Secretary Beard to adjourn. All voted Aye. So we did at 6:20 p.m.


Robert Viator, President


Tim Beard, Secretary