

Name of Committee: Override Study Committee Personnel Benefits Subcommittee

Meeting Date: December 17, 2013 Time: 4:00 p.m.

Meeting Location: Town Hall – Room 310

Members Present: Cliff Brown, Janet Gelbart, Carol Kamin

Staff Present: Sandra Debow, Director of Human Resources and Chris McLaughlin, Benefits Administrator

Topic: Approval of Minutes

The minutes of the November 8 and November 15 meetings were approved.

Topic: Discussion of outstanding questions on employee/retiree health insurance

Sandra Debow reminded the Committee that the town's participation in the GIC was governed by section 19 and it would require a vote of 70% of the Public Employee Committee (PEC) to move to the less stringent rules approved under municipal health reform. The current health insurance contract renews in June, 2015. One potential area for renegotiation is the share of the premium the town pays which is currently 83% for HMOs and PPOs, and 65% for indemnity plans. HMOs are the least costly of the three groups. Under the GIC, all plan deductibles are capped at \$250 per individual and \$750 per family. The town provides a health reimbursement account (HRA) for high end co-pays. Since all plans have tiered co-pays, the reimbursement is at the mid-level tier.

The committee reviewed the preliminary town benchmarks Sandra and Chris provided. Of the 41 towns that responded, 39 participate in the GIC, 14 grandfather changes, and 29 contribute different amounts for the three groups of coverage (indemnity, PPO and HMO). Since Brookline comes section 19, it cannot grandfather benefit changes.

Topic: Discussion of preliminary conclusions

Given the constraints of state law, the options for generating savings in pensions and benefits are:

- urge the Retirement Board to pro-rate the years of service for part-time employees to become benefits eligible
- continue to work with the Mass Municipal Association (MMA) to achieve reform of retiree health benefits
- explore the potential for reducing the town's premium share for health insurance either across the board or by plan type
- continue to work with the MMA and the state legislature to eliminate the constraints of section 19 which apply only to the handful of municipalities which were early participants in the GIC

Topic: Discussion of write up for broader committee

Cliff Brown asked Janet Gelbart to draft the report.

The committee adjourned at 4:50 p.m.

DRAFT