



TOWN OF GOLDEN BEACH

One Golden Beach Drive
Golden Beach, FL 33160

Official Minutes for the September 15, 2020
Special Town Council Zoom Virtual Meeting called for 6:30 P.M.

Zoom Room Meeting ID: 842 5910 4928 Password: 652930

For Dial In Only: Call 929.205.6099 Meeting ID: 842 5910 4928

THE PUBLIC MAY PARTICIPATE AT GOOD AND WELFARE; PLEASE HOLD ALL QUESTIONS AND COMMENTS UNTIL THEN! THE PUBLIC IS ENCOURAGED TO SUBMIT ALL COMMENTS VIA EMAIL TO LPEREZ@GOLDENBEACH.US BY 2:00 P.M. TUESDAY, SEPTEMBER 15, 2020.

A. MEETING CALLED TO ORDER

Mayor Singer called the meeting to order at 6:33 p.m.

B. ROLL CALL

Councilmember's Present: Mayor Glenn Singer, Vice Mayor Bernard Einstein, Councilmember Jaime Mendal, Councilmember Kenneth Bernstein, Councilmember Judy Lusskin

Staff Present: Town Manager Alexander Diaz, Town Attorney Steve Helfman, Town Clerk Lissette Perez, Finance Director Maria D. Camacho, Police Chief Rudy Herbello, Building Director Linda Epperson, Resident Services Director Michael Glidden, Public Works Director Kirk McKoy, Facilities Maintenance Director Ken Jones

C. PLEDGE OF ALLEGIANCE

Chief Herbello led the Pledge of Allegiance

D. TOWN RESOLUTIONS

1. A Resolution of the Town Council Awarding A Comprehensive Health Insurance Plan for the Benefit of the Town of Golden Beach Employees.

A RESOLUTION OF THE TOWN OF GOLDEN BEACH, FLORIDA, AWARDING A COMPREHENSIVE HEALTH INSURANCE PLAN FOR THE BENEFIT OF THE TOWN OF GOLDEN BEACH EMPLOYEES AND ELIGIBLE DEPENDENTS; PROVIDING FOR IMPLEMENTATION; AND PROVIDING FOR AN EFFECTIVE DATE.

Exhibit: Agenda Report No. 1
Resolution No. 2698.20

Sponsor: Town Administration

Recommendation: Motion to Approve Resolution No. 2698.20

A motion to approve was made by Councilmember Bernstein, seconded by Councilmember Mendal.

On roll call, the following vote ensued:

Mayor Glenn Singer	<u>Aye</u>
Vice Mayor Bernard Einstein	<u>Nay</u>
Councilmember Judy Lusskin	<u>Aye</u>
Councilmember Jaime Mendal	<u>Aye</u>
Councilmember Kenneth Bernstein	<u>Nay</u>

The motion passed.

Mayor Singer stated the purpose of this meeting is to approve the Towns new health insurance carrier. The only reason for the switch from United Health to our new carrier was a cost factor. We currently paid for United last year \$678,541 the revised new United Health care increase is \$772,182 that is \$111,000 increase. In January before the increase, the Mayor instructed the Town Manager that we need to start going out to bid and looking for health care insurance carrier. After an unimaginable time spent from the Town Manager, himself, and town staff looking at different health insurances, we decided to go with the proposed AvMed Plan. On the AvMed plan, the premium itself is \$488,727. If you add the GAP insurance and the \$1,800 HRA card which covers the insured out of pocket and prescription card it comes to \$553,730. With that compared to what we are currently paying before the increase is about \$125,000 savings. He knows that the employees were a little nervous about the switch so, he had the Town Manager meet with each employee who had a concern and address their issue. He believes now that all the employees' satisfaction are okay with the proposed switch. As much as he does not like switching, he personally feels that it is the best solution to the insurance issue.

Town Manager stated that before the council speaks we take a matter, for vote and discussion as it relates to procedures. Because this is a meeting, there is an issue that may have been able to be reconsidered. We are asking the council to only treat this meeting as a special purpose meeting for insurance. He would like for the council to vote allowing the business nature of this meeting such as motion for reconsideration on items that were passed at the last council meeting to be allowed to take place at the next council meeting. He needs the council to vote so that we have you on record indicating that you will allow a motion for reconsideration on future items to be taken before you entertain a discussion on this item, because it must be the first order of business.

A motion to approve was made by Vice Mayor Einstein, seconded by Mayor Singer.

Consensus vote 5 Ayes, 0 Nays.

Town Manager stated that they just preserved their rights to reconsider items on your next meeting.

Vice Mayor Einstein asked if we are only voting whether or not we plan to adopt the AvMed plan tonight.

Town Manager stated no, what you will be voting on tonight is whether or not you plan to adopt the resolution presented to you for your considering. Which includes three different plans all under the agent of record. If you vote tonight on this item, you will be approving the AvMed Plan, Trans America Plan, and the HRA Plan.

Vice Mayor Einstein questioned what if he wants to vote for the UnitedHealth Care option

Town Manager stated that is not an option on the table this evening. Stated this item would have to fail. Thus leaving no insurance option, the council will then have to direct the administration as to what item to bring back at your next council meeting and three members have to be in favor of that direction, so that he can prepare an item for your consideration at your next meeting.

Councilmember Lusskin stated it is a difficult vote because there are two competing interests and both are very important. One to provide the staff with what we're accustomed to versus balancing the budget. Believes that to a certain extent we have made up for the changes by adding the GAP and the HRA card. It is a matter of dollars and cents and if it is something we cannot do, then we cannot do it and we have to move to AvMed.

Councilmember Bernstein asked what the differences altogether between the two plans including the GAP and HRA card with AvMed.

Town Manager stated the renewal rate is \$919,508 and the premiums for the new plan, GAP, and HRA total \$660,184 a savings of \$259,324.47

Councilmember Bernstein stated he is very concerned in the quality of care our employees will get. The inability to go outside network greatly concerns him. This is a horrible plan if you plan on going outside network as he sees it. When we are comparing these costs, it is only a savings to the extent that we stay in network. In a position where we are not able to give increases to employees, we want to make sure we do not give them an inferior insurance product. Those are his concerns. He loves the price; he is just not sure, to the extent that we go out and sacrifice quality especially to those people that will be going outside network.

Town Manager stated out of our 53 employees 49 currently are on the what we consider to be the open access HMO with UnitedHealth care.

Councilmember Bernstein stated but the difference between the two is the deductibles and certain things but they are still able to go outside of the network

Town Manager stated that is correct.

Councilmember Bernstein stated then this is not just an HMO as the Mayor was stating. Just to be clear the other plan permitted people to go to outside of network.

Town Manager stated that is correct, and that is why we asked all of our members to provide a list of their doctors. Of all of the lists of doctors provided only three doctors would be considered non-network doctors under AvMed. The disruption rate to our members is minimal versus the positive outcome that may come by switching. This plan is richer for our employees as it relates to our premium cost with the GAP plan and the \$1,800 HRA it offsets the employees current cost. An employee today does have an out of pocket deductible of \$500, under this plan the deductible is \$0. Also, out of the 3 doctors once we saw that three of our employees had that same doctor we immediately called AvMed and we have in writing from the doctor and from AvMed that they have been added and they will take our insurance. That leaves two doctors and out of the two, one is retired that leaves one that we are still trying to troubleshoot.

Councilmember Bernstein stated that he understands we are trying to give everyone a heads up and call the doctors but that is not always the case. He gets the savings he thinks it is fantastic, he is just voicing his concerns about the care. He is hoping to hear from everyone else and based on everyone else's opinion he is right in the middle with this.

Councilmember Lusskin asked if someone goes out of network can they use their HRA card to cover that cost.

Town Manager stated yes, you can still see a doctor who is not in the network and just pay for that visit with your HRA card.

Councilmember Bernstein asked if the GAP insurance goes outside of network as well or just the HRA.

Town Manager stated under some cases depending on the type of plan and the costs associated for that out of network there are some exceptions that the GAP will cover, some, but not all. Those will have to be take on a case-by-case basis.

Councilmember Mendal agrees with what the council is saying so far. It is a significant savings on all parts roughly \$200,000 for the Town and \$50,000 for the employee, that is a lot of money that can be used for other projects in the Town and towards employees. As far as it goes to coverage and some of the concerns others have pointed out AvMed is a good insurance company especially in the south Florida area. Does not agree that UnitedHealth is much more superior considering where we and employees live. Almost all hospitals and most doctors here accept it. Followed up with the Town Managers statement that there are only a few employees that are having some disruption issues. They always have the opportunity to purchase the buy up plan that includes the out of network. He has been on AvMed before and he has never had an issue with them in the south Florida area. He is very comfortable going with this plan and it is not just because of the financial implications, that is a massive plus, but also because it is a good program in his opinion.

Councilmember Einstein stated the Town Manager and Mayor have done a tremendous amount of work on this he knows this has not been an easy task. He just found out about all this to a great degree in the last two weeks. He has tried to educate himself as much as he could by going to the Florida League of Cities. He asked him how many current cities they ensure with UnitedHealth Care. There are approximately 430 cities. He knows a personal provider who did work with AvMed, they were an AvMed provider, that person is his wife. People came to her for mental counseling. She tried to get approval for AvMed they said we would get back to you. She said this is immediate this person is suicidal she needs approval to see someone immediately. They got back to her four days after that. His wife turned in her AvMed papers after that and said she is not dealing with this insurance company. He has heard it from other doctors that AvMed is extremely difficult to deal with. They are a very narrow based field of doctors. Yes, some of the doctors that people currently have may be on the program in Florida under this program. However, some others are not, for example three of his specialists do not take AvMed and do not want to. Stated he believes we are the Rolls Royce of Towns he thinks we should give our employees the Rolls Royce of health insurance, they deserve it. When the council was voting on different things, he was not aware that this was an issue at that time.

Mayor Singer stated that he understands. However, he is also aware of United Health care having issues in the past. He is not saying that they are a bad insurance but they have had issues. Stated that the Vice Mayor brings up a point he wants to emphasize a year from now we may look to switch. If this insurance is not good a year from now we will switch.

Vice Mayor Einstein stated we have COVID now we do not know what prescriptions are going to come out, what health care will approve or disapprove.

Town Manager stated that is no difference with United Health care as it relates to new prescriptions they have not decided whether those will be covered or not

Vice Mayor Einstein stated he also likes that United has no broker's commission, these are all premium dollars.

Town Manager stated he understands that switching is difficult. However, under the AvMed plan there is more coverage to our employees and less costs to them out of pocket. Yes, there are a few employees who are not happy with this switch. He has to provide to the council what is in the best interest for the greater number of members and for the residents of Golden Beach. He has a commitment in writing from AvMed that should an employee choose the HMO route and sometime throughout the process, they feel that the HMO was a mistake. They will allow them to buy up to the Choice option; no insurance company does that today. The league will not honor that same change, you are stuck with them until you have a qualifying event.

Vice Mayor Einstein he is a little concerned of where we are going to be. He does not want a watered down policy, he knows the GAP looks nice and it may work out and be fine. However, we still have to remember that the HMO with United you have the option for out of network but with AvMed their HMO only covered in network.

Councilmember Lusskin stated to the Vice Mayors point with United you almost never have to go out of network because every physician is in it.

Town Manager stated that is correct

Erin Carper, Representative with the Florida League of Cities, agrees that this is a hard decision, and thanks the manager for his kind words to him and his staff. To the Vice Mayors point he is correct they do not receive any additional commission. They are here for us. United has a very stable and national network through the country, there are no doctors jumping in and out of that network and that is one of the most compressive networks in the country. There is out of network coverage on all of FMIT plans. We do not offer a plan like the one we are considering with AvMed because they do not feel that it is necessary or right for the insurance company to choose in a time of a crisis who you need to see to care for you. You should have the choice.

Town Manager stated one important point that is very important for the council to understand. It is that if they truly believed that open network is critical to your decision tonight. If he were to offer to every employee the buy up option with AvMed, we would still save money compared to the league. Our renewal rates for plan 3 are higher than our buy up option for Avmed.

Mayor Singer stated we want what is best for the Town employees but we also have to watch our dollars

Councilmember Lusskin stated she wants to know if based on this decision they will have to change something in the budget and weather or not their going to have to do without something, or if we can really afford this. If the money is there that is one thing but if it is not thats another.

Town Manager stated by going with AvMed you will have a savings to your budget that you can allocate at future date. By staying with United, you will have to direct him as to what services, programs, or employees you would like him to cut or lay off.

E. DISCUSSION & DIRECTION TO TOWN MANAGER

Mayor Glenn Singer:
None Requested

Vice Mayor Bernard Einstein:
None Requested

Councilmember Judy Lusskin:
None Requested

Councilmember Jaime Mendal:
None Requested

Councilmember Kenneth Bernstein:

None Requested

Town Manager Alexander Diaz
None Requested

Mayor Singer stated he appreciates everyone's comments; understands the manager has been working the last month on this. He understand the Vice Mayors points and he agrees with the Vice Mayor but believes they made the best choice for the employees and the Town.

Town Manager stated employees and members will be allowed to start open enrollment as early as this week. The open enrollment will stay open until the following Monday. All of our employees will be asked to go through the open enrollment process, in addition to that everyone will be given Juan and Danny from AvMed to help answer questions on which plan would best suit their individual cases and ask AvMed to make sure all the doctors they have are all enrolled. Absent a motion for reconsideration at Tuesdays council meeting the plan will be set, a contract will be signed on Wednesday and open enrollment will close the following Friday for all of our employees to be enrolled on the 1st of October with AvMed, Transamerica, and HRA. Wants to thank each councilmember for giving this process at least four hours each.

F. ADJOURNMENT:

A motion to adjourn the Council Meeting was made by Mayor Singer seconded by Councilmember Mendal.

Consensus vote 5 Ayes 0 Nays. Motion passes.

The meeting adjourned at 7:50 p.m.

Respectfully submitted,

Lissette Perez
Lissette Perez
Town Clerk