

**THE CITY OF LAKE FOREST  
PCA COMMITTEE  
Minutes**

**Monday, November 5, 2018  
8:30 a.m.**

**City Hall Manager's Conference Room**

- I. **Call to Order:** Mayor Lansing called the meeting of the PCA Committee to order at 8:33 a.m.:

Present: Mayor Lansing, Alderman Reisenbert, Alderman Newman  
Also Present: City Manager Kiely, Human Resources Director Kalmar, Police Chief Walldorf, Benefits Consultant Peter Wright

I. **Consideration of Recommendations for Health Insurance Renewals**

Staff recommended retaining current health plan providers for calendar year 2019. Benefit changes and modifications to the City's Think Healthy wellness program effective in 2018 are meeting expectations. The City provides a self-funded medical and dental plan, transplant coverage, and reinsurance for large claims and total liability. The cost is determined by forecasts based on actual claims, fixed costs for administration, reinsurance, and costs for life insurance. Human Resources, through a collaborative process with employee work groups, is recommending no changes to the health insurance benefits for employees. Benefits Consultant Peter Wright explained the bids he received for Stop Loss coverage and proposals for pharmacy providers.

Recommendations:

- **Retain Serve You Rx Pharmacy Benefit Administration for Prescription Drug Card.** Serve You Pharmacy Card services were evaluated against similar services from two leading providers. Serve You terms are the most favorable, with better coverage of national and local pharmacies for our plan. Serve You has proposed an increase the contractual drug discount, and higher manufacturer rebates refunded to the Plan:

Summary Pricing Serve You	Current	Proposed
Dispensing Fees	\$2,753	\$2,590
Generic Discount Retail/Mail Order	74%/78%	76%/81%
Rebates Paid to Plan	\$(24,120)	\$(87,290)

- **Retain Professional Benefit Administrators (PBA) for administration and billing services** PBA medical administration fees increased slightly, offset by other PBA fees which did not change, and reduced federal taxes and fees:

Summary Pricing PBA	Current	Proposed
Total Cost	\$109,843	\$93,736

- **Retain preferred provider network administration with CIGNA through PBA**

Summary Pricing CIGNA	Current	Proposed
Total Annual Costs	\$46,469	\$48,262

- **Retain Voya for stop loss coverage and retain Optum Health for Transplant coverage.** Staff requested bids for stop loss coverage, and received qualified bids from three major carriers. Voya was the lowest cost carrier providing full coverage for ongoing conditions without exclusions:

<b>Summary Pricing Voya</b>	<b>Current</b>	<b>Proposed</b>
Specific Premium	\$656,323	\$689,737
Aggregate Premium	\$12,498	\$12,820
Transplant Premium (Optum)	\$29,127	\$28,262
Total	\$697,948	\$731,240

- **Committee Action: Motion by Reisenberg, second by Lansing to recommend approval of these renewals to City Council. Motion carried unanimously.**

**II. Consideration of an Ordinance Amending Lake Forest City Code Relating to the Promotion of Police Sergeants**

In July 2018 the Board of Fire and Police Commissioners approved several revisions to its rules and regulations, one of which would allow the police department to conduct examinations for the position of Sergeant more frequently than the Statute states, i.e. every two years instead of every three. This change requires an amendment to the local ordinance governing the Board in Chapter 32 of the city code based on invoking the City’s home rule authority.

Chief Walldorf explained that it is expected that nearly all of the department’s current ten supervisors will retire within a few years of the establishment of the next promotional list, leaving the possibility that more candidates may be needed than are available on one or both of the following promotional lists. Testing more frequently will allow for new lists at more frequent intervals. It will also allow more officers to compete for these positions since an officer must have completed probation to sit for the exam.

Importantly, while it requires the use of home rule authority to make this change, it is not dramatically different from statutory language that already allows municipalities to create a Fire Lieutenant list for either 2 or 3 years in duration. This essentially creates the same authority in both areas covered by the Board of Fire and Police Commissioners.

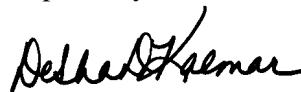
- **Committee Action: Motion by Reisenberg, second by Lansing to recommend approval of this ordinance on first and second reading. Motion carried unanimously.**

**III. Adjournment into Executive Session pursuant to 5ILCS 120/2 (c) (1) to discuss personnel matters:** Motion by Reisenberg, second by Newman, to adjourn into executive session to discuss personnel matters at 9:11 a.m. Motion carried unanimously.

**IV. Reconvene into open session:** Motion by Reisenberg, second by Lansing, to reconvene into regular session to discuss personnel matters at 9:31 a.m. Motion carried unanimously.

**V. Adjournment:** Motion by Newman, second by Reisenberg, to adjourn the meeting at 9:31 a.m. Motion carried unanimously.

Respectfully submitted,



DeSha D. Kalmar, Director of Human Resources