

**Town of Wethersfield
Insurance Committee Minutes
Thursday, May 20, 2010
Town Managers Conference Room**

Chairman Mike Fortunato called the meeting was called to order at 5:46PM.

Attendance: Mike Fortunato, Chairman; Paul Meade; Paul Courchaine; Frank Sena; Lisa Hancock-Director of Finance; Greg Bedula - TD BankNorth Insurance; Chris Monroe-Savino, Sturrock & Sullivan

Excused Absences: Chris Bazinet, Vice-Chairman; Jeff Kotkin

Unexcused Absences: Sey Adil; Matthias DeAngelo

Public Comments:

No one was present from the public for comment.

Approval of Minutes:

Paul Meade moved for the approval of the minutes, as amended from the meeting on April 28, 2010 seconded by Paul Courchaine. Motion carried unanimously.

Greg Bedula requested that for #3 regarding loss control it be corrected to read – “if in any area, loss control efforts should continue. The best resource is CIRMA loss control who are experts in municipal risk management.”

Reports from Agents of Record:

Greg Bedula – TD Banknorth Insurance

Greg discussed the renewal premiums with CIRMA for FY 2010-11. CIRMA has provided decreases in the premium. The net effect of the savings in Workers Compensation is 14% for BOE and 9% for the Town. The Liability and Property reflect a 5% decrease. CIRMA has also agreed to a 3 year rate lock.

Chris Monroe – Savino, Sturrock, & Sullivan

Chris discussed the April Monthly Reports. He anticipates budget savings of approximately \$700,000. The year as a whole appears to be in good shape but it will depend on what happens over the next couple of months.

Chris discussed new reports on historical trends; reports on gross claims and another pulling out the large claims. The Town tends to beat the Anthem

analysis. These reports will assist with analysis of Anthem proposals vs. future budget requirements. There is also a report on historical stop losses.

Chris will be sending out a presentation on the new Health Care Reform. It will be discussed in more detail at a later date.

There are a couple of areas that require the Town to address immediately. The Town can possibly obtain 80% of claims for early retirees between the ages of 55 and 65; claims between \$15,000 and \$90,000 will be reimbursed by the Federal Government. He is still trying to get details on all the requirements. The program is effective in June on a 1st come 1st serve basis. The Town will file an application right away. The application needs to be accurate the first time otherwise it will need to be resubmitted and will be at a lower priority in the program. The reimbursements will have to go back into the plan. We are still trying to obtain regulations. Chris stated that there is a Company that will complete the application process. Chris is going to get a quote for the services. It could possibly be around \$7,000. There is a possibility that Chris might be able to assist with the application and Anthem will provide guidance and reports where possible. The Town and BOE are preparing a census on all those qualified under the plan for Chris to review. He feels that there could possibly be some reimbursements for the Town. He will do further analysis of the pool of retirees.

Motion by Paul Meade; seconded by Frank Sena to proceed with course of action to pursue a consultant and application for reimbursement process. Motion carried unanimously.

Dependent Coverage:

There is a new federal requirement to provide coverage for dependents up to age 26 by September 23, 2010 or next renewal.

Eligibility definition under our current plan differs for each plan. The plan allows for dependents up to age 25. Non-tax qualified dependent would have to be considered as income and reported to the IRS. There would also be other administrative processes.

Paul Courchaine motioned; seconded by Paul Meade that all dependents should be tax qualified dependents. Motion carried.

The law will change effective July 2011 which will require the Town to provide coverage to all dependents regardless of them being "tax qualified".

Old Business:

Lisa discussed the status of the RFP's for Agent of Record. The Town Council has assigned the Budget subcommittee to review the Insurance Committee's recommended proposals and make a final recommendation. The Committee has not met on this topic yet.

New Business:

None.

Adjournment:

Paul Meade moved to adjourn at 6:46 PM; this was seconded by Paul Corchaine motion carried unanimously.