

Town Forum Presentation

Maryanne Bilodeau

July 31st, 2012

A look back...

- Insurance
 - Health
 - Dental
 - MIIA Rewards Program
- Supporting Sudbury's Military Families and Veterans
- Handicapped Parking Violations- Hearing Requests

FY 13 Savings w/ Transition to GIC

- Transition to the GIC

\$1,812,621 Town Savings

\$ 147,646 Employee Savings

\$1,960,267 Overall Savings

Mitigation Money for those covered as of 7/1/12:

\$686,093 (35% of overall savings)

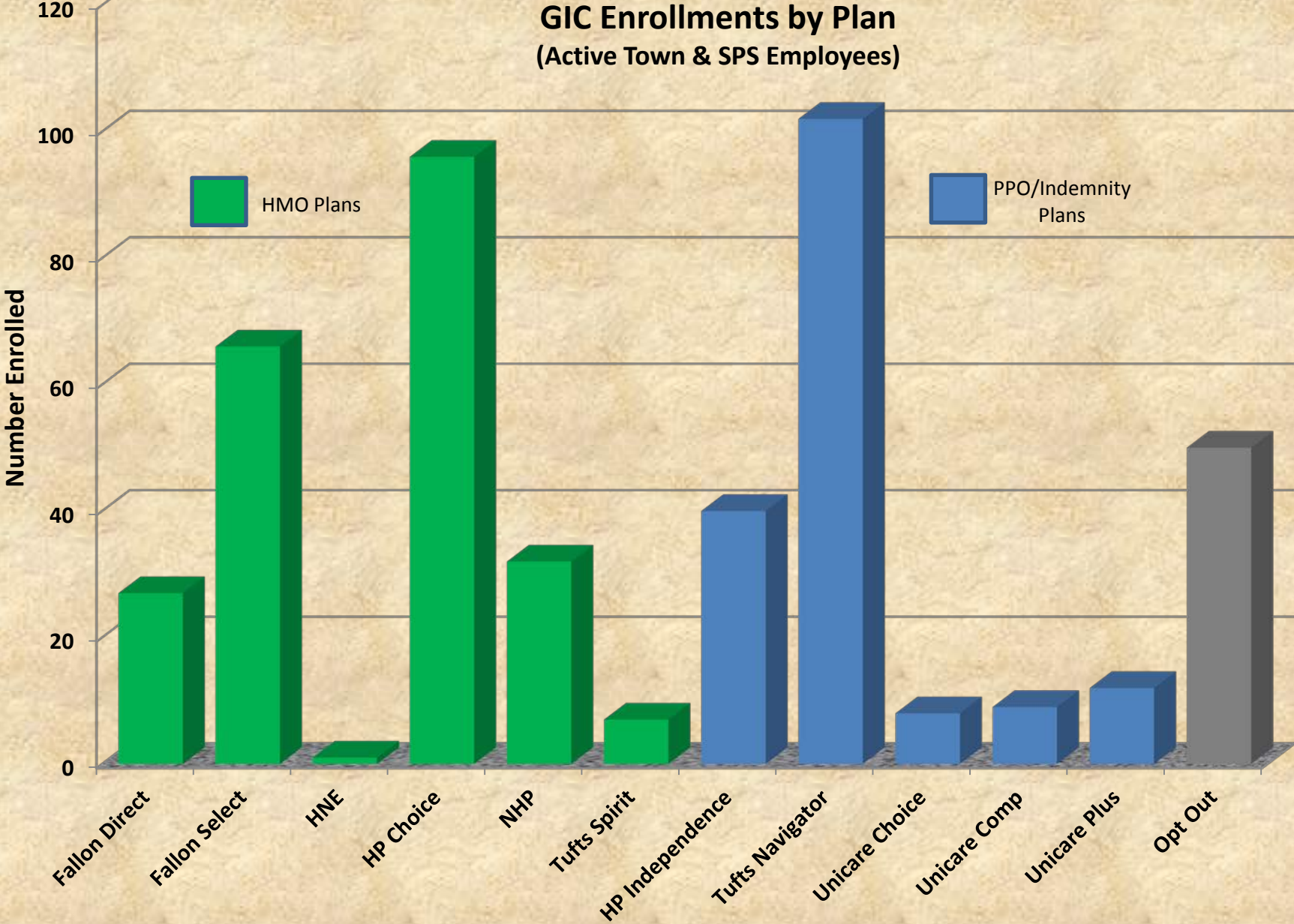
-Medicare Eligible Retirees received \$400

-Active Employees/Non-Medicare Retirees received \$1280

Active Employee Plan Migrations

Plan Type	FY2012 Enrollment %	FY2013 Enrollment %
HMO	94.6%	50.9%
PPO	4.6%	38.0%
OPT OUT	0.9%	11.1%

GIC Enrollments by Plan (Active Town & SPS Employees)



Impact to Employees on HMO's vs. PPO's

Name of Plan	Monthly Cost of Family Plan	Annual Cost	\$ difference	% (+/-)
FY 12 Network Blue HMO Plan:	\$1,678.32	\$20,139.84		
FY 13 Network Blue HMO w/ same plan design:	\$1,878.04	\$22,536.48	\$2,396.64	11.90%
FY 13 GIC cost of most enrolled in HMO - HP Prim Choice:	\$1,277.70	\$15,332.40	-\$7,204.08	-31.97%
FY 13 GIC cost of most enrolled in PPO - Tufts Navigator:	\$1,463.98	\$17,567.76	-\$4,968.72	-22.05%

Employer Contribution Rates for Health Insurance		
	HMO Plans	PPO or Indemnity Plans
For Employees Prior to 7/1/09	90%	75%
For Employees Hired before 7/1/09:		
FY10	85%	70%
FY11	82.50%	67.50%
FY12 and Beyond	80%	65%
For Employees Hired on or after 7/1/09	70%	55%

FY2010 Summary of Cost Containment Initiatives

- Replaced BCBS HMO Blue and Blue Choice with BCBS “Rate Saver” Plans effective 7/1/09
- Eliminated HPHC EPO Plan
- Established lower employer contribution rates for employees hired on or after 7/1/09
- Reduced employer contribution rate by 5% for other employees

Example Health Insurance Benefits (HMO Plans)			
Description	Original BCBS HMO	With Plan Design Changes (7/1/09)	GIC Harvard Pilgrim Choice (7/1/12)
Deductible	\$0	\$0	\$250/\$500/\$750 Indiv/2 Pers/>2 Pers
PCP Office Visit	\$5.00	\$15.00	\$20.00
Specialist Visit	\$5.00	\$20.00	\$20/\$35/\$45 Tier 1/2/3
Emergency Room Visit	\$25.00	\$75.00	\$100.00 (Waived if Admitted)
Inpatient Care	\$0	\$200.00 Per Admission	\$250/\$500 Per Admission Tier 1/2
Outpatient Surgery	\$0	\$100.00 Per Occurrence	\$150.00 Per Occurrence
Special Diagnostic (MRI, CT, PET)	\$0	\$50	\$100
Prescription Drug Coverage	\$5/\$10 Tier 1/2 Retail or Mail	\$10/\$25/\$45 Tier 1/2/3 Retail	\$10/\$25/\$50 Tier 1/2/3 Retail
		\$20/\$50/\$90	\$20/\$50/\$110
		Tier 1/2/3 Mail	Tier 1/2/3 Mail

Summary of prior Health Insurance Cost Containment Initiatives (Cont.)

- FY2011
 - Reduced employer contribution rate by another 2.5% for employees hired before 7/1/09
 - Reviewed other alternatives of saving money, leading to two new less expensive health plan choices and an opt out program for FY 12
- FY2012
 - Added Fallon Direct and Select Plan offerings
 - Reduced employer contribution rate by another 2.5% for employees hired before 7/1/09
 - Adopted MGL c. 32B, 21-23 (Removes plan design from collective bargaining)
 - Prepared for conversion to GIC plans and conducted open enrollment for FY2013
 - Established OPT OUT incentives

Health Insurance Cost History

Health Insurance Costs			
FY	Amount	Increase	Source
2000	2,269,319		
2001	2,974,705	31%	Actual
2002	3,588,576	21%	Actual
2003	3,898,940	9%	Actual
2004	4,300,358	10%	Actual
2005	4,795,053	12%	Actual
2006	5,629,217	17%	Actual
2007	6,360,595	13%	Actual
2008	7,089,902	11%	Actual
2009	7,269,039	3%	Actual
2010	6,527,586	-10%	Actual
2011	6,374,575	-2%	Actual
2012	6,590,411	3%	Actual
2013	6,123,650	-7%	Appropriated

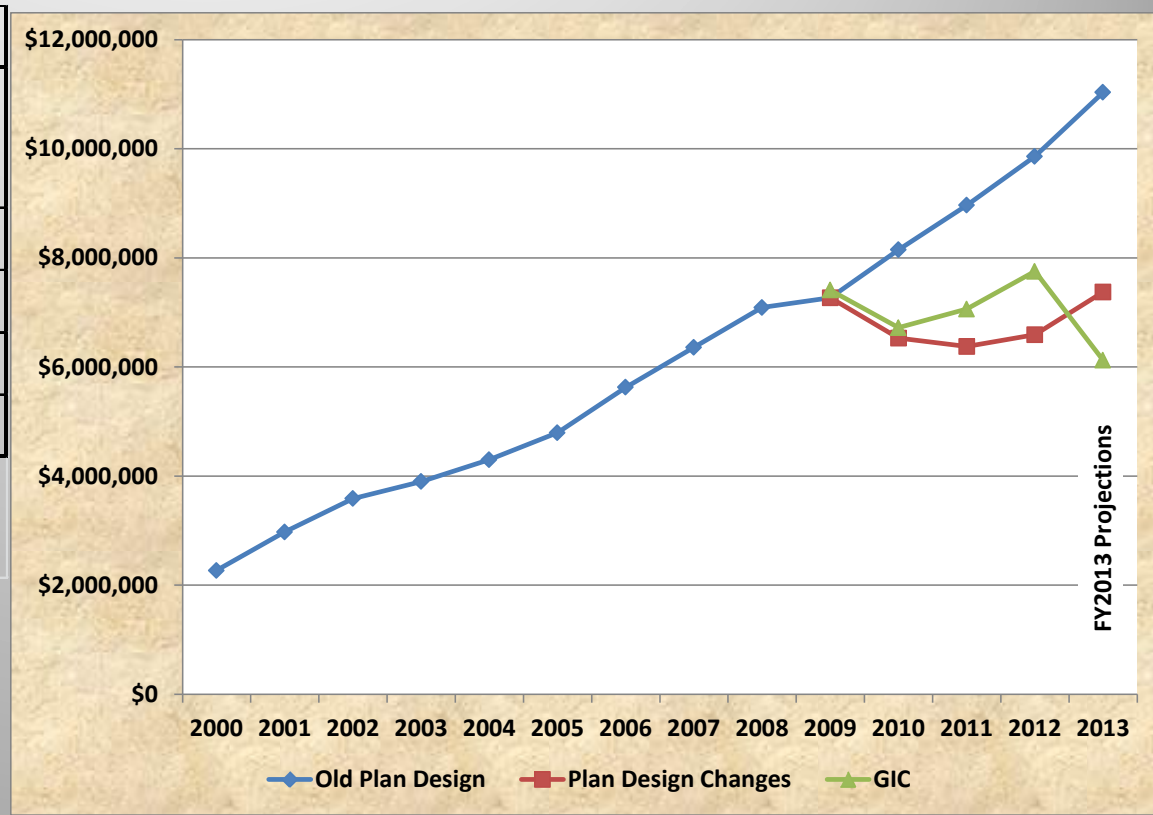
Health Insurance Cost Comparison

Old Plan Design, Plan Design Changes, GIC

Employer Savings Comparisons

	New Plan Design vs Old Plan Design	GIC vs Old Plan Design	GIC vs New Plan Design*
FY10	\$1,622,148	\$1,428,556	-\$193,592
FY11	\$2,590,133	\$1,903,022	-\$687,111
FY12	\$3,270,767	\$2,107,825	-\$1,162,942
FY13	\$3,659,988	\$4,911,008	\$1,251,020

*Note: A negative savings value means the GIC cost would have been HIGHER than the New Plan Design.



Thank you to
our Town and School Employees
and Staff
for their support in making the
transition to the GIC as smooth
as it was!!

Other Savings

- Dental Insurance-
 - 1.7% decrease in FY 13 premiums

Other Savings (cont.)

- MIIA Rewards Program

- \$9,881 in Credits

- Discriminatory Harassment Training
 - Interviewing Techniques
 - Dealing with Difficult People
 - Back Injury Prevention
 - Chainsaw Safety
 - Quarterly Safety Meetings
 - and more....

- \$15,000 Loss Control Grants

- Traffic Control Trailer
 - P & R Playground Inspections
 - Be Safe Emergency Plan in P & R



Honoring our Military Families

- Welcomed Home 14 Soldiers
- Veterans Appreciation Luncheon - Nov 2011
- Military Appreciation Month - May 2012
- Flagpole Dedication - May 2012
- Military Album Continues to Grow

Handicapped Parking Violations

- 24 Hearings Requested
 - Outcome:
 - 8 tickets waived (handicapped placard)
 - 16 appeals denied
- Reasons:
 - I was only parked there for a couple of minutes;
 - I only meant to park there for a couple of minutes;
 - I was in a hurry;
 - I didn't know it was a handicapped parking spot;
 - I was in the diagonal lines beside the spot, not in the handicapped parking spot;

Handicapped Parking Spot



Moving Forward...

*Strategic Plan:

- Major Facilities Replacement/Renovations
- Major Infrastructure Projects
- Major Rolling Stock, Equipment/Technology
- General Capital Plan Items
- Unfunded Liability/Financial Planning
 - OPEB
 - Stabilization Fund
- New items pending

*Health Insurance Trust