

Special Joint Meeting of Board of Education Finance Committee and Board of Selectmen
Special Meeting
Thursday, August 11, 2022
6:00 P.M.
Preston Plains Middle School Library

1. Call to Order

Sean Nugent called the meeting to order at 6:00 P.M.

Present

Sean Nugent - Board of Education Chairman

Roy Seitsinger - Superintendent

Deb Grabarek

Charles Raymond

Sandra Allyn-Gauthier - First Selectwoman

Jerry Grabarek - Selectman

Ken Zachem - Selectman

Cindy Varricchio - Finance Director

Sonia Kaminsky - Sr. Vice President of Brown & Brown Insurance

Kimberly Lang - Recording Secretary

2. Pledge of Allegiance

3. Public Comment - None

4. New Business

a. Healthcare Discussion

Sonia Kaminsky handed the group packets outlining Brown & Brown's alternative to the State's Partnership Plan. The State Partnership Plan (SPP) medical benefits are administered through Anthem as of Oct. 1, 2020. The pharmacy benefits are administered through CVS Caremark, Dental and Vision which are optional are administered through Cigna. Since joining the SPP in 2016, Preston has seen significant increases. And unfortunately the State can't give solid increase information until April or May, and sometimes as late as June, which hinders towns from formulating their budgets properly. This past year the SPP told towns to expect an 8% increase, later towns were told if it hadn't used COVID relief money there would have been a 14.5% increase, and finally in April towns were given a solid increase of 10.5%. For Preston and others this was after their budgets were set. Because the SPP releases critical information

very late in the budget season, and its recent significant increases, leaders feel it's time to consider another plan.

Brown & Brown did a full RFP to find the best carrier to administer a new plan. Ultimately, United Healthcare gave the strongest offer for medical and prescription coverage. Cigna has agreed to retain the existing dental plan. To make sure that the plan being offered is comparable 4 important aspects were reviewed. Those 4 aspects were:

1. Benefits - If the insurance carriers can provide substantially equivalent benefits.
2. Cost - Is there enough savings to make the change advisable and would there be a 2nd year renewal cap?
3. Administration - Customer Service and how claims will be processed.
4. Access of Care - the Provider's Network

Brown & Brown has taken steps to ensure that everything is equal to or better than the SPP; and United Healthcare has guaranteed the coverage and services they are offering are equal or better than SPP, and that Cigna has been retained to continue with the dental coverage.

The most significant reason to change providers is that the 2022-2023 plan being offered by United Healthcare is 4% lower than the SPP and there is a firm not-to-exceed cap (+8.5%) for the July 1, 2023 renewal. It was stated that for budget planning purposes, increases are established by November. Brown & Brown always negotiates for the best rate for the collaborative group and wants to help towns establish stability during their budget process.

Ms. Kaminsky then shared how Fairfield County creates problems for the SPP by having the largest number of participants in the costliest part of the state. United Healthcare when working with smaller groups adds a load to the rates depending on the county a group is located in, thus lessening the impact of Fairfield County on the whole.

Since United Healthcare was the insurance carrier for SPP less than two years ago, there are no concerns about their ability to administer the plan properly. Another aspect to consider is that out of all the providers currently in-network with Anthem, the match to United Healthcare is 96.8%. When looking at total utilization, more of the providers seen by members are in-network with United (94.7%) than Anthem (94.2%). Members can easily search online to see if their physicians are in-network or they can simply ask the doctor. There will be a Transition of Care period for those members whose physicians are out-of-network, United will cover those claims at in-network rates for 12 months.

Finally, 96.9% of medications used over the last year are on United's Drug List. In addition to the Standard Drug List, United is including two other drug lists. The Preventive Drug List, which are medications United considers preventives and are covered at no cost, and Core Plus Drug List, which are medications specifically for chronic conditions and are covered at no cost.

Sonia Kaminsky stressed that Brown & Brown want both Town and District in the program because by nature they are small; but by sharing services and becoming part of a larger entity the group will have more bargaining strength.

There was a brief discussion on how best to present the program to employees, timelines were discussed, and possible meetings.

At this point, 6:55 P.M., the Board of Selectmen members and the recorder excused themselves to attend another meeting, and the remaining group continued their discussion.

5. Adjournment

Respectfully Submitted,

Kimberly Lang

Recording Secretary