

**City of Bristol, Connecticut
Insurance Committee Meeting
April 6, 2021**

A meeting of the Insurance Committee of the Board of Finance was held on April 6, 2021 in the City Hall Council Chambers. The following were in attendance: Committee Members: John Smith and Marie O'Brien City: Diane Waldron, Robin Manuele Lockton: Lisa Daley and Dan Sullivan BOE: Jill Browne

1. Call to order.

John Smith called the meeting to order at 9:02 a.m.

2. To discuss the City's Health Insurance for Fiscal Year 2021-2022 with Lockton Companies and to take any action as necessary.

Lisa Daley reviewed the 2021 Medical and Dental RFP Carrier Analysis. The Medical/Rx & Dental RFP went out December 11, 2020, all carriers responded back by January 8, 2021. Cigna, Anthem, Aetna and CT Care responded for Medical/Rx. Dental bids came back from Anthem, Cigna, Aetna and Delta Dental. UHC declined to quote, CT Care declined to quote dental only and MetLife could only provide for a fully insured dental proposal. Lisa reviewed Cigna's current costs with the proposals received, including administrative costs, and Lockton was able to further negotiate with Cigna, and achieved approximately \$100,000 of savings is projected in fixed costs.

Dan Sullivan reviewed the dental carrier financial comparison, reviewing the current costs as well as Anthem, Delta, Cigna and Aetna's proposals. Cigna's dental network isn't as strong as Anthem's based on the provider utilization report, with only an 82% match. Anthem is not able to replicate the Cigna DMHO the City currently has with 27 employees that must remain as it is contractual.

Lockton provided their recommendations, which are contingent upon Bristol Health renewing with Cigna based on utilization. Through negotiations with Cigna Lockton was able to reduce the Individual Stop Loss Proposal by 15% which is approximately \$40,000 in savings along with a decrease in the administrative costs compared to current costs at approximately \$60,000 in savings. Cigna doubled the amount allocated for Bristol's Wellness fund for next policy year at \$100,000. These reductions and three year guarantee along with the least amount of provider and benefit disruption would make them the most competitive proposal. John questioned the City's utilization at Bristol Health, Lisa confirmed 1,208 members use the hospital network, around 10-12% the City's claims.

For Dental, through negotiations Anthem reduced the administrative costs for an approximate savings of \$13,300 along with a two year guarantee. With the least amount of provider and benefit disruption this would make them the most competitive proposal.

Lockton is in constant conversation with Cigna and the City regarding this topic and Bristol Health.

Lockton left the meeting at 9:48 a.m.

Discussion was held by the Committee on the results of the RFP.

3. To review the Health Insurance Reserve Fund 2021/22 Budget and to take any action as necessary.

Diane explained based on the presentation at the Board of Finance meeting last week it is recommended to use \$500,000 of reserves for the City and \$500,000 for the Board of Education. \$660,000 of reserves was used in the current year budget and while claims have been relatively low in general the Comptroller's Office is comfortable making this recommendation.

Commissioner O'Brien made a motion seconded by Chairman Smith

"To appropriate \$1 million of reserves to FY21/22 budget allocated 50% to City and 50% to Education."
Motion approved.

4. Adjournment.

Marie O'Brien made a motion to adjourn at 9:13 a.m.

Respectfully Submitted,

John Smith/jam
John Smith, Chairman