

**Cumberland Township Board of Supervisors
July 15, 2015 Workshop Minutes**

Chair Underwood called the workshop to order at 9:30 a.m. Present were Supervisors Underwood, Paddock, Toddes and Ferranto; Township Manager Ben Thomas, Jr., Secretary Carol Merryman and Police Chief Don Boehs. Others present were Dale Molina, Steve Tallman, Rich Redding and Nathan Hockley. Mr. Waybright was absent. The workshop was recorded.

Public comment: None

Mr. Nathan Hockley, Hockley and O'Donnell Insurance, presented the health care renewal information for 9/1/2015 – 8/31/2016 with Healthsmart/CIGNA. Mr. Hockley gave a brief history of how the Township got to where it is with a self-funded plan and reported that the Township's renewal premium is actually less than the 2010 premium for a plan with \$0 deductible. He added that in 2010 the Township went with a plan with a \$1,000.00 deductible to save money and began the Health Reimbursement Account (HRA) and Medical Expense Reimbursement Plan (MERP) to cover the deductible and co-pay difference per the Collective Bargaining Agreement. Mr. Hockley reported that his proposal with this renewal is to go back to the 2010 copays and \$0 deductible to alleviate the need for the HRA and MERP. He explained that this is possible by taking the money budgeted for both of these things (\$51,000.00) and adding it to the money budgeted for our claims, administration fee and reinsurance fee (\$264,000.00.) He added that there is a 9% increase in the claims amount due to high claims last year for a total of \$342,000.00 and if the Township has lower claims the money will be reimbursed or can be used to offset the monthly premium. Mr. Hockley also got a quote from Highmark that came in at \$41,000.00 per month versus the \$28,500.00 that we will be paying if approved. He also reported that the Cumberland Township Authority employees will be going on this plan under the Township so they will have the exact same medical benefits and there are no network restrictions that the Authority now has with AETNA.

Mr. Thomas reported that Solicitor Wisner has prepared a Memorandum of Understanding with the Police Union that they are in the process of reviewing.

Mr. Ferranto made a motion to approve the Health care renewal with Healthsmart/CIGNA for 9/1/2015 – 8/31/2016 at the annual amount of \$342,000.00, paid monthly, seconded by Mr. Toddes and carried unanimously.

Mr. Paddock asked the Board to support a Land Conservancy easement for the Wolf Farm on Willoughby Run Road and this will be an agenda item at a future Township meeting.

There being no further business the workshop was adjourned at 10:15 a.m.

Carol A. Merryman, Secretary

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