

OFFICIAL PROCEEDINGS
SPECIAL MEETING
ST. JOHN THE BAPTIST PARISH COUNCIL
WEDNESDAY, NOVEMBER 18th, 2015
CHAIR MICHAEL WRIGHT
VICE CHAIR MARVIN PERRILLOUX

The Council of the Parish of St. John the Baptist, State of Louisiana, met in a Special Council Meeting in the Joel McTopy Chambers, LaPlace, Louisiana on Wednesday, November 18th, 2015, at 1:00 PM.

CALL TO ORDER:

PRESENT AT ROLL CALL: Lennix Madere, Councilman District III, Michael Wright, Councilman District V, Marvin Perrilloux, Councilman District IV, Larry Snyder, Councilman District VI, Cheryl Millet, Councilwoman District VII

ABSENT: Art Smith, Ranney Wilson, Jaclyn Hotard, Lucien Gauff

Councilman Perrilloux led the Prayer. Councilman Madere led the Pledge.

Legal Counsel Jeff Perilloux present.

Nykya Freemont - Authorization to change health insurance for the Parish's medical insurance plan with Humana

"Good afternoon, Natalie Tatje will present this information to you all."

Natalie Tatje stated, "Alright well good afternoon everyone. Before I get started I would just like to thank all of you all, it is a time of Thanksgiving to be thankful for what we have and I just want to thank you'll for allowing me to be you'll agent, so far and I'm hoping that I can answer all your questions and try to address all the concerns that we've had over the last couple of years and now but the number one thing to address right now is; the rate increase that we did get on the health insurance, due to our average age of our group going up and of course claims. A lot of people having medical conditions that are uncontrollable and then some that are. Last year we came to you and we implemented Humana Vitality, because we could see what was going on and that the claims are getting higher year after year and to try to control the claims we implemented, you all implemented the Humana Vitality. We've reached out to the employees, we had biometric screenings many of the employees signed on, got their email address, got their account and then did nothing after that. Humana came in several times, they had a little health fairs trying to get people to engage in it and unfortunately, not enough people engaged okay. It appears that we're living to take medications to solve a problem instead of trying to eat better, exercise and just get moving a little bit more to try to prevent heart disease, high blood pressure and diabetes and because of that, we got hit with a huge rate increase ok. In the last 2 weeks I've gotten together with several of the administrative staff, tried to propose to you all several plans in a simplistic matter. But when you're talking about insurance, I don't think anything is simple, so with that said, no question should go unasked and I will try my best to answer every question you all for me okay, but if you look at the spreadsheets, we'll start with the spreadsheets Nikki gave you all, we have one it does not have a page number on it and it has 5 columns on it and it has Humana NPOS is in the first column and then Humana

NPOS is in the second column and it's the renewal. Ok, are we all on the same page? Ok, currently we have a \$750 deductible with a co-insurance of 7/70/30 which means that the employee pays 30% and the insurance pays 70%. So after you pay your deductible and you pay your 30%, the total out of pocket for an employee per calendar year from January thru December is \$3750 currently. If they go to a Primary Care Physician that's PCP Copay it's \$20, if they go to a Specialist it's \$35, if they go to Urgent Care it's \$50. ER Copay is \$150, Inpatient Copay you have a deductible and coinsurance in Outpatient, so if anybody goes to a hospital to have surgery or a surgical facility it will be treated exactly the same way. Your RX Copay, right now you have a \$10 copay for your Tier 1 not necessarily a generic drug but a Tier 1 drug and then after that if you get a Tier 2, Tier 3, Tier 4 or a specialty drug you're going to have a \$100 deductible before that kicks in. Any questions about any of that guys? And if you go out of network you have a \$1500 deductible you have 50% paid by the insurance company 50% paid by the employee, maximum amount out of pocket is \$7500. With all that said that plan, if we were to remain with that plan, we have a 25% rate increase. Option 1 would be to go to a Humana HMO Plan that is Ochsner Network Only, so the next the 3 options are just Ochsner Network Only you cannot go out of network, you cannot go to any other doctor. Option 1 mirrors our current plan only on the deductible and coinsurance and then the copays change a little bit you have a \$20 for Primary Care, \$40 for your Specialist, \$50 for Urgent Care and \$100 for your ER. You have your deductible and your coinsurance, your RX Copay is, you only have 3 Tiers and no deductible. It's at \$10 for Tier 1, \$35 for Tier 2 and \$60 for Tier 3 so instead of a 5 Tier you go down to a 3 Tier. It does have Out of Network benefits \$1500 same as ours that we have currently. Alright that brings the premium down to instead a 25% rate increase, you have a 7% rate increase, leaving, going with just Ochsner Network only. Option 2 is a more favorable plan for the employees, Mr. Snyder I know 2 years ago or within the last 2 years you were trying to get a lower Out of Pocket for the employees, this may be an Option for them and with that said, you can pick 2 plans that you all or 2 or 3 plans that you'll want to offer to the employees, we don't have to just pick 1 ok and we're going to get into that later. But underneath the Ochsner only plan you will have copays for everything, there will be no deductibles, so if you go to a Primary Care Doctor you pay \$25, a Specialist \$40, Urgent Care is \$75, if you go to the ER you'll have a \$250 copay. If you go inpatient to have surgery, you will only pay \$500, that's it. If you go to an Out Patient Facility you will only pay \$500. The prescription drug card has no deductible, before Tier 2, 3, 4 and 5 and on this one it will be a \$10 copay for the generic, \$35 well it's Tier 1, most of the time generics fell into that copay but recently several, all of the Generic Pharmaceutical Companies came together formed 1 and now they went up on all the prices as of July 1, so they're not offering it at the same price any longer and a lot of the generic drugs we're finding are falling in to Tier 2 and Tier 3, so they're not in Tier 1 anymore so it's kind of one of those; buyers beware, ok. You cannot go Out of Network with this Plan, cannot ok? Welcome Ms. Robottom. On Option 3, we have, oh and by the way on Option 2 the maximum a person can spend per calendar year if they go in and outside the hospital is \$4000, a family is \$8000. On Option 3 you have a \$20 copay for your Primary Care, \$35 for your Specialist, \$75 for your Urgent Care and \$250 for your ER copay. If you go in the hospital to have surgery it will only cost \$250. If you go for Out Patient it will only cost \$250, the copays for the Prescription Drug Card is exactly the same as on the \$500 copay plan, \$10 for generic, \$35 for Tier 2, \$55 for Tier 3 and you pay 25% of the cost on Tier 4 and again you cannot go Out of Network. Alright, I know I've ran through the plans, do yall have any questions about the plans?"

Councilwoman Millet asked, "These are all Ochsner Network only, so if someone goes to East Jefferson that is no longer an option for them?"

Natalie Tatje stated, "Under Option 1, 2 and 3."

Councilwoman Millet stated, "Under Option 2 and 3?"

Natalie Tatje stated, "That's correct."

Councilwoman Millet stated, "Ok, so you're pushing everyone to the Ochsner Facilities for all their healthcare, under these plans?"

Natalie Tatje stated, "Under these options, yes ma'am."

Councilwoman Millet stated, "Ok just wanted to make sure."

Natalie Tatje stated, "And I will tell you, in the Administrative meetings, that was a concern of Administration ok that the employees would not understand that they could only go to Ochsner alright, so this is a concern, alright very much is. Alright I will share that with you all. Alright so."

Councilman Perrilloux stated, "I have a question."

Natalie Tatje stated, "Yes sir."

Councilman Perrilloux stated, "Say they stay in the Ochsner plan but they don't have a doctor that the employee needs to see, they need to go to a Specialist at East Jefferson, the insurance won't cover it?"

Natalie Tatje stated, "You can't, you have to stay in an Ochsner Network."

Councilman Perrilloux asked, "Even if they don't have the doctor there?"

Natalie Tatje stated, "That's going to be kind of hard for Ochsner not to have a Specialist. I'm just saying, I mean they really, they are very well staffed, it just comes down to whether or not you would want to go and see their Specialist."

Councilman Perrilloux stated, "Ok."

Natalie Tatje stated, "Ok alright. So what Administration discussed in our meeting was, if we go to Page 1, is because that was a big concern of theirs, they feel like if we offer the Humana POS that we have currently alright, but reach out to the employees and have them pay a percentage then we're giving them the ability to stay with their current doctors if they don't want to change, ok? So what we did on these plans we broke them down as if the, on Page 1 this would be the employees and if you go to the 3rd column it would be the employees not paying anything for their coverage but paying 15% for their dependents and the amount that is in that 1st column is the amount that would come out of the employees check per month, is in that 3rd column. The 4th column..."

Council members stated, "I don't have that column."

Natalie Tatje stated, "Page 1, we've put together a few spreadsheets here. Ok, let me look at it real quick. Ok this one is with the employees paying 15% across the board, sorry about that."

Councilman Madere stated, "I don't have a copy of that."

Natalie Tatje asked, "You need a copy? Wait a minute. Ok we've got a few fresh spreadsheets."

Councilwoman Millet asked, "Is that the one with zero down?"

Natalie Tatje stated, "I do because you asked for it."

Councilwoman Millet asked, "Can we see it?"

Natalie Tatje stated, "After I go over this."

Councilwoman Millet stated, "I'm ok with it."

Natalie Tatje stated, "You had inquired about it and I do have it and that's the one that I pulled up. Sorry about that."

Councilwoman Millet stated, "Just to clarify I had asked Ms. Tatje to prepare one, where the employees paid 0 on themselves but a percentage on their dependents and that's what I'm looking for. Now this one shows they're paying 98 on themselves."

Natalie Tatje stated, "Correct and that's per month."

Councilwoman Millet stated, "I'm looking for one that says 0 on themselves."

Natalie Tatje stated, "We got it coming."

Councilwoman Millet stated, "Thank you."

Natalie Tatje stated, "I had it. Ok! Alright so if we, you know looking at the budget we broke it down to 15%, 20% and 25% and this one is across the board, everyone had to pay 15% whether they were an employee, employee and spouse, employee and child and family. So in that 3rd column that is the amount that would come out of their paycheck per month for coverages. The 4th column next to that is what the parish is actually paying, so as you can see we were at \$3.4 Million right now and if the employee supplemented with 15% we're bring it down to \$3.6 Million, we're bringing it up to \$3.6 Million but down from the renewal rate of \$4.3 Million. And if the employee is sharing a cost at 20% you can see the numbers that would come out of their check and that one wouldn't get as close to what you have currently and what you're spending currently in 2015 to the \$3.4 Million. Yes ma'am."

Councilwoman Millet stated, "I hate to keep asking these questions but this one with the employee contribution, this is strictly under the current plan with the renewal, this is not your Ochsner..."

Natalie Tatje interrupting stated, "Yes ma'am. No ma'am this is our current plan."

Councilwoman Millet stated, "This is our current plan with them participating?"

Natalie Tatje stated, "Right. With the thought process of course that, letting them stay in the National Point of Service ok, but because the rate increase was so high, having them share in the cost of it so that it can be

affordable so that they could go where they want to go."

Councilwoman Millet stated, "If it was not affordable before it's definitely not affordable now."

Natalie Tatje stated, "Right."

Councilwoman Millet stated, "Ok."

Natalie Tatje stated, "I think that was just, you know \$3.4 Million or \$4.3 Million was a lil much ok..."

Councilman Perrilloux stated, "I have a question and Natalie or Ms. Robottom or Mr. Coburn can answer that to or Ms. Freemont. We're considering the 15/20/20/5 percent, did we look at disparages in the pay for each employee? Say ok we got an employee making thirteen the other one making 35, so paying 15% for one making \$13.35 is a big difference in the pay of what they take home. Can we and I got an attorney here, say ok, employee making from \$13-\$20 pay, 15%, can't do it, can't do it (Per Jeff Perilloux) can't do it like that, it has to be all across the board. We're going to have to look into that good then, ok go ahead."

Natalie Tatje stated, "In addressing that situation, that's why we kind of want it narrow it down to 2 plans and let the employee or if we got to go to 3 it doesn't matter, trying to get something that is affordable for everyone. And you know I know you got a discrepancy in pay I understand that and they have addressed that as well."

Councilman Perrilloux stated, "Well let me ask you another question. How do you determine which coverage to purchase for the parish? How you determine that?"

Natalie Tatje stated, "Ok we were in a 2 year contract when we signed on with Humana ok, when they came up with the renewal I probably, I don't know how much I spent trying to get different options on the table and then I came to them and I showed them a spreadsheet of different options, alright and I don't recall how many we had and we tried to narrow it down to what we felt like could be affordable for the parish, bottom line. What affordable and that's how we came up with these plans."

Councilman Perrilloux stated, "So the criteria used to determine which insurance to utilize, so that's how the criteria is used?"

Natalie Tatje stated, "Affordability, affordability."

Councilman Perrilloux asked, "Affordability?"

Natalie Tatje stated, "Yes sir."

Councilman Perrilloux asked, "And do you have a list of providers because I mean you have Aetna, Blue Cross you got Blue Shield, you got all that, you got."

Natalie Tatje stated, "Under this particular plan, yes I have 2 Networks. I have the National Point of Service which we're on now and then we have the Ochsner Network and I do have a list of the doctors in this area that are on the Ochsner Plan if you want to look at that and then I also have the

National Point of Service and I did a 20 mile radius of what doctors are on it."

Councilman Perrilloux stated, "And another question, I know numbers bring prices down if you have numbers as far as employees, the bigger the number the lower the premium, correct? And I know we are, we are I think I got all the plans that the assessor's, the library and the parish employees correct Mr. Coburn, Ms. Robottom? Why can't we look at incorporating the Sheriff Department, the School System and the three I just named because we all work in the same parish and work for the parish?"

Natalie Tatje stated, "I know Mike Coburn can give you a little bit more insight on the School Board but we absolutely do not want to be in the same pool with the School Board, okay. They have like a \$1500 deductible, they probably have 80/20 over that but we definitely don't want to be in that pool because when it comes down to it Mr. Perrilloux they look at the amount of money they have spent. The Humana this year I believe we spent for every dollar we took in we spent that dollar plus another .10¢ on the top of that dollar on every employee and that was as of the time we got our renewal packet in and I got an update yesterday, we had 14 claimants that were, what we consider large claimants over 25 thousand, now we have 20 and that's in a matter of maybe 30 to 60 days. So you know we really, we really I would highly highly highly recommend not doing that yes, could it happen, oh yeah, could make it happen but I don't recommend that at all. And as far as joining with the Sheriff's Office, we can't go with the Sheriff's Office because they have a 24 hour coverage on theirs, to protect their deputies 24 hours which we would have to pay if we merged with them. But the School Board talk to some of the people at the School Board, I'm only telling you what I'm hearing from them, ok. And Mike can tell you when he was there it was not pretty."

Councilwoman Millet stated, "Natalie also when you're talking about this employee, per employee the \$98 per employee that is in addition to their \$3750 deductible that they're total out of pocket? So they're going to pay the \$98 a month plus the \$3750? Just want to make sure everybody understands that."

Natalie Tatje stated, "Yes ma'am. Yes that's their monthly premium. Right, right. Alright, let's go to that Option 2 and that is and I got to check, Option 2 we didn't discuss Option 1 that we have on the 1st page it kind of matched it, we can go back to that one, I don't know why we didn't I think it was an oversight, I don't know why we didn't, we've probably did yall, we had so many spreadsheets going, we didn't do..."

Nykya Freemont stated, "Option 1."

Michael Coburn stated, "We just thought Option 2 and 3 were the best ones."

Natalie Tatje stated, "Ok it came down to Option 2 and 3 because of the affordability of it okay."

Michael Coburn stated, "For the employees."

Natalie Tatje stated, "Right ok. So if we look at Option 2 that's the plan that they only pay \$250 to have a surgery, whether it's in or out of the network, I mean in or out of the hospital and over the last few years, I know Mr. Snyder has had a lot of employees go to him and they can't afford to have surgeries and this plan or the other plan with the \$500 copay we felt will allow them to have those surgeries that they felt in the past have not been

affordable."

Councilwoman Millet stated, *"They still have to meet that \$4000 deductible?"*

Natalie Tatje stated, *"No they don't, they don't have a deductible."*

Councilwoman Millet stated, *"Option 3 or Option 2?"*

Natalie Tatje stated, *"Option 2 that is the maximum they can spend in a year Cheryl. The out of pocket."*

Councilwoman Millet stated, *"The out of pocket. If they have surgery they are going to pay up to \$4000?"*

Natalie Tatje stated, *"No let's say somebody goes to have surgery in November and then they got to go back in December, they're going to pay \$250 in November, \$250 in December ok, once those \$250's add up to \$4000 or office copays go towards that, but..."*

Councilwoman Millet stated, *"We also had that 30% that they had to pay, but that's out, this one's out that's out?"*

Natalie Tatje stated, *"No that's out on this one."*

Councilwoman Millet asked, *"As long as you go to an Ochsner facility, it's out?"*

Natalie Tatje stated, *"Correct correct. You know they're taking away the large network but they're giving you more benefit for your dollar."*

Councilwoman Millet asked, *"And we had to stay with Humana because of our 2 year contract correct?"*

Natalie Tatje stated, *"Yes and all honesty, I tested the waters and the numbers were horrible, horrible. Ok just to see, just to see."*

Councilwoman Millet asked, *"So our only option for the employees would be the Humana, a Humana Plan?"*

Natalie Tatje stated, *"Yeah, yeah."*

Councilwoman Millet stated, *"Ok."*

Natalie Tatje stated, *"Because trust me, if I would have got, if I would have felt that there was any other options out there that were less expensive, I would have brought it to you all and I would have used it with Humana to get the numbers down, in all honesty. And there was nothing to work with you'll, nothing because our claims are that bad right not. And I keep a history on St. John Parish and about every 6th year, we get hit. I don't know what it is but I showed them a history of it on every 6th year and that's what I was trying to prepare for last year."*

Councilman Perrilloux asked, *"So what is making that 25% increase?"*

Natalie Tatje stated, *"Claims."*

Councilman Perrilloux asked, *"Specifics or just a lot of claims?"*

Natalie Tatje stated, "A lot of claims. For every dollar that they took in Mr. Perrilloux they spent that dollar plus another 10% on top of that. So they're saying our lost ratio is 110% and that means we've spent everything they took they spent that plus more."

Councilman Perrilloux stated, "Let me back up a little bit. The Vitality Plan because I'm with Aetna and they have the Wellness appraisals, same thing would be Vitality. You take your physicals or if you have your maintenance medicine, but if you do these things and say for stop smoking, control your weight and do the Vitality test, they don't give you a discount like \$15 discount, \$20 discount per employee on a premium?"

Natalie Tatje stated, "We could have gotten up to a 10, we could have got up to a 10% discount k, if they would have engaged."

Councilman Perrilloux asked, "So how much participation you need from the employees, you need a 100% or you need a percentage?"

Natalie Tatje stated, "There's a scale and let's say if 50% of the employees would have engaged, we would have gotten a renewal of 25% and it would have deducted 4% off of that, if 40-59% of the employees would have engaged in it."

Councilman Perrilloux asked, "A Ms. Freemont, are the employees aware of this, they have to participate in order to keep their insurance down?"

Nykya Freemont stated, "They are, we've made several attempts to get them to engage in past activities, they don't show up."

Councilman Perrilloux stated, "Well you might start to get them to show up now if they see what's going on now."

Nikki Freemont stated, "I agree."

Natalie Tatje stated, "Well you know I mean in all fairness if they don't have no skin in the game, does it matter?"

Councilman Perrilloux stated, "Yeah because we can't continue to pay 100%, I mean I searched around and asked, I think St. John Parish in the State of Louisiana is the only place that stills pays 100% insurance and I checked around, even in corporations they're the only ones. Normally you insure the employee and they buy for the family or vice versa as Cheryl did 100% for the employee and then buy for the family. So we have to look at something changing, I know Mr. Snyder had some concerns to, but we need to, I don't know what it is to get the employees to participate."

Councilwoman Millet stated, "This will get them to participate."

Councilman Perrilloux stated, "Because I mean we can't keep spending that much money on Health Coverage and plus I'm going to say we're giving raise a year and I know that can go and differ some of the cost, but we can't keep doing that, we just can't."

Natalie Tatje stated, "So that's why we're having this Special Meeting today."

Councilman Wright stated, "Real quick before we go any further, what is

administration recommending?"

Natalie Tatje stated, "I don't think this meeting was to recommend anything, it was really try to hash out with you all, show you what the options are, kind of get the feel of what you all think okay and so that they can go back and talk about it and then make a recommendation to you all on Tuesday. Am I right or wrong Mr. Coburn?"

Michael Coburn stated, "Correct."

Councilman Wright stated, "Ok, but there's no feel right now on where we're going to recommend towards, obviously we have to have employee participation, I mean there's no question on that."

Natalie Robottom stated, "Good afternoon. Obviously we weren't planning to make a recommendation. As you can see we've been working on this for some time trying every option, we know how much we've budgeted for insurance this year, we know how much we can afford, we know what our history has shown; however I did express concerns to move to a plan not just that you know Ochsner, it would be just Ochsner doctors but some people have doctors they're comfortable with, they have some of our doctors here may not be Ochsner doctors, so there are a lot of things that go into this. We have retirees and their families, but what we looked at was; how can we try to maintain the level of healthcare that we have and not, I guess require so much participation from our employees and not so quickly that they're not prepared for that because we have to make a decision by December the 31st. I can tell you that many employees will not be ready to participate at all in December. So we're also discussing that the parish may continue to pay for it into the 1st quarter giving people time to get ready, but we don't know that number is going to be. We originally had 25% participation, we asked them to go back and look at 15% we have checked with our neighboring parishes, some of them pay a flat percentage across the board for the employees and themselves, some of them the employees are taken care of and they just pay for their dependents. So we're looking at every option, this is our discussion but we needed your input. Obviously we all have a different view point, you have people coming to you with different concerns we're trying to pick the best plan for our employees, for our parish but again, trying to maintain a level of affordability, because as Mr. Perrilloux said at some point you know we're taking from other basic services to pay 100% of the insurance for our employees and their families and you know it's just a difficult time for us, so again that's kind of where we are if you guys have other ideas, obviously Natalie and our team will continue to work up numbers, we're trying to get it as low as we can, if there has to be participation but we're also considering maybe not starting as soon as the policy, we'd have to start paying it, but if we're going to require any participation we're going to try to defer that."

Councilman Wright stated, "And thank you Ms. Robottom because that was my concern with timing and I do want to thank Administration and Ms. Tatje for putting this together and I know it's not an easy task. But my question was; more so with the time frame because if there was employee contribution we would have to start taking that out in December or is there a possibility with the extra pay periods next year where we could just defer that to next year?"

Natalie Robottom stated, "The savings and the cost would vary. But I think what we thought about was just continuing to pay for it as we're doing

through some date in the 1st quarter, not requiring anything before this year because have to get ready for that, if we're not used to paying that you know I don't think it's fair to say; starting December you have to come up with this after years of nothing. But again we're trying to get that down to as least as possible and maybe we'll hear from them, you know are people willing to go to an Ochsner plan, are they as Ms. Tatje said if there is some investment in it, we can stay with the current plan which is clearly out of reach for us with the 25% renewal."

Councilman Wright stated, "Thank you Ms. Robottom."

Councilwoman Millet stated, "I just want to ask 2 questions. #1 is: Are you giving us options of Ochsner Network we have 3 options of Ochsner Network and the only option we currently have is the existing policy, there's nothing in between, it's either this policy or Ochsner, is that correct? There's no in between?"

Natalie Tatje stated, "Absolutely there is ok, absolutely ok. There are so many plans out there but, if we change it, the price goes up and it's costing..."

Councilwoman Millet interrupting stated, "No, no, no, I meant in a lower price range not in a higher price range, no, no, no, no. It's the current plan that we have with the 25% increase or we go to an all Ochsner plan. Those are our only options is what you're giving us?"

Natalie Tatje stated, "These were my very best numbers okay, alright?"

Councilwoman Millet stated, "Ok, ok."

Councilman Gauff stated, "The comment I had was that, from 1st quarter on or from January on, do we start to grandfather people in and every new employee that comes in, do we set something up so that they know from now on that they're are going to have to pay some portion or is this something once we start or once we you know vote on this and vote it in, then every employee even after the 1st quarter comes in then they're entitled to the same benefits. I think at the same point like Mr. Perrilloux said and like administration like what you are saying is that, at some point and time the employees have to pay, they have to pay some portion or do something so that it's affordable. Well in order to do that, when new employees come in seems like they ought to know or they ought to start under new or something, some new..."

Natalie Tatje stated, "I think the first question we need to address would probably be Mr. Perrilloux on whether or not you can, I think it's a discriminating problem if you off on a grandfather and you want to bring in other employees, to best of my knowledge I don't think you can do that. Jeff agree?"

Councilman Gauff stated, "Ok."

Jeff Perilloux stated, "We'll address that."

Natalie Tatje stated, "Ok, the problem with that you know and I'm just, you know we're just talking here, is that it could be a bookkeeping night mare as well okay. You know you got some people that started on January 1st of 2016 and they're going to be treated and the people that were hired December 31st

of 2015, you know how do you keep track of all that of the years and when people retire how do you keep track of that? Well, all good systems have errors."

Councilman Gauff stated, "You're absolutely right, I understand that, I'm just looking at, somewhere you draw the line and you say that suppose we decide that we're going with the plan that says the employee doesn't pay anything but his family, he pays something for his family. But I'm saying is from this day on, every employee that comes in would know this, I guess it's, it can't do it."

Councilwoman Millet stated, "It would have to apply to everybody."

Councilman Gauff stated, "Yes it would apply. Ok."

Natalie Tatje stated, "I guess it goes back to what is affordable, you know what is affordable and that and that's why we're having this meeting today. Is what is affordable and what do you all, what is your input on it you know? We can offer, we can offer all four of these plans okay and they can pick and choose what they want but you all still have to say, what you're paying and what you're not going to pay, what they're going to pay. So you know if you look at the Humana Point of Service Plan and you say, okay let's put them all on the board and we're going to pay 15%, they're going to have to pay 15% on whatever plan they pick and each employee can pick and choose what plan they want, I can do that."

Councilman Gauff stated, "One more thing if you don't mind. So in the perfect world, St. John Parish is doing well and the budget, we have a very good budget and affordability is you know not the question, it's not the question. But all of sudden the following year is not such a bunker crop and we're drier straights and the budget isn't as good, what do you do with the employees and what do you do with the cost and it's not affordable then so, but you're locked into some sort of 2 year plan or you're locked in to this plan that you can't, you really can't afford know, because the Parish isn't doing as well and that's what I'm saying at some point and time you have to get to the point where employees will say we got to pay something."

Natalie Tatje asked, "Don't you think we're there right now?"

Councilman Gauff stated, "That's the point I'm trying to make. We're there now and that's what, I know the conversation we had last year at this point and time was, the employees have to pay something."

Natalie Tatje asked, "We're there right now. Yeah, yeah trying to prevent this. I mean all you guys got together last year and we were trying to prevent this and it didn't work."

Councilman Gauff stated, "And the other thing is, the employees have to realize just what you're trying to do. Give them the best option and that's what we want for them also. Affordability and I know administration is fighting hard, you know for them to say we don't want this to hit them all at one time, but they have to also realize that this day has come they're going to have to chip in something."

Natalie Tatje asked, "I was going to say something and I lost the thought that quick. Oh this is what I want to tell you, they gave me a number. Out of 358 employees, 338 have used an Ochsner doctor in the last year. Now that's

just an Ochsner doctor, I can't tell you what the Specialty if it was family but 338 of those 358 and that's including the Assessor's Office and the Library and the DA's Office in that number of those employees. So they are engaging with Ochsner doctors and I'm sure Administration may have a little bit more insight on this than I do but I would have to assume, just being an outsider looking in that Ochsner is going to try and bring more Specialties out here than what they have out here than what they have right now. But I can't say for sure but I would have to assume that."

Councilman Madere stated, "Yes you mentioned about the grandfather in, what was your respond Jeff, I didn't hear. You'd talk to us later about that? Ok because I do remember, I think it was last year, it might have been Mr. Snyder or Mr. Perrilloux that said something about the fact if new employee would come in that they would be the one to start paying you know for insurance, instead of just springing it all on the employees now. That they would have to pay within a few months, even though I think administration is being very kind about trying to say they're gonna, you know be ready in December, you know somewhere down the line they will have to start paying, so instead of them having December, January they have to start taking money out and no one have made plans or made adjustments you know in their life style and they salary in terms of that. You know but I thought last year would have been a good idea starting in last January any new employees would be hit with this type of thing here because I think one thing they said was that our employees were always sick and getting old ok so when you get old, you will more illness and more claims than everything you know. In fact I took exception to the fact that they said we are not well, you know our group of people. Basically everyone need insurance but I basically I really don't have a fond feeling for insurance companies, because they use every opportunity to raise the price. I heard you say if we would have went to this wellness thing 100% or at least, how much percent did you say 50?"

Natalie Tatje stated, "50% of the employees."

Councilman Madere stated, "50% they still only took 4% off, we still would have been hit with a 21% increase so wow, you know I give you 25% or I give you 21 that's not going to help me too much. You know so and now if they said they would have taken 1/2 of that off okay but you 4%, that's no big help. You know insurance companies are just like the casino, they going to take more in than they ever put out okay, they're just about money. That's just the bottom line..."

Natalie Tatje interrupting stated, "Well you know I can't disagree with you, but I can tell you this..."

Councilman Madere interrupting stated, "That's what it is, that's what it is. They know, wait I understand, but they know that we need them and they take advantage of that okay and I'm speaking for all insurance companies, I'm speaking on how I feel about them okay, if we didn't have anyone gotten sick this year, they still would have found a reason to increase us. They would have said the cost of this or the cost of that, they still would have found a reason to increase us. So as I think as Council people we have to make sure that try to make sure that we ease into these policies and help our employees as much as possible that they can ease into this. Now I do agree that eventually they would have to pay, they would have to pay because insurance companies are not going to stop doing what they're doing what they do. Okay but we have to try the best possible way to ease our employees into this and make them understand, I think most of them will understand."

Natalie Tatje stated, "And I do think we need them to engage in this Vitality Plan and they need to realize you know we just as a society, not just these employees as a society, if something is wrong we go fill a prescription, we're reactive and we're not proactive and we need to get to be proactive."

Councilman Madere stated, "Well I definitely before I make a vote on anything about insurance, I definitely want the employees input, because I'm not one to make judgement on a whole group of people, I like for them to decide what they want us to do okay, I'm not going to vote to do anything unless I hear from the employee as a whole, what they want, because I just want to make sure that they're satisfied and they understand everything that's going on. Okay and once I have that feeling, then I will do what I think they would want us to do. But my opinion on insurance companies and casinos are still the same."

Natalie Tatje stated, "They're rolling the dice."

Councilman Madere stated, "And always come snake eyes on us!"

Councilwoman Millet stated, "Natalie how is this going to affect our retirees, because I know we just signed a 2 year contract with Humana for the retirees. Is this going to affect them anyway?"

Natalie Tatje stated, "Ok let's talk about the retirees who are not Medicare Eligible because we have people that have not paid into the Medicare System that are going to be on our employee plan indefinitely and we've addressed that on here that if we charge 15% for the employees, we have to charge the Non-Medicare Retirees, that's up at the top the same because in 1995 that was an Ordinance that said that the employees, I mean the retirees have to be treated like the employees period, ok? Now..."

Councilwoman Millet interrupting stated, "I believe the wording was; that coverage had to be equal or better than."

Natalie Tatje stated, "I believe you are correct. But on the retirees that are on the Medicare Eligible Plan, they do have a plan that is better than this one and the premium is a lot less alright. And Julie you might need some insight on this, it's real difficult to collect premiums from the retirees from what I've been hearing."

Councilwoman Millet stated, "Right retirees. They get a retirement from the Parish, they only get insurance?"

Julie Songy stated, "Correct!"

Natalie Tatje stated, "So the discussion in reference..."

Councilwoman Millet interrupting stated, "The state cuts and you'll can't get the state to withhold that money? Oh I'm just asking."

Natalie Tatje stated, "But keep in mind the Humana Plan is like \$225.00 a month per employee and this is \$500 and plus, so even the portion that the Parish is paying at any of these levels is more than what the Humana Plan is for the retirees on the Medicare Advantage Care Plan. So really these numbers are just for the retirees that are Non-Medicare Eligible ok and the ones that retired before age 65, I mean you've got some people that retired at 55 and

they're not eligible."

Councilman Snyder stated, "Yeah it almost look like we're preaching to the choir here because a lot of things we're discussing right now we have no control over to me, as far as I'm concerned. That's one of those things as premiums, so and it seems like the only course for us to do is find some additional revenues or find some additional revenues, that's the only way to go forward, regardless of whether we go with what we got now or if we go with 15, 20 & 25% seems like. I'm just sitting here when I've always been an advocate of employees paying some of their medical insurance, because I think everywhere I've worked at, we've always paid something you know, but Ms. Tatje, when there's a spouse or something eligible for or has a job that also has insurance, wouldn't that help premiums also, somehow?"

Natalie Tatje stated, "Ok so let me make sure I'm understanding your question. If you have a spouse that has coverage at their employer, does it help with our rates?"

Councilman Snyder stated, "Right, right. Because I think we may become secondary or primary?"

Natalie Tatje stated, "Well #1 we're spending about \$600 a month right now just have that spouse on there, so we're spending \$7,200, St. John Parish Government money #1 and then when they do have their claims, yes we're secondary and so theirs is 1st and ours is 2nd so I don't really see how that's, it's kind of like a wash, it's really not saving us any money at all."

Councilman Snyder stated, "Okay and in order to save some money we need to look at raises that we have I know we're compelled to give 2½ to 3½% raise. How much do we save on 2½ raise that would also throw them in, somebody can throw the number at me?"

Julie Songy asked, "What's your question?"

Councilman Snyder stated, "Say for instance, we've been giving our employees 5% raise right, which we all agreed to do that and it was nice, but we know we were going to get to this point because I said this 2 years ago, we going to overspend ourselves and we're there now with benefits, not take all the benefits away but the auditor said we can give 2½ to 3½% raise but we give 5% raises, can we save some money there by just going with to 2½ to 3% and about how much money are we looking at here as far as to help to pay insurance. Either we do something like that with the employees and take money away from the employees and pay it or we can pay the employees the money and take from them on the back end with premiums. And I was just wondering about, I know that's a tough question."

Julie Songy stated, "I could work it up for you but not in my head right now."

Councilman Snyder stated, "Oh yeah, would you? Just about how much you know, what would that be as far as?"

Julie Songy stated, "So you're saying dropping the 5% increase down to 3, because I think its 3 because I think our Ordinance says it's 3."

Councilman Snyder stated, "I think its 2½ or 3, one of the two."

Julie Songy stated, "I think it's 3. We'll see what that number, we'll see if you have, I can look that up for you."

Councilman Snyder stated, "Ok that's one thing we can look at."

Natalie Tatje stated, "And I just want to share this with you. Julie do you mind if I use Luke as my example? Ok. Julie's son has a policy with us, it was \$107 this year, just got the renewal in, it's \$287, he's 27, 27 year old male by himself. So all I'm saying with that is, if you charge an employee \$98 they still ought to be going wohooo that's a good deal, because it really is ok, huge deductible maximum out of pocket \$6,350, so that's just to bring it into perspective of what we're really dealing with. If you charge \$98 an employee yeah they're going to complain because it's free right now, but if they try to go anywhere else they're not going to get anything close to this plan. So you got to stop looking as what you're taking away, I think you got to look at as what are you giving them, you're giving them a really good plan. We can't sell a plan like this outside of a group, we can't, I cannot you cannot come to my office right now and buy this plan, I cannot offer it. So we are offering them a real good plan for a really good price and it's in budget."

Councilman Snyder asked, "What are these numbers for on the spreadsheet on our Out of Network, employees, spouse, 92, 63."

Natalie Tatje asked, "What page are you looking at Mr. Snyder? Are you looking at this one?"

Councilman Snyder stated, "This one."

Natalie Tatje asked, "Which page, is that Page 1?"

Councilman Snyder stated, "Front sheet, yeah page #1."

Natalie Tatje asked, "Page 1 are you looking at the Out of Network benefits?"

Councilman Snyder stated, "Yeah right down right next to the employees and the employees and spouse they have some numbers right there, 92, 63, 34, 90?"

Natalie Tatje stated, "Oh, oh I'm sorry. That's the amount of employees we have, we have 92 employees only, 63 people have their spouse on there with them, 34 have just their children on there and we have 90 people with family coverage."

Councilman Snyder stated, "Ok thank you."

Councilman Gauff stated, "I guess just looking at a start, I would just my opinion, suppose we started with the employees not paying for anything but yet paying for their families, what kind of savings would that, not savings but where would that put us as far as the budget and..."

Natalie Tatje stated, "Nikki passed those out, that's on the spreadsheet and on the 3rd column, Mr. Gauff it shows where the employee is paying zero and then if they employees dependent pay a portion."

Councilman Gauff asked, "So that's the zero with the \$108 and the 84 and then

188? Is that within your budget or we're looking at \$3.5 is the budget?"

Councilwoman Millet asked, "\$3.5 is the budget?"

Michael Coburn stated, "Yes ma'am a little above."

Councilman Wright excused himself from the meeting. Council Vice Chair Perrilloux took over the meeting.

Natalie Tatje stated, "On that spreadsheet you all are looking at they put both columns, one with the employee not paying and one with the employee paying and as you can see it's a \$400,000.00 difference."

Councilman Madere stated, "I think we, are we planning on having an employee workshop, when we explain all this, like you explaining to us to the employees?"

Nykya Freemont stated, "Yes, we would do this at our open enrollment which is going to be the week of November 30th, we will go over everything with all the employees."

Councilman Madere stated, "Because I think they are the ones that have to make their decision yeah before, before because..."

Nykya Freemont interrupting stated, "No we do not plan to do that."

Councilman Madere stated, "Well because I think they need to be the one to decide this in terms of..."

Natalie Robottom stated, "They can't decide, you'll have to decide."

Councilman Madere stated, "I understand, I understand we have to decide it but I mean they can give us some guidance as to which way they want to go."

Michael Coburn stated, "There are going to want it paid again but..."

Councilman Madere interrupting stated, "That option is out as far as them not paying anything, so that option is out. The option I want to give them is to tell us what they want us to vote for. Okay in terms of the majority of them."

Michael Coburn stated, "They can choose any plan they want."

Councilman Madere stated, "Well that's one option we have on the table that they can choose any plan they want."

Michael Coburn stated, "They can choose 3 of the plans or they can choose the plan they have now."

Councilman Madere stated, "Right that's what I'm saying. Because the way she was explaining it ok, we would have had this plan or we had the Ochsner Plan, then it was explained that they could pick either one they want."

Michael Coburn stated, "They can pick any plan, we can have 3 different plans."

Councilman Madere stated, "Right ok. So I mean that's basically what I want to know is what and how the employee feel and the majority of them, how they

want it, if they want to pick 2, 1 or if they want to go on their own."

Michael Coburn stated, "We're just looking at the 15% to keeping it leveled of where, what ability wise that we had money in the budget to cover it. If we went any lower than that is going to be over the amount of money we have. If we're talking before like Ms. Tatje said, you know I can be on the renewal plan, you could be on the Ochsner Plan 2 and Ms. Millet can be on the Ochsner Plan 3."

Councilman Madere stated, "Right I just know I want the employees to understand that, you know as far as not paying anything that's not an option anymore. But I want to give them the opportunity to decide you know what plan."

Michael Coburn stated, "That's correct. 15/20/25 whatever they want. I gotcha."

Councilman Madere stated, "Right, right whatever you know. Because every household is different, you know every household is different you know, some maybe able to afford one option, some may think the other option is better. So that's what I'm concerned about okay, making sure they have that they have that option to pick and choose. And you just proved my point again about the insurance company when you talked her son okay single, what he was paying?"

Julie Songy stated, "109 this is no copay."

Councilman Madere stated, "He was paying 109 and it went up? No, no she doesn't have to go up there, because she said it up there. Ok what I'm saying is, it proved my point what I say about the insurance company, ok they raised our rate by 25% because they said we're unhealthy and we put too many claims in and the raised your son and he's healthy and he didn't put no claims in. So that's exactly what I say about the insurance company."

Natalie Tatje stated, "I can share this little tad bit of information. Blue Cross Louisiana, since ACA was implemented it has lost \$153 Million and they're anticipating loosing another \$50 Million this year."

Councilman Madere stated, "Hold on let me answer that. Wait let me answer that. You said the insurance company?"

Natalie Tatje stated, "Yes sir."

Councilman Madere stated, "Ok, that's 100% a lie. Because any company that loose that money would be out of business. That's like the casino they pay this the pay that but they still in business. No one sitting here at this table in here know any company that is losing that kind of money will still be in business. They're making money, yeah they might loose on a couple of policies but they pick up somewhere else. Don't insult my intelligence that they, not you them, to tell them like the oil company, we're running out of oil, we've been running out of oil since 1970, okay and we still got you know. So I don't want to hear rich people complain to me about money, they're not losing any money, they got a 25% increase now, you know so hey."

Natalie Tatje stated, "I was just sharing with you what they told me. Don't shoot the messenger."

Councilwoman Millet stated, "Well we can go round and round and everywhere

you want to go with these plans because there are so many options available, but my personal opinion is I think the employees should probably be covered and let them pay a percentage for their dependents and I think it ease into it, I think it's affordable if you pick the 20 or 25% and if they take the Ochsner Policy with them paying zero, it's less than last year. So you have options there and that's just my personal opinion, I mean everybody has their own but I mean I think if the employees if they cover for the dependents and go with the Ochsner Plan we're not spending as much as were before. But I think the employees should still be at no charge, just my opinion."

Natalie Tatje stated, "I guess what it all goes back to is affordability."

Councilman Perrilloux stated, "Correct."

Natalie Tatje stated, "What can we really afford you know."

Councilman Gauff stated, "The only thing and not that it would have made a difference today, but I remember last year Rev. Brown was in here representing some of the employees or at least as a speaker or representative of, I would have liked to see him here today or whomever else their representative is or was and have you all discussed any of this with any of them yet or is this the first of our meetings to start this discussion?"

Natalie Tatje stated, "You can say this is the start."

Councilman Gauff stated, "This the first ok. Because as Mr. Madere is saying, they have a vested interest and at least if they had a representative to go back to them to start saying, which I'm sure they're aware of all of this but at least if they had someone to say, nope, we need to start seeing what we want to do, a change is going to come and we're going to have to pay something, somewhere and I'm sure from this day on, this is what you will be going back to them and tell them."

Natalie Tatje stated, "But I think came to you all today because we are in a critical mass per say, and something, a decision needs to be made as far as what percentage you're going to charge, what, I mean something is going to be charged, I mean would you all agree with that and then, what you're going to charge and when it's going to get implemented, when it's going to be implemented is not going to be a problem because I think you know Ms. Robottom already stated, you'll going to plan for it. But today you'll faced with a rate increase for 1/1, I'm just the messenger you know, we got..."

Councilman Gauff stated, "I'm not shooting the messenger, I was just saying you know last year you know a couple of representatives were here and if they had a representative or 2 which I think all or everyone in here are representatives of but you know sometimes they want to see a pier, why weren't one of my piers there so that they can go and..."

Natalie Tatje interrupting stated, "But I mean I know there are administrative people but I mean they have an opinion, why don't you ask them you know?"

Councilman Perrilloux stated, "I think we can start off and I think Ms. Robottom said and Ms. Freemont we're not going to implement this on employees probably looking at the 1st quarter correct? And we can bring back to them okay 15%, we are going either 15% and Ochsner Plan the ones you mentioned earlier, we'll present those plans to the employees and maybe I guess maybe

January or February make a decision. We have to make a decision by December 31st?"

Natalie Tatje stated, "We really need to make a decision sooner than later because we got to have all the employee meetings and go over everything and we got to make sure they have their new card if they're going to have a new card in time."

Councilman Perrilloux stated, "Well my suggestion, we go with those 2 plans, that'll be the Ochsner and the 15%, we don't want to start, that's the lowest on the spectrum 15%."

Natalie Tatje stated, "Which Ochsner plan are you leaning towards?"

Councilman Perrilloux stated, "I think you were talking about the Option 3 you was talking about or something?"

Natalie Tatje stated, "Yes."

Michael Coburn stated, "Option 2 and 3 and also with present at 15%."

Councilman Perrilloux stated, "Yes."

Councilwoman Millet asked, "That's your opinion?"

Councilman Perrilloux stated, "Yes."

Councilman Gauff asked, "Option 2 and 3 with what?"

Michael Coburn stated, "15% across the board. Current plan renewed, as well as Option 2 Ochsner, Option 3 Ochsner, 15% across the board."

Councilman Snyder asked, "Ochsner?"

Michael Coburn stated, "Either one, you can pick either plan you want. Except the employee pays 15% of whatever category they're in, by themselves, family, dependents and spouse."

Natalie Tatje stated, "And they can pick any plan they want, we can put them all out there but I guess it's the decision..."

Councilwoman Millet interrupting asking, "So what you're asking us to do is to come up with what Option, 15%, zero for the employee, pay for dependents. Which way are we and you're going to present them to them and they will pick and choose which ever one they choose?"

Natalie Tatje stated, "That's correct."

Councilwoman Millet stated, "Okay, okay. I'll tell you how I feel. I just the employees should pay the 20% on their dependents and them free. That's my suggestion on either plan."

Michael Coburn stated, "Looking at what you're saying Ms. Millet, if you look on Page 1 of that, if you look at the 20% employee and dependents, that's going to cost the Parish \$3.9 Million, for zero for the employee, it's going to cost us \$3.9 and basically we've got budget right at \$3.5., so we're about \$400,000.00..."

Councilwoman Millet interrupting asking, "\$400,000.00 over?"

Michael Coburn stated, "Yes ma'am. If you look at 25% you're looking at \$3.8 Million and that's going to put us about \$300,000.00 over of what we have budgeted."

Councilwoman Millet stated, "I think we can find in the budget somewhere."

Michael Coburn stated, "So that's why we were trying to do 15% across the board to get it as close and that would keep us where we need to be at \$3.5 really at \$3.6."

Councilwoman Millet stated, "If you charge the employee \$98.00 for themselves, I mean if you charge them \$286 out of their monthly paycheck, I mean they're done in the water, then they've got to..."

Michael Coburn interrupting stated, "So it would be \$100.00 a paycheck."

Councilwoman Millet stated, "You understand that and then they still have to pay all these copays and deductibles and everything else and you know for somebody who's not making all that much money, that's crazy numbers. So I'm trying to get something for the employee to be affordable for them because they still have to pay the copays and what have you. I don't want to take their whole paycheck for insurance, so that's why I was trying to get the employee to be on the lesser side and then their dependents that's their options on how they want to do that one. So that's why I was leaning in that direction, I mean yes they have to pay. We all know they have to pay something but let them pay on their dependents and let parish take care of the employees."

Natalie Tatje stated, "So then I guess what's back on the table at what percentage."

Councilman Snyder stated, "I got to take this call." (Left the meeting to take a phone call)

Councilman Perrilloux stated, "Well take a 5 minute recess."

Jackie Landeche, Council Secretary, stated, "We can't even do a recess, we can't vote on it, we just can't do nothing."

Councilman Perrilloux stated, "We can't vote on it."

Jackie Landeche stated, "We can't talk, we can't talk right now. He left and we don't have a quorum so we have to wait until he comes back."

Jeff Perilloux excused himself from the Council Meeting.

Councilman Perrilloux stated, "I would suggest somebody would make a motion for me or something that we let administration come back with a recommendation to us for the Tuesday's Meeting. Somebody would have to make the motion for me."

Councilman Gauff stated, "I like your recommendation, I like the 15% but that's okay that can be one of their options."

Councilman Perrilloux stated, "Yes because I mean they are working on this insurance they know all what's happening. Do we have any more discussion on this insurance? Do we have any more discussion? We made a motion for administration to come back with a recommendation for us on the Tuesday meeting and we have a second."

Jackie Landeche stated, "Yes sir."

Councilman Perrilloux stated, "Alright so we don't have any other discussion on the insurance, there's nothing else on the, I'm sorry let's vote."

MOTION: Councilman Perrilloux moved and Councilman Snyder seconded the motion for administration come back with a recommendation to us for Tuesday's Council Meeting the Parish's medical insurance plan with Humana. The motion passed with 5 yeas and 4 absent (Smith, Wilson, Wright and Hotard).

EXECUTIVE SESSION:

Lennix Madere - 205 E. 30th Street

Larry Snyder - Building at Cambridge and Airline Hwy. graffiti removal

Water bill issues - 133 Beechgrove, Reserve, LA

Lennix Madere - St. John the Baptist Parish vs. Myrtle F. Victor, Roba Inc., and Adair Asset Management, LLC, 40th JDC, #63827

Any and all pending legal matters

ADJOURNMENT:

At 2:10 PM, Councilman Madere moved and Councilwoman Millet seconded the motion to adjourn. The motion passed with Councilman Smith, Wilson, Wright and Councilwoman Hotard absent.

/s/Michael Wright
COUNCIL CHAIRMAN

/s/Jackie Landeche
Council Secretary