



## **City of Cincinnati Retirement System Benefits Committee Minutes**

October 6, 2011 – 12: 00 P.M.  
City Hall – Committee Room B

The meeting was called to order: 12:03 P.M.

### Present

M. Fehn  
M. Matlock  
M. Rachford  
R. Sims

### Staff Present

Paula Tilsley  
Cheryl Volk

### Absent

B. Partridge

### Approval of Minutes

R. Sims made a motion to approve the July 7, 2011 Benefits Committee minutes. M. Rachford seconded the motion and the motion passed. Minutes were approved.

### Healthcare Open Enrollment 2012

P. Tilsley provided a report on the 2012 enrollment process for retiree healthcare:

- Beginning January 1, 2012, CRS will provide two medical plans, the 80/20 PPO and the Carve-Out PPO. The Modified PPO will no longer be provided. All pensioners currently participating in the Modified PPO will be enrolled in the 80/20 PPO effective 1/1/12. Members cannot move from the Modified PPO or 80/20 PPO to the Carve-Out PPO.
- A newsletter was mailed to all retirees that outlined the changes in benefits beginning 1/1/12 including removing the Modified PPO, new eligibility requirements for the Carve-Out PPO, new tiers of coverage for healthcare, Dental and Vision premiums, and no reimbursement of Part B Medicare premiums..
- A communication was sent to current Carve-Out PPO members explaining that they need to submit new financial information for the 2010 tax year to re-qualify for the Carve-Out PPO Plan for 2012. Those who do not qualify or fail to send information will be enrolled in the 80/20 PPO.
- An Enrollment Packet is being sent to all retirees in mid October. Retirees who do not respond will be enrolled in the 80/20 PPO with the same tier of coverage as in 2011. They will not be enrolled in the Dental or Vision Plans.
- The tier structure for premiums has been modified and further adjusted to account for the cost difference between pre-Medicare and Medicare eligible members. The 5% premium share for the 80/20 PPO and the full funding rates for the Dental and Vision plans were reviewed.

The Benefits Committee recommended that a post card be sent to retirees a couple weeks before the deadline, reminding them to submit enrollment forms.

***Committee Action***

M. Rachford made a motion to endorse the new enrollment process for implementing the healthcare changes effective January 1, 2012. M. Matlock seconded the motion and the motion was approved.

**Retiree Medical Premium Share (Point System)**

The CRS Code currently provides a point system used to determine the premium share for medical coverage for members who were hired on or after January 8, 1997 and retire with at least 15 years of service. The point system consisting of years of service combined with the member's age at termination will affect certain new retirees (hired on or after 1/8/97) starting in January 2012.

The point system currently provides 100% medical plan premium coverage for those accruing 90+ points. The highest point level of 90+ points would provide for a 0% cost share by the member. This level must be adjusted immediately so it is not more favorable than the cost share that is being implemented for all current CRS retirees on 1/1/12. The Committee discussed a short-term solution by changing the 90+ point level from a retiree cost share of 0% to 5%. The Committee agreed to revisit the full point system at a future date and redesign to better align with the other benefit changes that become effective 1/1/12.

***Committee Action***

R. Sims made a motion to make a short-term amendment to the existing retiree medical premium share (point system) for members hired on or after 1/8/97. For new retirees affected by this provision beginning in 2012, the highest level of premium coverage will be changed from a 0% member share to a 5% member share. The Committee will redesign the point system for possible implementation in 2012. M. Matlock seconded the motion and the motion was approved.

**Dependent Eligibility**

P. Tilsley provided an overview of the Cincinnati Municipal Code (CMC) §203-48 "Health Insurance Benefits for Eligible Dependent Family Members." Members agreed that adding dependents for healthcare coverage is not the industry norm and the practice should be discontinued.

***Committee Action***

M. Rachford made a motion based on changes to CMC Ordinance §203-48 "Health Insurance Benefits for Eligible Dependent Family Members," to cancel the practice of providing healthcare benefits to dependents who are added after a member's retirement date. Current eligible dependents purchasing healthcare benefits could be grandfathered for a period of time, and new additions should be discontinued as of January 1, 2012. M. Fehn seconded the motion and the motion passed. CRS will pursue the requirements necessary to implement this action.

**Retirement Department Staffing**

The Retirement Department staff has received cross training in several different office functions. Additional staff is needed and will be addressed.

***Committee Action***

M. Rachford made a motion to adjourn the meeting. M. Fehn seconded the motion and the motion passed. Meeting was adjourned at 1:30 P.M.