

**MINUTES**

**METROPOLITAN EMPLOYEE BENEFIT BOARD**

**August 1, 2006**

The Metropolitan Employee Benefit Board met for their regularly scheduled meeting on Tuesday August 1, 2006 in the Civil Service Conference Room, Suite 163, 222 Building, Third Avenue North, Nashville, Tennessee, at approximately 9:30 a.m.

Benefit Board members: Chair: David Manning; Vice Chair: Clyde D. Smith; Members: Steve D. Bumpus, Douglas D. Conquest, Sr., B.R. Hall, Sr., Edna J. Jones, Dorothy Shell-Berry, Charles A. Trost and Betsy Walkup.

Member H. Russell White was unable to be present.

Other Members present: Nicki Eke, Attorney, Metro Legal Department and Dr. Christopher Fletcher, Civil Service Medical Examiner.

**A. MINUTES:** Chair David Manning called the meeting to order and said the first order of business was to determine if there were any amendments, corrections or questions of the minutes from the last regular meeting held on July 13, 2006. With no corrections, nothing further was noted and Douglas Conquest moved for approval. Betsy Walkup seconded and the Board approved without objection.

**B. DISABILITY PENSIONS: (new requests, reexaminations and return to work)**

The terms of the approval or extension of the items listed in the above motion are specifically stated in these minutes.

Dr. Christopher Fletcher reported to the Board that he recommends approval of items B.-1. through B.-3. with no reexamination. Clyde Smith moved approval of the recommendation. B.R. Hall seconded and the Board approved without objection.

On item B.-4., Dr. Fletcher stated he recommends deferral and requests an independent medical examination. Betsy Walkup moved approval of the recommendation. Charles Trost seconded and the Board approved without objection.

On item B.-5, Dr. Fletcher stated he recommends denial based on medical information.

The individual was present and addressed the Board.

After some discussion of workplace issues, sufficient medical to support the disability pension request, another position with Metro and case management, Clyde Smith moved that the Board defer action on this item and request HR work with the individual. After further discussion, the motion died due to lack of a second. The Board requested that vocational assistance and case management, if applicable, be assigned and declined to take any action on this item until as there is currently not sufficient medical evidence to support the request.

**NEW REQUESTS:**

	<b>Name</b>	<b>Department</b>	<b>IOD or Medical Disability</b>	<b>Recommendation</b>
1.	Robbie J. Hargett	General Services	Medical	As moved, seconded and approved, this pension request was granted without stipulation of scheduled reexamination.
2.	Michael A. Lankford	Bordeaux	Medical	As moved, seconded and approved, this pension request was granted without stipulation of scheduled reexamination.
3.	Connie L. Murff	Circuit Court	Medical	As moved, seconded and approved, this pension request was granted without stipulation of

				scheduled reexamination.
4.	Lukas P. Merithew	Police	IOD	As moved, seconded and approved, this pension request was deferred and an independent medical examination requested.
5.	Deidre R. Forte	Police	IOD	As moved, seconded and approved, the board took no action on this pension request.

Dr. Christopher Fletcher reported to the Board that he recommends continuing items B.-6. through B.-17. without stipulation of scheduled reexamination with the exclusion of items B.-7. and B.-8., on which he recommends three months 3 months with reexamination at that time. Douglas Conquest moved for approval of the recommendation. Edna Jones seconded and the Board approved without objection.

**REEXAMINATIONS:**

	Name	Department	IOD or Medical Disability	Recommendation
6.	Dennis W. Birdwell	Police	IOD	As moved, seconded and approved, this pension reexamination was continued without stipulation of scheduled reexamination.
7.	Trina D. Blythe	MNPS	Medical	As moved, seconded and approved, this pension reexamination was continued for three months, with re-exam at that time.
8.	Curtiss E. Bush	Parks	IOD	As moved, seconded and approved, this pension reexamination was continued for three months, with re-exam at that time.
9.	Debra I. Granger	MNPS	Medical	As moved, seconded and approved, this pension reexamination was continued without stipulation of scheduled reexamination.
10.	John T. Heaney, Jr.	Police	IOD	As moved, seconded and approved, this pension reexamination was continued without stipulation of scheduled reexamination.
11.	Joe S. Hunt, Jr.	General Services	Medical	As moved, seconded and approved, this pension reexamination was continued without stipulation of scheduled reexamination.
12.	Larry D. Hunt	Police	IOD	As moved, seconded and approved, this pension reexamination was continued without stipulation of scheduled reexamination.

**REEXAMINATIONS: (continued)**

	<b>Name</b>	<b>Department</b>	<b>IOD or Medical Disability</b>	<b>Recommendation</b>
13.	James R. Johnson	Police	IOD	As moved, seconded and approved, this pension reexamination was continued without stipulation of scheduled reexamination.
14.	Stephen G. Lewis	Police	IOD	As moved, seconded and approved, this pension reexamination was continued without stipulation of scheduled reexamination.
15.	Thomas W. Sherrill	Fire	Medical	As moved, seconded and approved, this pension reexamination was continued without stipulation of scheduled reexamination.
16.	John W. Stivers	Police	Medical	As moved, seconded and approved, this pension reexamination was continued without stipulation of scheduled reexamination.
17.	Floyd A. Woodley	Police	IOD	As moved, seconded and approved, this pension reexamination was continued without stipulation of scheduled reexamination.

Dr. Christopher Fletcher reported to the Board that he recommends deferral for one month on items B.-18. through B.-21. B.R. Hall moved approval of the recommendation. Steve Bumpus seconded and the Board approved without objection.

**REEXAMINATIONS:  
 DEFERRAL**

	<b>Name</b>	<b>Department</b>	<b>IOD or Medical Disability</b>	<b>Recommendation</b>
18.	Scott M. Armes	Fire	IOD	As moved, seconded and approved, this pension reexamination was deferred for one month.
19.	Donna Dobbs	MNPS	Medical	As moved, seconded and approved, this pension reexamination was deferred for one month.
20.	John H. Elizer	Sheriff	Medical	As moved, seconded and approved, this pension reexamination was deferred for one month.
21.	Tammie Lehmann	General	Medical	As moved, seconded and approved, this pension reexamination was deferred for one month.

Dr. Christopher Fletcher reported to the Board that items B.-22. through B.-24. be placed on the return to work list with restrictions as specified. Clyde Smith moved approval of the recommendation and requested that

vocational assistance be assigned, if necessary. Steve Bumpus seconded and the Board approved without objection.

Dr. Christopher Fletcher reported to the Board that he recommends deferral on the return to work on item B.-25. pending additional medical records. Without objection, the Board deferred item B.-25.

**RETURN TO WORK:**

	<b>Name</b>	<b>Department</b>	<b>IOD or Medical Disability</b>	<b>Recommendation</b>
22.	Horatio B. Bright, Jr.	Parks	IOD	As moved, seconded and approved, this individual was placed on the return to work list.
23.	Anne Cannady	General Services/ECC	Medical	As moved, seconded and approved, this individual was placed on the return to work list.
24.	Bertha A. Mumphrey-Otey	Bordeaux	IOD	As moved, seconded and approved, this individual was placed on the return to work list.
25.	Richard T. Bell	Police	IOD	As moved, seconded and approved, this pension reexamination was deferred for one month.

At this time, B.R. Hall inquired on the status of a new disability pension request that has not come back before the Board.

**C. PENSIONS: (service, disability to service, options elected and survivor)**

**MOTION:** Betsy Walkup moved approval of the pensions. Steve Bumpus seconded and the Board approved without objection.

**Service**

<b>Employee</b>	<b>Department</b>	<b>Classification</b>	<b>Plan A/B</b>	<b>Application Date</b>	<b>Estimated Effective Date</b>
David Crowder	Police	Police Officer 3	B		
Linda Walton	Health	Public Health Nurse 3	B	07/05/06	09/01/06
Bonni Skipworth	Police	Administrative Services Officer 3	B	07/06/06	08/16/06
John Murphy, Jr.	Fire	Fire Captain	B	06/23/06	07/15/06
Geraldine Perkins	Library	Library Associate 2	B	7/10/06	08/01/06
Cornelius Jolly, III	Police	Police Sergeant	B	07/11/06	07/13/06
Karl Shockley	MNPS	Bus Driver	B	07/10/06	08/01/06
John Norman	County Clerk	Motor Vehicle Dealer Director	B	07/13/06	09/01/06
Stephanie Bailey	Health	Chief Medical Director	B	07/13/06	12/20/06
Joyce Jordan	Sheriff	Division Manager	B	07/13/06	12/01/06
James Blackwell	Water	Technical Services Coordinator	B	07/17/06	08/01/06
William Northern	Fire	Fire Engineer	B	07/13/06	08/01/06
Edith Jordan	MNPS	Director Employee Benefits	B	07/18/06	09/01/06
Ann Oertel	Parks	Office Support Representative 2	B	07/20/06	01/01/07
Ronald Robinson	Fire	Firefighter	B	07/19/06	08/01/06

**Disability to service**

<b>Employee</b>	<b>Department</b>	<b>Plan A/B</b>	<b>Effective Date of Conversion</b>
Robert P. Evans	Police	A	07/01/2006

**Disability to service (continued)**

Employee	Department	Plan A/B	Effective Date of Conversion
Jimmy Forrester	Police	A	07/01/2006
Megan Laupert	General Hospital	B	07/01/2006

**Options Elected**

Name	Department	Pension Type	Plan A/B	Effective Date	Option	DROP Election
Bryant, Senerah G	MNPS	Service	B	5/26/2006	Normal	3
Burns, Betty S	MNPS	Early Service	B	5/27/2006	F	
Cothran, Mattie Marie	MNPS	Service	B	5/31/2006	Normal	
Frensley, Carolyn M	MNPS	Early Service	B	5/26/2006	F	
Mcnealy, Barbara H.	General Hospital	Early Service	B	6/3/2006	C	
Napier, Lenora J	MNPS	Early Service	B	5/25/2006	Normal	
Poteete, Carolyn L	MNPS	Early Service	B	5/27/2006	F	
Scantling, Harry L	MNPS	Service	B	5/26/2006	B	2
Scott, Gail	District Attorney	Service	B	4/5/2006	Normal	

**Drop Elections**

- 1 - 1 year drop
- 2 - 2 year drop
- 3 - 3 year drop

**Pension options key:**

- Normal - life annuity (no option elected)
- Option A - Joint & Survivor - 100% to surviving beneficiary
- Option B - Joint & Survivor - 50% to surviving beneficiary
- Option C - Social Security
- Option D - 120 payments certain and life
- Option E - Joint & Survivor - 100% to surviving beneficiary with pop-up feature
- Option F - Joint & Survivor - 50% to surviving beneficiary with pop-up feature

**Survivor**

Employee Name	Department	Survivor Name	Plan Membership	Effective Date
James H. Bass	Fire	Rubye O. Bass	Old City	7/4/2006
Russell Gene West	Pensioner	Bessie G. West	B	7/13/2006
Judy H. Boone	Pensioner	Nathan T. Boone	A	7/6/2006
Dorothy Zacharias	Pensioner	William B. Zacharias	B	7/12/2006
Joseph Brende	Pensioner	Judy Anderson	B	7/11/2006
Lillie Moorman	Pensioner	George Moorman	A	7/14/2006
Thomas Wayne Crafton	Pensioner	Eric Crafton	A	7/13/2006
Olen B. Wall	Pensioner	Helen M. Wall	Old City	7/18/2006
James W. Clark	Pensioner	Ruby M. Clark	B	7/19/2006
Harold Coleman	Pensioner	Mildred Coleman	Old City	7/23/2006

**BENEFIT BOARD ITEMS**

The Human Resources staff submitted the following for the Board's consideration and appropriate action:

1. Self funding medical plan structures.

Shannon Beehan reported to the Board that the proposed draft ordinances to amend the Code to authorize self funding of another medical plan structure is being presented for the Board's review. She stated that the Department of Law has advised the need of an actuarial determination on the cost and effects of adopting such an amendment and rendered a legal opinion.

1. Self funding medical plan structures. (continued)

The Board discussed the ordinances, authority under the current law and amended law.

Clyde Smith moved adoption of the 2<sup>nd</sup> draft ordinance and accept the recommendation made by the Study & Formulating Committee to allow self funding of another medical plan structure. Charles Trost seconded and the Board approved without objection.

The Board discussed the legal opinion on self funding, implementing self funding and contract design for future plan years.

2. Health plan design update.

Greg Drennan of Deloitte & Touche and David Shaub of Bryan, Pendleton, Swats & McAllister were present and addressed the Board on plan design and rate structure.

Greg Drennan briefly discussed insured vs. self funded options, the potential savings and the procurement process.

Mr. Drennan reviewed the ancillary renewals with the Board. He stated that no increase is recommended on the basic life, AD&D, STD, LTD, COBRA and FSA administration and vision.

After some discussion on accepting the renewal rates with the exception of 1 Point Solutions, the FSA administrator, Betsy Walkup moved approval of the ancillary renewals as recommended by the consultant, with the exception of 1 Point Solutions. Dorothy Shell-Berry seconded and the Board approved without objection.

Greg Drennan reviewed the options on the dental plan renewal and recommended that Metro not make changes to the dental plan this year with a 2% increase in the premium. After some discussion of future plan design to make the dental plans more consistent, Clyde Smith moved approval of the 2% premium increase with no change in plan design. Steve Bumpus seconded and the Board approved without objection.

There was discussion of Blue Cross Blue Shield's administrative fees and ad hoc reporting.

Greg Drennan stated that it is recommended that Metro continue the Medicare D subsidy. B.R. Hall moved continuance of the Medicare D subsidy. Douglas Conquest seconded and the Board approved without objection.

Greg Drennan reported to the Board that Cigna is proposing a 15% rate increase with IOD Claims and 13.85% without IOD claims.

Mr. Drennan also reviewed HealthSpring's plan, participation and rates.

Greg Drennan discussed the EAP program offer from Standard.

David Shaub reviewed the current rates of the plans. He discussed the pharmacy rebates for Blue Cross Blue Shield and Walgreens Health Initiatives, potential savings and IOD prescriptions.

3. MTA Easy Ride program.

Shannon Beehan reported that this item was presented at the July Study Session.

After discussion of rates and subsidy, Betsy Walkup moved for approval of implementation of the program. Clyde Smith seconded and the Board approved without objection.

4. Self insured plan amendment - weight loss medication.

Shannon Beehan reported to the Board that staff drafted an amendment for the Board's review and the actuary has reviewed costing to include the weight loss drug Zenical to the plan. She stated that after actuarial study and additional review, it may not be necessary to amend the plan to include this drug pending FDA approval of an over the counter version, which is expected.

The Board discussed covering weight loss drugs and deferred action on this item pending the approval of this drug by FDA.

5. Disability pension request appeal - Applicant from Metro Nashville Public Schools.

Shannon Beehan reported to the Board this individual is appealing the denial of a disability pension request. Ms. Beehan stated that staff is providing the appellant's written statement and has requested that information previously supplied by Dr. Fletcher and any additional medical information on this matter be included.

Dr. Christopher Fletcher requested that this item be deferred pending medical information.

Without objection, the Board deferred any action on this item to the August 15<sup>th</sup> Special Called meeting.

6. Appeal request for vested pension benefit.

Shannon Beehan reported to the Board this individual is appealing the denial of her request to pursue her vested pension benefit effective January 1, 2006. Ms. Beehan stated that based on an administrative error, her benefit commencement date was incorrectly listed as January 2006. She stated she is not eligible for this benefit until January 2012.

The appellant was present and addressed the Board.

After some discussion of Code provisions, the Board's authority and amending the Board's previous action, Clyde Smith moved to amend the commencement date to reflect the correct date. Steve Bumpus seconded and the Board approved without objection.

7. MetroMax plan update.

Celia Yancey reported to the Board on the transition of plan enhancements on the MetroMax 457 deferred compensation plan.

Jason Hamilton of ING was present and addressed the Board on the transition and education offered to participants.

8. FSA issues update – 1 Point Solutions.

Shannon Beehan reported to the Board that staff members from HR, Finance and Audit met with 1 Point Solutions to discuss the issues and concerns previously discussed with the Board. Ms. Beehan reviewed some of the steps outlined at the meeting to address the issues related to transition, reimbursement delays, customer service and communication.

The Board also discussed concerns and asked that this item be represented and the Board updated on progress and status.

David Manning stated that based on correspondence received from American General, he is requesting that staff schedule a time to have this vendor address the Board as requested. He also asked that staff give an update on the voluntary insurance contracts.

9. Correspondence:
- a. Utilization report from Blue Cross Blue Shield.
  - b. Utilization report from CIGNA.
  - c. Utilization report from HealthSpring. (not available at this time)
  - d. Utilization report from Walgreens Health Initiatives.
  - e. Utilization report from ASC.

Items 9.-a. through 9.-e. were for information only and no action was required.

10. Reports for your information:
- a. Return to work.
  - b. Social Security approvals.
  - c. Refund of pension contributions. (none to report at this time)
  - d. Repayment of pension contributions. (none to report at this time)
  - e. Reports from Treasury.
  - f. Social Security referrals. (none to report at this time)
  - g. Non-compliant disability pensioners. (none to report at this time)
  - h. Pending litigations. (reported quarterly)
  - i. Disability status reports.

Items 10.-a. through 10.-i. were for information only and no action was required.

11. Late item(s):

There were no late items.

With nothing further presented, the meeting adjourned at 11:48 a.m.

ATTEST:

APPROVED:

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***Mrs. Dorothy Shell-Berry, Interim Director  
Human Resources***

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***Mr. David Manning, Chair  
Employee Benefit Board***