

**CITY OF BROOKSVILLE
REGULAR CITY COUNCIL MEETING
COUNCIL CHAMBERS
201 HOWELL AVENUE
BROOKSVILLE, FL 34601**

MINUTES

August 19, 2013

7:00 P.M.

Brooksville City Council met in regular session with Mayor Lara Bradburn, Vice Mayor Kevin Hohn, Council Members Joe Bernardini, Frankie Burnett and Joseph E. Johnston, III present. Also present were Thomas S. Hogan, Jr. and James Fisher, City Attorneys; T. Jennene Norman-Vacha, City Manager; Janice L. Peters, City Clerk; Mike Walker, Parks and Recreation Director; Bill Geiger, Community Development Director; Richard Radacky, Director of Public Works; George Turner, Police Chief and Tim Mossgrove, Fire Chief. Members of the Hernando Today and Hernando Times were also present.

The meeting was called to order by Mayor Bradburn, followed by an invocation and Pledge of Allegiance.

PRESENTATION & REQUESTS FOR WAIVERS

Hernando High School – Waivers for Annual Homecoming Parade

Consideration of request to waive certain fees for the annual Homecoming Parade on October 4, 2013 in the amount of \$527.40.

City Manager Norman-Vacha reviewed the item.

Motion:

Motion was made by Council Member Bernardini and seconded by Council Member Burnett for approval of the waiver in the amount of \$527.40 subject to budget approval for the funds. Motion carried 5-0.

CITIZEN INPUT

Mayor Bradburn called for public input.

Pierre DesJardins thought something was on the agenda for red light cameras's because something was distributed around town concerning this. He pointed out there are four cameras between Wiscon and downtown on Highway 41. He advised the study that was to take place within 6 months after the initial install was never done. He feels it is a huge disservice to citizens by having them and does not come to the city often now because of them.

Sally Sperling agreed with Mr. DesJardins. She asked about a rumor going around about a 4-mile flea market through downtown. City Manager Norman-Vacha advised she has heard of this but it has not been finalized.

Randy Scott had a copy of the flyer being distributed and also did not agree with the red light cameras's. He felt it to be a hazard and just to get money. He avoids coming into downtown as well.

APPROVED BY BROOKSVILLE

CITY COUNCIL

ON 3/2/14 INITIALS JP

REGULAR COUNCIL MEETING MINUTES – AUGUST 19, 2013

Bruce Cameron advised he is the one distributing the flyers, stating businesses are hurting because people are not coming into town to shop. He wanted to know when Council will apply to remove the cameras from Wiscon and Cobb Roads.

Doug Davis felt the cameras are an image problem and should be removed. He advised he is a Veteran and stated that Veterans are allowed to salute the flag and asked that Council spread the word.

Dan Patrick felt he is the one who changed the business status on U.S. 41 and urged Council to remove the cameras as they are hurting businesses.

Robert Osmond suggested that if Council really wants to improve the local economy it has to stop getting in the way of business. He recommended a referendum to unincorporate the City of Brooksville and, referencing his son's car accident, demanded the immediate resignation of Police Chief Turner for incompetence.

Richard Shaw suggested that if there is that much of a problem at the intersections to put Police Officers at them to write tickets, with the ability to explain the infraction.

Sandra Roth, speaking of the Budget Workshop, reviewed that at the last meeting Vice Mayor Hohn recused himself regarding Fluoridation for conflict of interest. Regarding the removal of the Police and Fire Departments, as suggested by Vice Mayor Hohn, she requested Council cancel the discussion for Fluoridation at the next Budget Workshop, August 27, and discuss Vice Mayor Hohn's recommendations instead. She distributed her concerns to Council (Attachment A).

Ramone Gutierrez believed red light tickets count against offenders' points on their license. He urged Council to eliminate the red light cameras as well.

Lisa Shaw advised she has gotten red light cameras tickets turning right on red and felt there to be a better way to raise money.

Rick Ballou advised his biggest problem is the red light cameras as well, relaying incidences of near accidents of himself personally and asked that something be done about the flashing of the cameras.

Pat MacTinac reviewed his concerns for the red light cameras as well. He advised getting rid of the cameras and requesting extended timing on the yellow lights.

Shirley MacTinac advised that between June and July the City has collected over \$2,348,000 in red light camera tickets and advised citizens could be spending that money in the community instead of giving it to the state. She again urged Council to ask for extended yellow lights.

Dr. Johnny Johnson urged Council to read his latest e-mail regarding Fluoridation. He stated there are no health issues for water fluoridated below 4 ppm and urged Council to return it to the City's water. He will come to speak on fluoridation but requested no cameras at the debate.

REGULAR COUNCIL MEETING MINUTES – AUGUST 19, 2013

Deborah Howard stated she is a member of a patriot group that escorts deceased Veterans through the State of Florida to various National cemeteries. She advised there have been two such escorts in as many months to Bushnell through Brooksville. Everyone was warned of the red light cameras and there were five stops made to get through Brooksville. She expressed extreme embarrassment at having to do this. Council Member Bernardini asked if the Police escorts are free and Ms. Howard advised they aren't charged.

Mayor Bradburn advised coordinating in the future with the Chief of Police.

CONSENT AGENDA

Minutes

- a. March 18, 2013 Regular Meeting
- b. April 1, 2013 Regular Meeting
- c. April 15, 2013 Regular Meeting

EPA Brownfields Assessment Grant Program #BF-95498012-0FL

Consideration of Novation Agreement between the City, CTC Public Benefit Corporation and Cardno TBE and authorize the Mayor to sign.

Duke Energy Distribution Easement Agreement at McKethan Park

Consideration of easement for light poles at McKethan Park.

Vice Mayor Hohn noted that on page 2 of the March 18, 2013 minutes, the reference to Vice Mayor Bradburn should read Mayor Bradburn.

Motion:

Motion was made by Council Member Burnett and seconded by Vice Mayor Hohn for approval of Consent Agenda as amended. Motion carried 5-0.

Council Member Bernardini advised there is a meeting on August 26th for the Brownfields.

REGULAR AGENDA

Healthcare Reform and Employee Medical Insurance Coverage Renewal

Consideration for renewal of employee benefit insurance coverage for FY2014.

City Manager Norman-Vacha briefly reviewed the item as detailed in the staff report and introduced Shawn Fleming and Anna Marie Studley of the Gehring Group to review healthcare reform.

Mayor Bradburn advised the increase went from 33% increase to 7%. This, as noted by City Manager Norman-Vacha, was due in part to delayed instituting of the healthcare reform until 2015, but also due to staff negotiation.

Mr. Fleming reviewed the coming healthcare reform as detailed in Attachment B. He advised that even with the minimal increase, rates are still below those in 2009.

REGULAR COUNCIL MEETING MINUTES – AUGUST 19, 2013

Motion:

Motion was made by Council Member Johnston and seconded by Council Member Burnett for approval of the renewal. Motion carried 5-0.

Southern Hills Plantation (SHP) Home Owner's Association (HOA) Request for Balance of Bond Money

Consideration for release of the balance of Bond Money following completion of infrastructure within Southern Hills Plantation Development.

City Manager Norman-Vacha advised the information to be submitted to Council regarding the amount of the refund is still being worked on and will be presented at the next meeting.

Margaret Bloomquist, Director, Southern Hills Plantation HOA, was in attendance and agreed with the City Manager to meet with the HOA to review the numbers.

Council consensus was to table the item as requested by staff.

Actuarial Services RFP No. CC2013-02 Award

Consideration of award for Actuarial Services to Gabriel Roeder Smith & Company and authorize staff to negotiate a task order and agreement to be returned to Council for approval.

City Manager Norman-Vacha reviewed the item. She advised should Council approve moving forward a task order and hard costs will be processed for Council review.

Vice Mayor Hohn would like to see a firm number when returning to Council. Council agreed.

Motion:

Motion was made by Vice Mayor Hohn and seconded by Council Member Johnston for approval of award to move forward, initiate a task order and return to Council with the results. Motion carried 5-0.

City Manager Norman-Vacha advised copies are available to Council and she welcomes feedback from Council.

Ordinance No. 754-E – Firefighters' Retirement Trust Fund Amendments

Consideration of approval of ordinance amending Sections 1 and 15 of the City of Brooksville Firefighters' Retirement Trust Fund.

Fire Chief Tim Mossgrove reviewed the Ordinance citing revisions to Sections 1 and 15, advising these changes need to be made by September 30, 2013, to ensure the continuation of the plan's tax qualified status.

Mayor Bradburn asked if any changes result in an increase of the City's liability? Fire Chief Mossgrove wasn't certain but will consult with the attorney for the board and will have an answer for the second reading.

REGULAR COUNCIL MEETING MINUTES – AUGUST 19, 2013

City Manager Norman-Vacha indicated it to be her understanding that the changes, which have to be adopted by October 1st, do not impact the City's liability. She advised Attorney Christensen will be in attendance for the second reading.

Motion:

Motion was made by Council Member Burnett and seconded by Vice Mayor Hohn for approval of Ordinance No. 754-E.

City Clerk Peters read Ordinance No. 754-E by title, as follows:

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF BROOKSVILLE, FLORIDA, AMENDING THE CITY OF BROOKSVILLE FIREFIGHTERS' RETIREMENT TRUST FUND, ADOPTED PURSUANT TO ORDINANCE NO. 525-I, AS SUBSEQUENTLY AMENDED; AMENDING SECTION 1, DEFINITIONS; AMENDING SECTION 15, MAXIMUM PENSION; PROVIDING FOR CODIFICATION; PROVIDING FOR SEVERABILITY OF PROVISIONS; REPEALING ALL ORDINANCES IN CONFLICT HERewith AND PROVIDING AN EFFECTIVE DATE.

Motion carried 5-0 upon roll call vote, as follows:

Council Member Bernardini	Aye
Council Member Burnett	Aye
Council Member Johnston	Aye
Vice Mayor Hohn	Aye
Mayor Bradburn	Aye

2013 Great Brooksvillian Selection

Review of Screening Committee recommendations and selection of the 2013 Great Brooksvillian recipient.

Mayor Bradburn advised the Committee has reviewed the nominees and Sally Sperling, Screening Committee Chair is present for any questions. Chairman Sperling reviewed and brief discussion followed.

City Clerk Peters advised the total scores indicated on the minutes of the committee meeting for July 27, 2013, were reversed for the first and second place nominees. She advised Council can either vote individually, as in the past, or motion to select.

Motion:

Motion was made by Council Member Bernardini and seconded by Mayor Bradburn, who passed the gavel to Vice Mayor Hohn, for approval of John Emerson as the 2013 Great Brooksvillian, which was the Committee suggestion. Motion carried 5-0.

REGULAR COUNCIL MEETING MINUTES – AUGUST 19, 2013

Florida League of Cities Legislative Action Committees

Consideration of appointment of Council Members to the Florida League of Cities' Action Committees for the 9/2013 – 8/2014 year.

	<u>Current Council</u>
Finance, Taxation & Personnel	Frankie Burnett
Transportation & Intergovernmental Relations	Joe Johnston
Energy & Environmental Quality	Kevin Hohn
Growth Management & Economic Development	Lara Bradburn
Urban Administration	Joe Bernardini

After brief discussion of the importance of attending/participating in the meetings, Council consensus was to keep their boards as indicated.

CITIZEN INPUT

Mayor Bradburn asked for citizen input.

Robrt Osmond asked how many full and part time employees there are. City Manager Norman-Vacha advised she would talk to him after the meeting.

ITEMS BY COUNCIL

Joe Bernardini, Council Member

Ad valorem Tax Information

Council Member Bernardini asked Vice Mayor Hohn to review the percentages he spoke of at the budget workshop. Vice Mayor Hohn advised, based upon information received from the Tax Assessor for last year, 26% pay something up to \$150. City Manager Norman-Vacha verified that, of 4,345 tax payers, 3,094 residents pay \$150 or less, of that 533 pay \$0. The remainder of 1,151, or 25%, pay more than \$150. She will send the information to all of Council via e-mail.

Red Light Cameras

He advised at 41 & Cortez the red light cameras flashes constantly. He asked who certifies the cameras for calculating speed on rights on red.

He asked for confirmation that the tickets do not go against the offenders' insurance. Mayor Bradburn did not think that was the case but will have staff check.

Council Member Bernardini advised Council had asked that the yellow lights be timed to the maximum but the paper said some were actually shortened. Mayor Bradburn advised that the maximum was the lower level. City Manager Norman-Vacha advised the report from the engineer states a formula is used by the FDOT. Some were lengthened some were shortened as required.

Further, Council Member Bernardini stated he didn't realize that the City of Brooksville has more cameras per capita than any other city in the state. Mayor Bradburn didn't agree with that analogy.

REGULAR COUNCIL MEETING MINUTES – AUGUST 19, 2013

He asked if Council was going to address the request of the Board of County Commissioners to remove the two cameras they say they control. Vice Mayor Hohn would like to get a legal opinion. Mayor Bradburn stated it is on the Commission to show the legality of their claim. Council Member Bernardini asked if a letter would be sent. Council Member Johnston advised there is the issue of the contract with Sensys and felt a letter should be sent. Mayor Bradburn will craft a letter.

Frankie Burnett, Council Member

Brownfields Community Task Force

Council Member Burnett advised the next meeting will be at 5:30 on October 26th at Coney Island.

Medical Coverage

He gave kudos to staff for negotiations with the employee medical coverage.

Start of School

Council Member Burnett advised the first day of school is upon us and encouraged everyone to be careful.

Crosswalks

He advised that at intersections with red light cameras people are going by the crosswalk countdown, which does not coincide with the changing of the light.

Council Member Burnett gave kudos to the City Manager and staff for their continued work.

Joseph E. Johnston, III, Council Member

Red Light Cameras

Council Member Johnston advised the CTN item from Hernando County regarding the lights may have led some to believe the item would be on the agenda.

Crosswalks

He advised pedestrian crosswalks are not for traffic light references.

Medical Coverage

He also thanked the City Manager and staff for their work on the medical costs.

Fire Assessment

Council Member Johnston advised Mrs. Roth that the City Manager had been directed to bring the subject back to the workshop in February.

Kevin Hohn, Vice Mayor

Red Light Cameras

Vice Mayor Hohn advised a new member at Southern Hills who is the head of the U.S. Highway Safety Commission will be providing federal studies which have shown contradictions to the hand-made studies from around the country on safety.

REGULAR COUNCIL MEETING MINUTES – AUGUST 19, 2013

Medical Coverage

He also thanked the City Manager for their work on negotiating the medical costs.

Vice Mayor Hohn advised he will be out of town for the next two meetings but will be providing written statements on the issues.

T. Jennene Norman-Vacha, City Manager

City Manager Norman-Vacha advised the next meeting is August 27th, at 6:00 p.m. That is a Budget Workshop and will be on Fluoride.

Lara Bradburn, Mayor

Mayor Bradburn advised she is looking forward to the workshop on Fluoride.

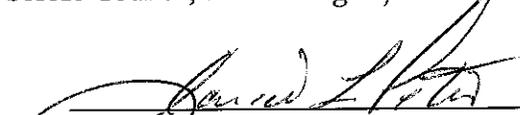
ADJOURNMENT

There being no further business to bring before Council, the meeting adjourned at 9:26 p.m.

Attest:



Mayor



City Clerk

ATTACHMENT A

My name is Sandy Roth and I speak in anticipation of the upcoming Budget Workshop and Budget adoption process. At the recent Fluoridation Workshop I listened intently to your statements, the presentations by experts and the few citizens who spoke. At that time, I was bothered by several statements which I 'd like to reference tonight. While I do not wish to embarrass anyone, these statements should be reviewed in light of the important decisions you will be making.

Mr Vice Mayor, at the Workshop I was taken aback when you reported working for a company soon to market a product to compete with or altogether replace fluoridation. I was struck by the obvious conflict of interest suggested by your own words, and it has bothered me since then. I am hoping that the Council will query you to determine whether you should recuse yourself from any further involvement should this apparent conflict prove to be the case.

Madame Mayor, I was similarly struck by your introducing your personal medical condition as if your one experience proved a direct causal relationship to fluoride where no credible medical evidence exists. Your thyroid condition - benign as I understand it - sounds similar to one I have experienced myself, yet I would assert that neither of us can credibly attribute our condition to any one cause. No link has been found between the water fluoridation level that Brooksville had and any thyroid problems as stated in an extensive review of the literature endorsed by the British Thyroid Association.

Mr Burnette, I am pleased that your grandchildren have not suffered the debilitating effects of dental decay, and I applaud your solid stance in favor of returning fluoride to Brooksville. Your efforts to speak with Brooksville residents has confirmed that fluoridation greatly reduced the dental visits for cavity repairs in our most needy children. Everyone's children and grandchildren deserve what yours have experienced.

Mr Bernardini, I thank you for your recent decision to support returning fluoride to the water supply. Mr Johnson, I thank you for your unwavering and continual support on this issue.

City Council's decision must be based on sound science and the best interest of the citizens of Brooksville, who look to you to make informed decisions, not ones based on a personal vested interest, a personal medical experience or from groups who oppose fluoridation but lack any credible scientific support from either the medical or dental communities for their claims. While the Mayor has indicated a desire to stage a debate on the issue, I can't imagine that happening as those with legitimate scientific-based opinion would likely decline such an invitation when in the absence of any recognized or credible expertise in opposition to fluoridation of the water supply.

Finally, please think seriously about how to help Brooksville's citizens live healthier and better lives. People with preventable - preventable - dental disease are generally sicker, poorer, more unemployed and with leaner outlooks on life. What is your obligation to these citizens? To do everything in your power to give them the best advantages the City can offer. Please return fluoridation to Brooksville's water supply for the benefit of all of your residents.



Latest News

BRITISH FLUORIDATION SOCIETY STATEMENT (January 2006) on the absence of an association between water fluoridation and thyroid disorders.

This statement has been reviewed and endorsed by the **British Thyroid Association (BTA)**; however, the BTA would recommend that appropriate monitoring of thyroid status should be considered in areas where fluoridation is introduced to enable an ongoing epidemiological evidence base for thyroid status with fluoridation to be created.

The available medical and scientific evidence suggests an absence of an association between water fluoridation and thyroid disorders.

Many major reviews of the relevant scientific literature around the world support this conclusion. Of particular importance are:

- an exhaustive review conducted in 1976 by an expert scientific committee of the Royal College of Physicians of England;
- a systematic review in 2000 by the NHS Centre for Reviews and Dissemination at the University of York; and,
- a 2002 review by an international group of experts for the International Programme on Chemical Safety (IPCS), under the joint sponsorship of the World Health Organisation (WHO), the United Nations Environment Programme (UNEP), and the International Labour Organisation (ILO).

None has found any credible evidence of an association between water fluoridation and any disorder of the thyroid.

Report of Royal College of Physicians

A scientific committee was established by the Royal College of Physicians to review whether, and to what extent, water fluoridation benefited people's teeth and whether there were any harmful effects to general human health. As well as confirming that water fluoridation reduces levels of tooth decay, the review also found that it was safe.

Specifically, the report concluded that "*there is no evidence that fluoride is responsible for any disorder of the thyroid*". It also confirmed that iodine deficiency was the root cause of goitre, and that fluoride does not significantly influence the thyroid's uptake of iodine.

The University of York Review

Published in 2000, the York Systematic review identified over three thousand references in total. However, they found **no** scientific studies of an acceptable scientific standard that would support suggestions of an association between water fluoridation and thyroid disorders, including goitre, in the populations drinking fluoridated water.

When the **Medical Research Council** subsequently used the York report as a basis for determining whether further research on any aspect of water fluoridation was needed, it concluded on the basis of the evidence already available that new research on fluoride and thyroid disorders should be regarded as a low priority.

Review by the International Programme on Chemical Safety (IPCS)

The IPCS review of fluoride was one of several published by the World Health Organisation intended to "provide critical reviews on the effects on human health and the environment of chemicals and of combinations of chemicals ..." , and to "assist national and international authorities in making risk assessments and subsequent risk management decisions." As such, it examined evidence on fluoride relevant to all aspects of human health.

The review, which included 788 original studies from the worldwide scientific literature – both published and unpublished - identified no evidence of an association between fluoride and thyroid dysfunction in humans.

Experience in the UK's most extensively fluoridated region

The conclusions of these authoritative reviews are mirrored by the experience of specialist doctors diagnosing and treating thyroid disorders in hospitals in the West Midlands, which has had fluoridation schemes in operation since the mid-1960s and which is today the most extensively fluoridated region of the United Kingdom. Around seven out of ten people in the West Midlands now drink water whose natural fluoride content has been topped up to the optimum for dental health of one part of fluoride per million parts of water.

Dr Andy Toogood, a consultant endocrinologist in the Department of Medicine at the Queen Elizabeth Hospital in Birmingham, says that he and his colleagues have seen nothing to suggest a rise in thyroid disorder cases resulting from water fluoridation.

Nor have public health officials who monitor trends in disease across the West Midlands detected any impact on the health of local populations drinking fluoridated water - other than a reduction in tooth decay levels which puts children living in the West Midlands among the best in the country for dental health.

ENDS

Notes

Sources of fluoride

All drinking water and virtually all foodstuffs contain measurable amounts of fluoride; tea leaves are particularly rich in fluoride, as is fish. We are all, therefore, exposed to fluoride from natural sources on a daily basis.

Furthermore, around 400 million people worldwide drink fluoridated water – including 150 million in the US. Water supplies for many communities have been fluoridated for over 60 years. If fluoridation caused *any* adverse effects – including thyroid disorders - it is inconceivable that the reviews to date would have missed them.

Water fluoridation

Fluoride occurs naturally in all water supplies. In many parts of the world – for example Hartlepool in the North East of England, and many parts of East Anglia and Essex - the level is around the optimal for dental health (one part of fluoride per million parts of water – 1ppm). However many communities lack sufficient natural fluoride in their drinking water to prevent tooth decay, and because of the significant health benefits of the right amount of fluoride, the World Health Organisation recommends water fluoridation.

Water fluoridation takes place at the water treatment works. It is the controlled adjustment of the naturally occurring fluoride in the water to a level known to be safe, and to benefit dental health (1ppm).

References

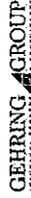
- McDonagh, M., *et al.* (2000): *A systematic review of public water fluoridation*. York, **The University of York NHS Centre for Reviews and Dissemination**. Report 18.
- **Medical Research Council** (2002): *Working Group Report: Water fluoridation and health*. London, MRC.
- **Royal College of Physicians** (1976): *Fluoride Teeth and Health*. London, Pitman Medical: 83.
- **International Programme on Chemical Safety** (2002): *Environmental Health Criteria 227 FLUORIDES*. Geneva, World Health Organisation.

Items for Discussion

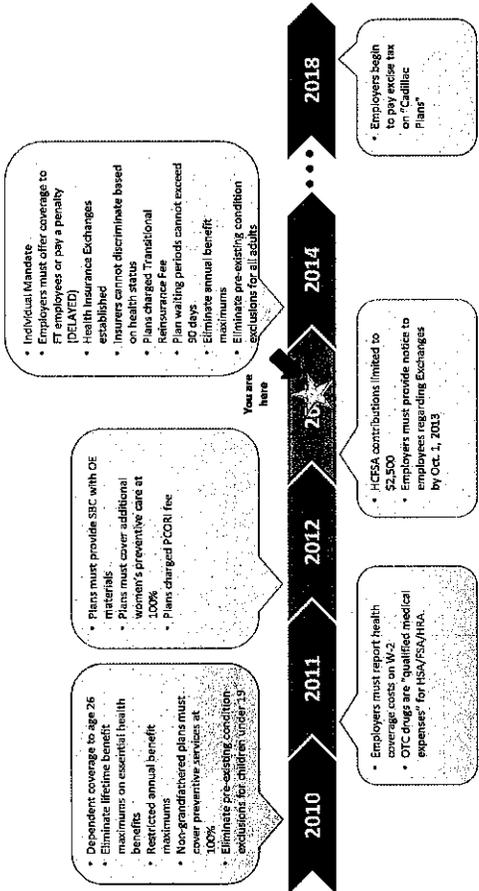
- **Healthcare Reform**
 - New Health Insurance Industry Fees
 - Employer Shared Responsibility Provision – “Pay or Play”
 - Insurance Marketplace
- **Insurance Renewals**
 - Medical Insurance
 - Dental Insurance

2

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Healthcare Reform PPACA Highlights Timeline



3

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CITY OF BROOKSVILLE

Health Care Reform & Renewal Discussion

Presented by:
Shawn Fleming, Senior Benefits Consultant
Anna Maria Studley, Managing Director

August 19th, 2013



Industry Related Fees

- PCORI Fee
 - Health Insurance Industry Fee
 - Transitional Reinsurance Program
- Patient Centered Outcomes Research Institute (PCORI)**
\$1 Per Member Per Year (PMPY) in year 1; \$2 PMPY in years 2-6 (indexed for medical inflation)
- 1st payment due 7/31/14 for October 1st plan years
 - Paid by insurance carrier for Fully Insured Plans
 - Brooksville's cost: \$128 year 1; \$256 year 2

4

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Industry Related Fees

Health Insurance Industry Fee

- Fee to assist the government in subsidizing coverage for lower income individuals and families
- Paid by the carrier providing fully insured plans*
- Fee is ongoing (no planned end)

Year	Fee
2014	\$8 billion
2015 & 2016	\$11.3 billion
2017	\$13.9 billion
2018	\$14.3 billion
Years after 2018	Prior year amount indexed by rate of annual premium growth

- Result = premium increase of 2.0% – 3.5% for 2014
- *Brooksville's approximate cost: \$15,052

5

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Industry Related Fees

Transitional Reinsurance Program

- Temporary program intended to stabilize premiums in the individual market from 2014 – 2016.
- Protects insurers from uncertainty in rate setting. (PCIP and other high risk pools to flow into Exchange(s))
- How much is the fee? Brooksville's Cost \$8,064

Year	Total Fee to be Collected*	Self Insured
2014	\$12 billion	TPA to bill/collect/remit or plan sponsor direct pay at estimated rate** of \$63 Per Member Per Year (PMPY) or \$5.25 Per Member Per Month (PMPM) for 2014. Estimates expected to decrease to \$42.00 and \$26.25 in years 2015 and 2016 respectively.
2015	\$8 billion	
2016	\$5 billion	

6

*Total fee applies to all or additional or other-level fee.
**To be confirmed through IRS Notice of Award and Payment Parameters 2013-2015
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Employer Shared Responsibility Provision a.k.a. Pay or Play

- Defining the Employer Shared Responsibility Provision:
The ESRP states that large employers must offer coverage that is affordable and of minimum value to full-time employees and their dependents.

7

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Employer Shared Responsibility Provision Determining Affordability

- Employers may be assessed a penalty for offering coverage to full-time employees that is not "affordable". Three Affordability Safe Harbors:
 1. Form W-2 Safe Harbor – Employee contribution for lowest cost employee only coverage does not exceed 9.5% of employee's Box 1 W-2 wages for the applicable calendar year.
 2. Rate of Pay Safe Harbor – Test using monthly salary at the beginning of the plan year as base. Employee cost 9.5% calculation.
 3. "Federal Poverty Line" (FPL) Safe Harbor – Coverage will be "affordable" if self-only coverage does not exceed 9.5% of Federal Poverty Level for single individual.

8

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Employer Shared Responsibility Provision Determining Minimum Value

- 60% Actuarial Value
- 10 Essential Benefits Categories – Large employers
 - Physician and mid-level practitioner care
 - Hospital and emergency room services
 - Pharmacy benefits
 - Laboratory and imaging services
- Exchange /Marketplace Bronze (60%) equivalent

9

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Employer Shared Responsibility Provision Defining a “Full-Time Employee”

- An employee who is employed on average at least 30 “hours of service” per week or 130 hours per month
 - These employees must be offered insurance at the City’s first renewal in 2014 (10/1/14) (Delayed Pending Guidance)
 - Measurement periods may start as early as August, 2013

10

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Employer Shared Responsibility Provision Penalty Exposure

*Delayed until
2015*

- Penalties – Monthly Test
 1. No Coverage Penalty - \$2,000 / Full-time employee
 - Margin of Error Rule: Must offer coverage to substantially all full-time employees and dependents, a.k.a., the 95% Rule. Offer coverage to all but greater of 5% of employees or 5 employees.
 - Also applied if coverage not offered to dependents.
 2. Inadequate Coverage Penalty - \$3,000 / Full-time employee
 - Coverage is unaffordable and employee obtains federally subsidized coverage through an Exchange, OR
 - Coverage does not meet “minimum value” requirements and employee obtains federally subsidized coverage through an Exchange.
 3. Pay and Play penalty exposure

11

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Public Exchanges (Marketplace)

- Public Exchanges:
 - Role of Public Exchange (Marketplace):
 - Small group (less than 100 employees) & individuals
 - State level – can be set at 50 employees
 - 4 levels of coverage – Bronze, Silver, Gold, Platinum
 - Only place to use credits – 100% - 400% of Federal Poverty Level
 - Premium tax credits provided to families with incomes between 100-400% of the poverty level.
 - Credits will limit the cost of the premium to between 2.0% and 9.5% of income for eligible individuals.
 - Cost-sharing reductions will also be available to people with incomes between 100-250% of the poverty level to limit consumer out-of-pocket spending.

12

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Public Exchanges (Marketplace)

Federal Portal – healthcare.gov
HealthCare.gov
 Take health care into your own hands

Find insurance options | Learn about prevention | Compare care quality | Understand the marketplace

Home | Email Update | Fast-Track | Information for You

Your Health Care, Explained
 Families with Children | Individuals | People with Disabilities | Young Adults | Employers

Explore your coverage options
 Find out which private insurance plans, public programs and community services are available to you
 Pick Your State

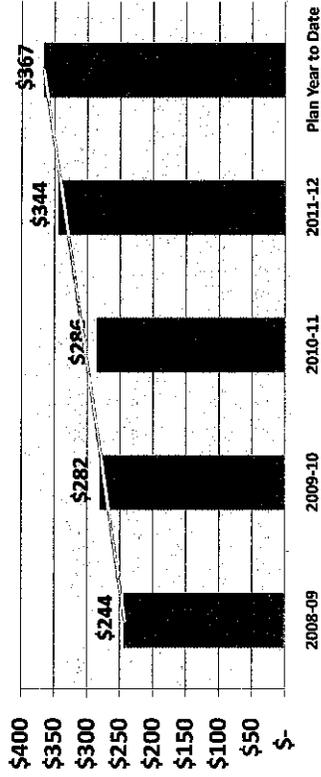
MS | New Pre-Existing Condition

affocus Health Care Providers

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 GENERAL FINANCIAL SERVICES CORPORATION

Insurance Renewals

Claims Per Employee Per Month



- Claims Per Employee Per Month continue to increase, but the plan is still performing well

Schedule of Benefits – Current Plan

Schedule of Benefits	PRO PLAN (In-Network)	PRO PLAN (Out-of-Network)
Primary Visit	\$20 per visit	40% after Deductible
Specialist Visit	\$40 per visit	40% after Deductible
Inpatient Hospital	\$600	40% after Deductible
Outpatient Hosp.	\$200	40% after Deductible
E.R.	\$100	\$100
Rx	\$10 / \$30 / \$50	Not Covered
Deductible	\$500 EE / \$1,500 FM	\$750 EE / \$2,250 FM Max
Out of Pocket Max	\$2,500 EE / \$5,000 FM Max	\$5,000 EE / \$10,000 FM Max

Medical Insurance Renewal

- Initial renewal provided at 32% with no plan changes. Reasons for increase included:
 - > City's premiums in relation to manual premiums
 - > Ongoing medical conditions
- Renewal negotiated to 23% with no plan changes, then subsequently to 7%
 - > Inclusive of charges for PPACA of approximately 3%
 - > Continues ProShare+ agreement allowing the City to receive a refund if claims are better than expected.

17

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18

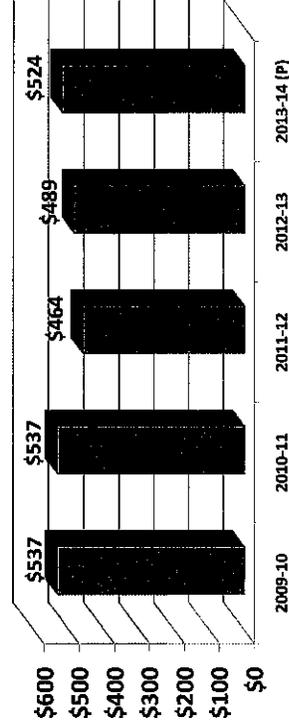
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Ancillary Coverages

- No increase proposed for dental
- Life Insurance in rate guarantee until 2014
- Short Term Disability in rate guarantee until 2014
- Long Term Disability in rate guarantee until 2014

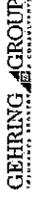
Rate History



- Proposed rates for 2013-14 are below 2009-10 rates
- 0% average increase, compared to 9%-12% averages across the State of Florida

19

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Questions