Memorandum

MIAMI-DADE COUNTY

Date: May 1, 2014

To: Honorable Sally A. Heyman
County Commissioner – District 4

From: Carlos A. Gimenez
Mayor

Subject: Health Insurance Proposals

This is in response to your April 1, 2014 inquiry regarding the status of health insurance and employee benefits in light of the Board of County Commissioners (Board) rejecting the proposals presented in response to *RFP 853 – Group Medical Insurance Program* at the November 5, 2013 meeting.

As required by the Police Benevolent Association collective bargaining agreement, *RFP 853 - Group Medical Insurance Program* was issued to "seek proposals from qualified insurance carriers through a competitive process in order to provide unit members with health insurance options that provide benefits actuarially equivalent to the benefits provided by the County's self-insurance plan." All three proposals received were deemed non-responsive by the County Attorney's Office and the recommendation to reject all proposals was adopted by the Board. A subsequent solicitation has not been pursued.

To address the rising cost of healthcare, I established the Labor Healthcare Committee whose task is to examine possible healthcare plan redesign options. Labor Healthcare Committee members are: Commissioner Jean Monestime, District 2; Andy Madtes, Administrator, AFSCME Local 199; and Russell Benford, Deputy Mayor and the County's Wellness Coordinator. One of my goals is to ensure that the County leverages the services of the Public Health Trust to realize savings to our taxpayers while supporting our public hospital to the greatest extent possible. By working with our partners at the Public Health Trust, labor unions, as well as our benefits consultants, I am confident we will gain a better understanding of our current plan design, utilization, and trends, and how we can lower costs.

It is important to note that changes to the healthcare plan design are subject to collective bargaining. To that end, the Labor Healthcare Committee serves as a way to educate, share information, and encourage participation from all interested parties. To date we have held two Labor Healthcare Committee meetings. All labor union representatives were invited to participate, including representatives from the Public Health Trust. Below is a chart showing participation from each of the respective unions:

Union	March 11, 2014	April 9, 2014	April 30, 2014
	Attended Yes or No		
AFSCME 121 Water and Sewer	Yes	Yes	Yes
AFSCME 1542 Aviation	Yes	Yes	Yes
AFSCME 199 General	Yes	Yes	Yes
AFSCME 3292 Solid Waste	Yes	No	Yes
GSAF	Yes	No	No
IAFF Local 1403	No	No	No
PBA	No	No	No
TWU	No	No	No
AFSCME 1363 (JMH)	Yes	Yes	No
SEIU (JMH)	Yes	Yes	Yes

The topics and presentations discussed at these meetings include:

- A presentation on the Affordable Care Act and how it impacts Miami-Dade County;
- An overview of the Miami-Dade County/Jackson Health Trust Medical Plan information;
- Illustrative responses to specific questions from the first and second Committee meetings pertaining to network discounts, utilization at Jackson Memorial Hospitals versus other facilities, market comparisons, and the role of AvMed as Miami-Dade County's Third Party Administrator.

The last Labor Healthcare Committee meeting was held on April 30, 2014, and included a presentation by JMH's executive team on their limited network option. In 2013, JMH, with AvMed's collaboration, implemented an additional plan option that included a "Select" network of numerous facilities in Miami-Dade and Broward counties. With this limited network option, AvMed was able to garner additional discounts from participating facilities resulting in cost savings to the County and reducing premium costs for JMH employees.

I am encouraged by the level of commitment of our Labor Healthcare Committee members and the participation by union leaders and representatives who have actively participated in these meetings. These meetings will lay the groundwork for both my Administration and labor union leaders to be in a position to develop proposals to present at the negotiation table with both parties having the same information and basic understanding of the challenges and opportunities.

Should you have any questions, please do not hesitate to contact Deputy Mayor Edward Marquez at (305) 375-1451.

c: Honorable Chairwoman Rebeca Sosa
and Members, Board of County Commissioners
R.A. Cuevas, Jr., County Attorney
Office of the Mayor Senior Staff
Jennifer Moon, Director, Office of Management and Budget
Arleene Cuellar, Director, Human Resources
Charles Anderson, Commission Auditor