

**LABOR HEALTHCARE COMMITTEE
MEETING**

Minutes

April 30, 2014

Committee Members Present: County Commissioner Jean Monestime
Deputy Mayor Russell Benford
Andy Madtes, Administrator, AFSCME 199

Other attendees: Meeting Sign-In Sheet attached

Ms. Arlene Cuellar, Director of Human Resources, called the meeting to order at approximately 10:09 a.m. and requested that everyone take a moment to review the minutes of the April 9th, 2014 meeting. Deputy Mayor Russell Benford pointed out a typo on page 2. He asked for clarification regarding the amount of \$400 million near the top of page 3, last bullet point. Ms. Cuellar clarified the amount and Deputy Mayor Benford moved the minutes for approval. Then, Ms. Cuellar asked everyone present to introduce themselves.

Ms. Cuellar informed everyone that there would be two presentations to address questions raised at the last meeting.

Mr. Don Steigman, Chief Operating Officer, Jackson Health Systems (JHS), provided an overview in response to questions presented at the April 9, 2014 meeting related to the issues listed below (refer to JHS 4/30/2014 handout):

Some of the key points presented by Mr. Steigman were as follows:

- JHS rated number one in media rankings with more than a dozen specialties and is a comprehensive health system from primary care to specialty care.
- JHS's Select plan is capable of handling increased capacity if majority/all MDC members utilize JHS at all of their facilities.
- Renovations ongoing from citizens approved bond money; currently redoing JHS Emergency Room (ER) (North and South); expanding North and South Pediatric units.
- Creating 8-12 Urgent Care Centers (UCC) throughout Miami-Dade within the next 48 months which will minimize the use of the ER's (sites may be leased/owned, where others may need to be built which will adjust completion date).
- The current "Select" plan being utilized by Jackson employees has lower premiums which equals more take home pay for employees. An additional

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incentive such as a VIP program could be added to encourage employee participation.

- Fifth largest transplant facility in the country; only hospital providing living donor exchange; national leader of bariatric surgeries and the number one provider of robotic surgery; large neo-natal unit and only training site for the US Army and Air Force
- Utilization of JHS would generate additional revenue that would put money back into the County-related system and on average, the more employees on the JHS Select plan, and the higher cost savings to the County.

Next, Mr. Steigman presented the "Cost-Saving Opportunities" showing that the County would save approximately 39.4% for inpatient services, 59.3% for outpatient services and 68.6% for emergency services if these services had been provided at Jackson. This information is based on claims paid to Jackson vs. claims paid to other hospital facilities.

Mr. Duane Fitch asked why other providers are paid more than Jackson. Mr. Steigman said that other providers may demand a geographic exclusivity in certain areas and demand they be paid a premium price for these services.

Deputy Mayor Benford asked whether Jackson had the capacity to handle services for all County employees. Mr. Steigman answered, "Yes, we can take the capacity at all facilities." The question is the location for most of County employees and whether they can receive medical services at a nearby Jackson facility.

Commissioner Monestime asked how much the County pays AvMed. Ms. Patricia Nelson, AvMed, responded that the administrative service fee (ASO) is a flat fee per employee per month that is negotiated annually with the County and the amount is approximately 3% of claims cost and is not based on claims cost.

Commissioner Monestime asked why AvMed pays more money at other facilities than what Jackson gets paid. Ms. Nelson explained that Jim Repp had presented information at the last meeting concerning AvMed services. She said that each negotiated agreement is individual, but the overall discounts to Miami-Dade County amount to approximately 65%.

Deputy Mayor Marquez said that if the County were to migrate County employees from the existing plans to the Jackson Select Network, would it be possible to further reduce deductibles and co-pays to encourage employees to go to JHS? Mr. Volk said this could not be done because AvMed created the select network, and could not favor Jackson and create a disadvantage to the other facilities in the network. Mr. Steigman said if every patient went to Jackson, on the average, there would be greater savings to the County.

When reviewing the Cost-Saving Opportunities, Dr. Terry Murphy indicated that there is a savings differential and reiterated that when negotiating with other providers, some

consideration be given to the fact that these are public employees under the AvMed plan. Specifically, since some providers are not contributing to the Miami-Dade County tax base, there should be a second round of negotiations for a rate reduction.

Mr. Duane Fitch indicated to the Committee that the family premium is unaffordable and emphasized that the conversation should be broader and address what can be done to generate immediate savings to make the family plan more affordable.

Mr. Steigman said Jackson now provides a physician's referral service at 305-585-4DOC (4362). They get approximately 2,000 calls/month and callers are provided with direct transfer to the doctor's office.

Deputy Mayor Benford indicated that he would like to see an analysis on steering people from ER to UCC & Primary based on level of co-pays.

Mr. Glen Volk, Gallagher Benefits Consulting Services, Inc., provided a presentation (see Gallagher 4/30/2014 handout):

- Raising co-pays changes behavior
- Fewer office visits due to increase in co-pay; office visits reduction = fewer diagnostic tests
- Same analysis for Jackson estimated savings of \$2.5 million for 12 months (actual data through 12/13)
- Spent \$380 million in claims this year; without plan design would've spent \$394 million
- Savings would be reoccurring by changing plan design.
 - Dr. Terry Murphy asked if it was a good health policy to discourage office visits and Mr. Volk explained that when looking at utilization, in South Florida, office visits are 30% higher than the rest of country.
 - Deputy Mayor Marquez indicated that moving forward, we may provide employees with an opportunity to complete a survey about the plan and be more specific on their needs.

Emergency Room v. Urgent Care

- Historically, County's ER benchmark is higher than Gallagher's benchmarks (70% more ER visits)
- If we move 70% from ER to UCC, we can save approximately \$4.7 million
- Current co-pay for ER is same as UCC
- Emergency co-pay is waived, if admitted

Mr. Madtes pointed out that the workforce needs to be educated on the issue of Emergency Room v. Urgent Care as well as the location of Urgent Care Centers v. Emergency room. Deputy Mayor Benford also specified that the workforce needs to be

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educated on Primary Care Physicians v. Specialists. Deputy Mayor Benford further indicated that a patient would probably utilize a facility that has all equipment if the cost is the same for the ER and UCC.

Ms. Cuellar turned the meeting over to the Committee. For the next meeting, the Committee members requested the following:

Deputy Mayor Benford requested recommendations from Gallagher regarding different realistic scenarios that embark on a transition plan for migration to JHS, goals and timeframes. He further suggested that the Committee meet at least once per week and Commissioner Monestime informed the members that he is unavailable to meet every week. Ms. Cuellar provided tentative dates of May 13, 2014 and May 28, 2014 which have already been cleared with the Committee members.

Andy Madtes concurred with Deputy Mayor Benford regarding the frequency of meetings and also indicated that there have been information requests by various organizations and it is imperative that the information is provided. Ms. Cuellar asked if it would be helpful to identify all union questions so that if the information is available the data can be collected for everyone. Mr. Madtes agreed to help facilitate communications in order to prevent replication because each union may have different requests and further stated that he is in no position as a leader of one of the unions to advocate as to how the information is compiled. Since the other unions are not on the Committee and there's no sunshine violation, Mr. Madtes agreed to meet with the unions to ensure that they are receiving the data requested.

Ms. Kathleen Phillips stated that a global request from various unions was submitted on April 17th, 2014. Ms. Cuellar indicated that it has been received and is being worked on to identify what is readily available and the associated fees to complete the request.

Ms. Lisa Martinez, Mayor's Chief of Staff, indicated that it is just as important to share the information that we have and that the labor unions have requested. Additionally, to make sure that the Committee members are aware of any requests for information which is being collected to ensure that everyone is on the same track. Ms. Martinez expressed that it is important for Commissioner Monestime and Deputy Mayor Benford to be aware of the public records requests that have been submitted. Ms. Cuellar indicated that the Public Records Request would be added as an "additional resource" on the Labor Healthcare Committee website.

Mr. Tony Eiroa indicated that he has asked several questions and would like to have them answered. Ms. Cuellar informed the Committee members that Mr. Eiroa submitted a list of questions presented at the last Committee meeting, but it was determined at that time that they would not provide utilization data by union. Ms. Cuellar informed Mr. Eiroa that his request is also posted on the website and that the information is not readily available and that the County will do their best to provide the information requested. Deputy Mayor Marquez specified that the Committee decides what

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information it wants, but it was his understanding that they would not provide utilization by union.

Mr. Madtes indicated that he made a request on behalf of AFSCME 199 on April 29, 2014 and he's willing to go off of the universal request. He also indicated that each of the individual unions have a right to ask for their own information and asked that each union be provided the information requested. Ms. Cuellar reiterated that if information is readily available, it would be provided, but that the County is not required to create a record that does not exist.

The meeting was adjourned at approximately 12:40 p.m.

LABOR HEALTHCARE COMMITTEE

Meeting Date: April 30, 2014

FACILITATOR: Arlene Cuellar, Director-Human Resources Department

Place/Room: SPCC - 18-4

	NAME	TITLE	ORGANIZATION or COMPANY	PHONE	E-MAIL
1	Reginald Richardson	Executive Intern	Mayor's Office	904/338-1351	r.rich@fla5iv.com
2	Kathleen Phillips	Lawyer	SEIU	305/971-9306	kphil.p@philipstichard.com
3	Delise Muller	Labour Specialist	MDC	305/875-1573	delise@miamidade.gov
4	Karen Toledo	Labour Relations Mgr.	MDC - HR	305-375-4171	KT2@miamidade.gov
5	Yvonne Whitehead	Lab Rel's	HR	ext. 1592	maryw@miamidade.gov
6	MANUEL QUITERO	VICE PRESIDENT	AFSCME LOCAL 101	305-313-4761	MANU101@YAHOO.COM
7	Marie Thomas	Treasurer	AFSCME 308a	(305) 525-5823	local308a@aol.com
8	Ho Meryor	Deputy Roy	Cuba	305-375-1451	Amiguez@miamidade.com
9	Jennifer LaMont	Chief of Staff	SEIU (991)	305-620-6555	jennifer@seiu1991.org
10	G. Kelly	PKA	PKA	305/920-4919	gary@pkaworld.com
11	Sharon B. Pail	Exec. Asst	HR	305-375-4734	SKAM1R
12	Russell Bedford	Deputy Mayor	MDC		
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	NAME	TITLE	ORGANIZATION or COMPANY	PHONE	E-MAIL
33	PAT Nelson	Regional Head	AUMed	305 671 6168	Pat.nelson@sumed.usf
34	Glen Volk	consultant	Gallagher	521-998-6755	Glen-volk@vij.com
35	Jeff Reagan	consultant	Gallagher	561-998-6162	Jeff-Reagan@vij.com
36	Mark Bogart	consultant	Gallagher	561-998-6735	Mark-Bogart@vij.com
37	Emilio Hernandez	President	AFSCME 121	786-261-6669	
38	JOEL HERNANDEZ	PRESIDENT	AFSCME 309A	(305) 735-8050	LOCAL309A@AOL.COM
39	Terry Murphy	President	Public Union Conf	305 322-6707	terrymurphy06@gmail.com
40	Tule Tymon	HR SGT	JAFT	786 4668372	
41	Eric Rodriguez		MDC		
42	Jean Monestime	Commissioner	MDC		
43	Antonio M Firba	President of AFSCME Local 152	Aviclar	305-905-5514	antoniom152@bellsouth.net
44	Tyrone Williams	Div. Director	MDC		
45	Arlene Cuellar	Director-HR	MDC		
46	AUSA Martinez	Chief of Staff	MDC	305 307	lsc@mdc
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	NAME	TITLE	ORGANIZATION or COMPANY	PHONE	E-MAIL
17	Esther Abraham		JHS	305-585-6754	
18	Don Steigman		JHS	"	
19	MARIA HOOT		JHS	"	
20	Blanca Hernandez		AvMed	305 671-6170	
21	Leda Silver		AvMed	305-671-7779	
22	Vivian Castro	Deputy Chief of Staff	BCC	3/375-3845	
23	Chamonta Brown	Labor-Relation Spec	HR	305 375-4870	
24	Andy Maultes	Admin	AFSCME 199	786-213-5182	
25	Merrie Gonzalez	Benefits Admin	MDC	(305) 375 4288	
26	Tracee Brund	Admin. Serv	OHRFP	3/375 5272	
27	Mike Edwards	Labor Relations Manager	HR-LHSOR	(305) 575-2479	
28	Duane Fitch	Fitch Health	Fitch	680 2538136	
29	Ramona White	Labor Relations	MDC-ITR	305-375-5230	
30	Melanie McLean	HR Div. Dir.	MDC-HR	305-375-2331	
31	Barbara Collier	Sports Pool Coord.	MDC-CHD	305-375-3814	
32	Stacy McCasland	Legislative Director	Comm. Affairs Moneysine	305-375-3385	