



Corpus Christi

1201 Leopard Street
Corpus Christi, TX 78401
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Meeting Minutes

City Council Workshop Session

Wednesday, June 14, 2017

3:00 PM

Basement Training Room
1201 Leopard Street

Public Notice - - ITEMS ON THIS AGENDA ARE FOR COUNCIL'S INFORMATIONAL PURPOSES ONLY. COUNCIL MAY GIVE DIRECTION TO THE CITY MANAGER, BUT NO OTHER ACTION WILL BE TAKEN AND NO PUBLIC COMMENT WILL BE SOLICITED.

THE USE OF CELLULAR PHONES AND SOUND ACTIVATED PAGERS ARE PROHIBITED IN THE TRAINING ROOM DURING MEETINGS OF THE CITY COUNCIL.

A. Mayor Joe McComb to call the meeting to order.

Mayor McComb called the meeting to order at 3:06 p.m.

B. City Secretary Rebecca L. Huerta to call the roll of the required Charter Officers.

City Secretary Rebecca L. Huerta called the roll and verified that a quorum of the City Council and the required Charter Officers were present to conduct the meeting.

Charter Officers:

City Manager Margie C. Rose, Senior Assistant City Attorney Lisa Aguilar, and City Secretary Rebecca L. Huerta.

Present 6 - Mayor Joe McComb, Council Member Rudy Garza Jr., Council Member Paulette Guajardo, Council Member Ben Molina, Council Member Lucy Rubio, and Council Member Carolyn Vaughn

Absent 2 - Council Member Michael Hunter, and Council Member Greg Smith

Note: Council Member Vaughn arrived at 3:07 p.m. Council Member Hunter arrived at 3:20 p.m. and left at 3:27 p.m.

C. BRIEFINGS TO CITY COUNCIL:

1. Status of Health Plans / Preliminary Fiscal 2018 Budgetary Feedback

Mayor McComb referred to Item 1. City Manager Margie C. Rose provided opening remarks regarding the status of health plans/preliminary Fiscal 2018 budgetary feedback.

Director of Human Resources Steve Viera presented information on the following topics: per-employee, per-month cost by plan (Citicare, Premium, Public Safety, Fire); cost factors; Citicare Fire forecast and premiums; Citicare Police forecast and premiums; Citicare plans, forecast and premiums; premium cost-sharing; and a summary.

Council members and staff discussed the following topics: effective date of the proposed health plan changes; the need for Police and Fire to engage in negotiations with the City to ensure Police and Fire share in the burden of increased health care costs; how long the City has self-funded health insurance; self-funding versus fully-insured health insurance; employees' utilization of City health plans; employees obtaining coverage from outside third-parties; how the newly proposed plans compare with the market; the number of lower-/minimum-wage City employees impacted by increased health insurance costs; the substantial negative financial impact of increased health insurance costs on lower-/minimum-wage City employees; use of emergency clinics and associated costs to the plans; that the Affordable Care Act requires that plan participants pay in-network costs for higher-cost out-of-network emergency claims, resulting in higher costs for the City; that an emergency is defined by how the provider bills the claim, including diagnosis codes; that the City has stop-loss coverage for claims equal to or greater than \$250,000; utilization of mail order pharmacy and the City's Wellness Clinic; that the City's pharmacy benefit administrator is Express Scripts and the City's health plan administrator is United Health Care; the use of a consumer-driven health plan and Health Savings Accounts as an alternative; the City being restricted from operating its Wellness Clinic if a consumer-driven health plan were to be implemented; closing the City's Wellness Clinic; cash discounts from health providers; the benefits of maintaining the City's Wellness Clinic; that the cost to operate the Wellness Clinic is built into the health insurance premiums employees pay; a request by council members that staff provide a cost analysis of the Wellness Clinic's cost versus savings in the current and next fiscal years; and cost avoidance versus cost savings.

Council members and staff went on to discuss the following additional topics: sources of monies to fund the City's FY 2017/2018 budget; potential ad valorem tax and utility rate increases; laying off City personnel; sales tax trends; Code Enforcement's enforcement of City codes and associated revenues; total number of Code Enforcement officers city-wide; potential benefits of city-wide consolidation of Code Enforcement officers; enlisting Solid Waste employees to report code violations to Code Enforcement officers; City employee productivity; reduction of city staff and associated services and realizing greater department efficiencies as cost-savings measures; freezing vacant City positions; eliminating City positions; a long-term plan for Public Safety; improvements to Junior Beck Drive potentially creating additional revenues for the City; the long-term jeopardy in which Police and Fire collective bargaining contracts are placed due to rising health care costs; and the sustainability of the City's retirement plan.

D. ADJOURNMENT

The meeting was adjourned at 4:34 p.m.