

Maidencreek Township Board of Supervisors Special Meeting  
August 30, 2004

Attending: Roy Timpe, Gloria Kemmerer, Keith Shuman – road crew leadman, Diane Hollenbach – recording secretary

Guests: Patrick Donovan, Rebecca Hafer, Keegan Lindor

Roy Timpe called the Special Meeting of the Maidencreek Township Board of Supervisors to order at 7:02 PM and asked everyone to rise for the Pledge of Allegiance to the flag.

Roy Timpe stated that he did not realize until Wednesday that the Northern Berks Regional Police were pursuing quotes for health insurance on their own. Independently, Mr. Timpe stated that he was investigating high deductible plans with a health care savings plan that acts like an IRA. Keith Shuman stated that it would be difficult to open the union contract and that type of plan should be negotiated for the current contract or wait until the next one. Pat Donovan asked what the deductibles are for this type of plan. Rebecca Hafer stated usually \$1,000.00 is the minimum deductible.

Rebecca Hafer reviewed her benefit analysis for the Maidencreek Township Authority, Supervisors and Northern Berks Regional Police for health insurance plans from Blue Shield, Blue Cross and Health America.

Highmark Blue Shield – Ms. Hafer stated that the premium doesn't change if the group is broken out because all employees of each entity are in the rate demographics. The current plan was quoted as was a standard plan. There are differences in the copay and out of network deductible for the standard plan versus the current highmark plan. Ms. Hafer also quoted various levels of the prescription drug plan.

Capitol Blue Cross – Ms. Hafer quoted a plan that is almost identical to the existing plan. The out of network benefits are different. All the same drugs are covered and the drug policy is a restricted generic policy.

Pat Donovan questioned the cost for Blue Shield and asked what it would be if the Authority pulled out of the plan. Mr. Donovan suggested that Blue Shield might then become the best option for the Township and the Police Department if the quote was divided by participating group and the cost of each group broken out like in the Blue Cross quote. Ms. Hafer did not have those figures. Gloria Kemmerer asked what would happen if the Police would withdraw from the plan. Ms. Hafer stated that Highmark Blue Shield reserves the right to reevaluate the plan and could change the rates for the Township and Authority. Mr. Timpe stated that he felt that any health insurance plan should be looked at with the sum of all three members. Gloria Kemmerer agreed that the Authority's customers are ultimately tax payers of the Township and any costs incurred by the Authority effects the tax payers as well.

Diane Hollenbach asked if the Police Commission had decided to withdraw from the health insurance plan. Roy Timpe stated that since the officers' contract is in arbitration, the police commission did not want to change the health plan. Mrs. Hollenbach stated that the current Blue Shield Plan renewed on October 1, 2004 and the

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renewal document needed to be signed by September 1, 2004. Ms. Hafer stated that health plans could be changed at any time during the year. Mrs. Hollenbach stated that she had been instructed by the Supervisors at the last meeting to obtain quotes for other health insurance plans. She is in the process of getting quotes. Ms. Hafer stated that the rates will be the same with whatever broker the Township goes with. Benefits of her firm are that they contact the groups quarterly, collect census data four months prior to renewal and have 13 years of experience. Roy Timpe stated that the most the Supervisors could do this evening was vote to change brokers. Mrs. Hollenbach asked what type of fee Ms. Hafer's firm charges. Ms. Hafer stated that the fee is paid by the insurance company. This is true of all brokers. Mrs. Hollenbach asked if plans could be changed at any time, then could brokers also be changed at anytime during the year. Ms. Hafer said that brokers could be changed at anytime during the year.

Ms. Hafer stated that she also looked at a Health America plan for the group which is medically underwritten.

Roy Timpe asked if anyone wishes to make a motion to change brokers for the Township health insurance plan. Gloria Kemmerer declined making such a motion, since the Township secretary is investigating other brokers and plans.

A motion was made by Gloria Kemmerer, seconded by Roy Timpe, to inform the Northern Berks Regional Police Commission in writing that since the health insurance plan can not be changed as it is in arbitration, Maidencreek Township will investigate other quotes for health insurance and not switch brokers at this time.

Questions on the motion: Pat Donovan asked who approves changes in the police insurance. Roy Timpe stated that the police commission approves changes within the parameters of the union contract. Gloria Kemmerer added that the current plan is in the Township's name and it is the Maidencreek Township Board of Supervisors that decides who the broker for the plan will be. Mr. Donovan asked if not changing the health insurance plan would put the burden of cost on the police department. Mr. Timpe stated that due to arbitration, it would not be prudent at this time to change the health insurance and that the group would renew with Highmark Blue Shield. Diane Hollenbach advised that the officers in the union should be informed of the fact that the Township is shopping for a new health insurance plan.

All members voted, "Aye." Motion carried.

A motion was made by Gloria Kemmerer, seconded by Roy Timpe, to renew the Highmark Blue Shield contract for health insurance. All members voted, "Aye." Motion carried.

Diane Hollenbach asked how Ms. Hafer had obtained the Township's and Authority's census data.

Pat Donovan stated that the Authority is pleased to stay with the group and would like to continue in it, but if the Supervisors decide to go with Blue Cross, this would place a big cost burden on the Authority. Mr. Donovan was uncertain if the Authority would stay in the health insurance group at that point.

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A motion was made by Gloria Kemmerer to adjourn the August 30, 2004 special meeting of the Maidencreek Township Board of Supervisors. Meeting adjourned at 8:00 PM.

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Transcribing Secretary

CC: Maidencreek Township Board of Supervisors  
Northern Berks Regional Police Commission  
Chief Scott Eaker  
Sergeant Ron Moll