

**Village of Manteno
Committee of the Whole
June 2, 2014
6:05 pm**

Roll Call

Present:

President Timothy O. Nugent
Trustee Diane Dole
Trustee Todd Crockett
Trustee Joel Gesky
Trustee Wendell Phillips
Trustee Samuel Martin (6:06 pm)

Absent:

Trustee Timothy Boyce

Also present:

Lt. Joel Whalen
Gregg Aleman, Area Senior VP, Gallagher Benefit Services
Chris Larocque (6:12 pm), Director of Building/Zoning

Press Present:

None

This Committee of the Whole was scheduled to give the Village Board an introduction to a health insurance cooperative, the Intergovernmental Personnel Benefit Cooperative (IPBC)—similar to the risk management cooperative the village recently joined through A.J. Gallagher. Gregg Aleman of Gallagher Benefit Services presented basic information regarding the history and advantages of the program.

Handouts included: IPBC Information Sheet as of January 1, 2014
IPBC 101
IPBC Financial Summary (3)

The IPBC was originally formed 34 years ago and currently consists of 76 communities (owners/partners) who have banded together to get better rates for health insurance. There are sub-pools within the larger group that are associated by size and location. Manteno would be a part of the EWBC Benefit Pool (formed in 2010) which also includes Beecher, Coal City, Crete, Monee, Peotone, South Chicago Heights and Steger. “The purpose of the IPBC is to provide economies of scale and risk pooling that will allow members more financial stability than offered by the commercial insurance market in a fully transparent environment.” Members are able to create and change their plan design through select insurance providers: Blue Cross Blue Shield (PPO/HMO), United Healthcare (PPO/EPO) and Cigna (PPO). IPBC members have had 9 consecutive years of single digit increases, and average renewal increases of 5.8% for PPO and 4.7% for HMO over the last 3 years, with a -3.3% average for the 2014-15 year. Dividends are realized most years and are retained in each individual municipality’s account balance, but may also be used for other governmental activity. Ancel Glink is the lead legal counsel for the group.

In response to questions from the trustees:

- Dividends are kept in a separate account for each municipality. The unrestricted amount can be used to pay future premium or for other governmental use.

- Not all insurance carriers are used—only deeply discounted networks with best access for members.
- Members that left and came back were due to political issues within the communities. There is generally a 5-year period before members can come back after leaving.
- Manteno would have one vote, with our representative being Tom Durkin (Crete) from the EWBC group.
- Our date of renewal would change from October 1 to July 1, with premium cost information available in March—in time for budgeting process.
- Claim questions would go through our representative at Gallagher, and they would deal with the insurance companies.
- Dividends are not generally shared with employees, since they also do not share the risk should costs increase.
- Health reimbursement accounts could be handled by Gallagher, but we may be able to choose plans that lower the deductible and achieve same result through this program.
- Next step in the process would be to work with Gallagher to get a quote for coverage. A decision would have to be made by the Village no later than mid July. The EWBC sub-pool and then the IPBC board would need to vote on accepting Manteno as a member.
- Joining the IPBC requires a 3-year commitment, after which time the village could leave the group if desired.
- Initial quote would probably be for 9 months (October to July) to bring us to the common renewal period.

Further discussion will take place at the next Finance Committee meeting on June 18, 7:00 am, and at the next General Government Committee meeting.

Motion by Gesky seconded by Crockett to adjourn the meeting at 6:45 pm. Motion approved 5-0. Trustee Boyce was absent.

Submitted by acting clerk Janice Schulteis