

MINUTES OF MEETING
THE DELAWARE RIVER AND BAY AUTHORITY
Thursday, November 5, 2015
James Julian Boardroom
Delaware Memorial Bridge Plaza
New Castle, Delaware 19720

The meeting convened at 2:07 p.m. with Chairperson Lowe presiding.

Chairperson Lowe called on the Authority Assistant Secretary to read the meeting notice and take roll.

The Assistant Secretary announced that a notice of the meeting had been distributed to the offices of the Governor of New Jersey and the Governor of Delaware, to appropriate staff members and consultants, to the press in both States and to any other individuals who had indicated an interest in receiving a copy of the meeting notice.

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Commissioners from Delaware

Commissioners from New Jersey

PRESENT

Samuel E. Lathem

(Vacant)

Attended via telephone

William E. Lowe, Chairperson
Crystal L. Carey
Richard W. Downes
Terry C. Murphy
James L. Ford, III

James N. Hogan, Vice-Chairperson
Edward W. Dorn
Ceil Smith
Shirley R. Wilson

ABSENT

Douglas Van Sant

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Chairperson Lowe called for the acceptance of the Agenda.

Commissioner Lathem motioned to accept the Agenda, seconded by Commissioner Ford, and the motion carried by a voice vote of 9-0.

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11024. PUBLIC COMMENT ON ACTION ITEMS

Chairperson Lowe noted that there is one (1) Resolution to be considered today. He then called for public comments.

There was no public comment.

Commissioner Downes joined the meeting after the public comment.

11025. CHAIRPERSON’S CALL FOR RESOLUTION BEFORE THE BOARD

The Executive Director stated that the Resolution 15-42, is presented before the Board for action.

RESOLUTION 15-42 - RESOLUTION BY THE DELAWARE RIVER AND BAY AUTHORITY AUTHORIZING MODIFICATIONS TO THE BENEFITS PLAN DESIGN

WHEREAS, the Delaware River and Bay Authority (the “Authority”) is committed to providing its employees and retirees a comprehensive core benefit program; and

WHEREAS, the Authority is responsible for prudent financial governance with respect to those core benefit programs; and

WHEREAS, the Authority is responsible for taking appropriate action to control escalating core benefit costs; and

WHEREAS, the Personnel Committee and the Budget & Finance Committee have each reviewed the proposed recommendations to the Authority’s changes to its health (medical and prescription) benefit programs and recommends approval thereof to the Commissioners.

NOW, THEREFORE, BE IT RESOLVED that the Delaware River and Bay Authority hereby approves the following modifications to be implemented January 1, 2016 (as described in detail on Exhibit A, which is incorporated herein by reference):

1. Terminate the Health Maintenance Organization (HMO) plan design and replace this plan with an Exclusive Provider Organization (EPO) plan, keeping the Preferred Provider Organization (PPO) Plan.
2. Increase Emergency Room visit co-pay from \$75 per visit to \$150 per visit (waived if admitted) in the PPO plan.
3. Emergency Room visit co-pay to be \$150 per visit (waived if admitted) in the new EPO plan.
4. Urgent care co-pay to be \$35 per visit in the new EPO plan.
5. Specialist office visit co-pay to be \$35 in the new EPO plan.
6. Lab co-pay to be \$20 per visit in the new EPO plan.
7. All other services in the new EPO plan from the HMO remain the same.

A motion to approve Resolution 15-42 was made by Commissioner Lathem, seconded by Commissioner Ford, and approved by a roll call vote of 10-0.

EXHIBIT A

Proposed Benefit Plan Changes for 2016

PPO & New EPO

Medical	Anticipated Savings
Emergency Room Visit co-pay to \$150 (waived if admitted)	\$38,912
EPO Plan only - Urgent Care and Specialists office visits co-pay to \$35	\$41,852

EPO Plan only – Lab Visit co-pay to \$20	\$15,655
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Resolution 15-42 Executive Summary Sheet

Resolution:	Authorizing Modifications to the Authority’s Benefits Plan Design
Committee:	Personnel Committee and Budget & Finance Committee
Committee Date:	October 20, 2015
Board Date:	October 20, 2015
Purpose of Resolution:	To approve proposed recommendations to benefits plan designs for active and pre-65 retirees (as described in detail on Exhibit A, which is incorporated herein by reference) as presented by the Chief Human Resources Officer and the Pension and Benefits Manager.
Background for Resolution:	The Delaware River and Bay Authority (Authority) is committed to the health and well-being of our employees and retirees. During annual renewals, the Authority reviews administration and costs of benefits for determination of any recommended modifications including but not limited to benefit plan design changes, vendor/carrier changes, in comparison to industry trends and employee/retiree population utilization. For 2016, recommendations are being presented for health plan design changes to provide a broader network of physicians and service providers to employees in the State of New Jersey by offering an Exclusive Provider Organization (EPO) plan as the current Health Maintenance Organization (HMO) plan does not provide that level of in-network coverage for our New Jersey employees (currently pay out of network costs for all providers outside of Delaware). The HMO plan provides a network of physicians and service providers that are located only in the State of Delaware. The Preferred Provider Option (PPO) would remain as an option. Additional co-pay changes for Emergency Room in both the PPO and new EPO plan design are recommended to bring this service of the health care plans more in line with industry standards. A difference in plan designs between the PPO and the new EPO are recommended to begin to differentiate the level of coverage between the two (2) plans. Two (2) different levels of health plans will address the needs of the entire employee population as many employees do not require the full coverage of the PPO plan which would allow them to have greater take home pay for their families. This will allow the DRBA to provide a health care option that has less expensive payroll deduction with more out-of-pocket expenses at point-of-service. The PPO plan will continue to provide little out-of-pocket expenses at point-of-service but cost the employee more through payroll deductions. The new EPO plan will begin to provide more out-of-pocket expenses at point-of-service but cost the employee less through payroll deductions.

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There being no further business, a motion to adjourn was made by Commissioner Wilson, seconded by Commissioner Smith, and unanimously carried by a voice vote of 10-0.

The meeting was adjourned at 2:13 p.m.

Respectfully submitted,

THE DELAWARE RIVER AND BAY AUTHORITY

Frank W. Minor
Assistant Secretary