

## **NOTICE OF SPECIAL FINANCE & PERSONNEL COMMITTEE MEETING**

**NOTICE IS HEREBY GIVEN** that the Finance & Personnel Committee of the City of Washington will meet in special session on Monday, August 1, 2016 at 5:45 p.m. in the conference room at City Hall, 301 Walnut Street.

Dated this twenty-ninth day of July, 2016



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Patricia S. Brown, City Clerk

**CITY OF WASHINGTON  
SPECIAL MEETING FINANCE & PERSONNEL COMMITTEE  
MONDAY, AUGUST 1, 2016 – 5:45 P.M.**

**CITY HALL CONFERENCE ROOM  
301 WALNUT STREET  
WASHINGTON, ILLINOIS**

- 1. ALDERMAN WISHING TO BE HEARD ON NON-AGENDA ITEM**
- 2. CITIZENS WISHING TO BE HEARD ON NON-AGENDA ITEM**
- 3. REGULAR BUSINESS**
  - A. Potential Amendment Related to Health Insurance Summary Plan
- 4. OTHER BUSINESS**
- 5. EXECUTIVE SESSION** – for the purchase or lease of real property for the use of the public body, including meetings held for the purpose of discussing whether a particular parcel should be acquired.
- 6. ADJOURNMENT**



## **Finance & Personnel Committee Memorandum**

To: Committee Members  
From: Jim Culotta, City Administrator  
Date: August 1, 2016  
Re: Potential Amendment Related to the Health Insurance Summary Plan

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### **BACKGROUND**

The City's Health Insurance Summary Plan Description allows an employee to appeal adverse benefit determinations. Per our Plan document, appeals are made to the Plan Administrator, which is defined as the City of Washington. In the past, appeals have been directed to the Finance & Personnel Committee.

### **SUMMARY**

The City Attorney has reviewed the Plan document and views the use of Finance & Personnel Committee as "a good procedure". We have checked with our liability carrier and have confirmation that Committee members would have liability coverage when acting in that role.

However, the City Code (§ 31.40 (D)) states the role of this Committee is to make recommendations to the City Council.

There are at least three options to clarify who/what serves as the Plan Administrator.

1. Allow the Finance Committee to have its "review" simply be a recommendation that goes to the City Council on these issues, in which case no changes are needed to the Ordinance or Plan document.
2. Have the Finance Committee be the last step in the process, in which case the Ordinance should be amended to make it clear that for reviews of health insurance claims, the Committee is the final decision-maker of the City as Plan Administrator. No Plan document changes are needed.
3. Establish a new Insurance Committee that would fulfill the role of Plan Administrator. This option was suggested by our third-party administrator, Consociates, as they have worked with another area municipality with such a Committee. This Committee would be made up of elected and/or appointed officials such that liability coverage would be afforded to them.

### **REQUESTED ACTION**

Staff requests Committee consideration and recommendation.