



CITY OF SOMERVILLE, MASSACHUSETTS

CLERK OF COMMITTEES

August 9, 2011

REPORT OF THE FINANCE COMMITTEE

Attendee Name	Title	Status	Arrived
Maryann M. Heuston	Chair	Present	
William A. White Jr.	Vice Chair	Present	
John M Connolly	Alderman At Large	Present	
Rebekah Gewirtz	Ward Six Alderman	Absent	
Thomas F. Taylor	Ward Three Alderman	Absent	
William M. Roche	Ward One Alderman	Present	
Dennis M. Sullivan	Alderman At Large	Present	
Bruce M. Desmond	Alderman At Large	Present	
Robert C. Trane	Ward Seven Alderman	Present	
Sean T. O'Donovan	Ward Five Alderman	Present	
Frank Wright	City Solicitor	Present	
Matt Buckley	Asst. City Solicitor	Present	
Sarah Kloos	Director of Personnel	Present	
Tricia Kelly	Personnel	Present	
Pat Haraden	Consultant, Longfellow Benefits	Present	

191787 - Requesting to amend the city's health insurance benefits by transferring to the Group Insurance Commission (GIC):

The committee continued its discussion of moving the city's health care into the GIC. Questions still remain as to the effect of the GIC on retirees and how all subscribers would be affected financially. A second request was made by Alderman Roche for data showing the difference in out of pocket expenses between the current plan and the GIC plan for a typical family and for senior citizens.

The committee was not satisfied with the level of responses provided to previous questions and Mr. Haraden explained that municipal data is not available and that commercial data is different. His data was compiled based on a period of 12 months. A suggestion was made to examine the use of subpoena power, or a public records request, to compel the GIC to release the requested information.

Solicitor Wright addressed the need to have this issue voted on this week, however, Alderman White stated that he would not vote for the proposal unless the Office of Administration and Finance provides a written explanation of why the deadline is this week.

The members had questions regarding preventive coverage, co-payments, ambulance costs, mental health coverage, the enrollment period and when rate hike are allowed. Additionally, the committee requested a history of rate increases, deductibles and co-pay amounts under the GIC.

Alderman White asked the Administration to look at the Home Rule Petition passed by the City of Cambridge, allowing it to treat retirees differently and he asked that a fund be established to assist qualified individuals with paying health care costs. He also requested that real life comparisons be provided, (e.g. cancer treatment), to show what the difference in out of pocket expenses would be for those people.

Ms. Kelly explained the information that is being given to employees and retirees, (essentially that premiums are going down but co-pays are going up), and Ms. Kloos reported that 57 people have attended information sessions, to date. The personnel office is guiding people through the transition process and has found that the concept of deductibles is difficult for people to understand.

RESULT: KEPT IN COMMITTEE
