

**OFFICE OF THE CITY COUNCIL**

**CHERYL L. BROWN** 117 WEST DUVAL STREET, SUITE 425

 DIRECTOR 4TH FLOOR, CITY HALL

 OFFICE (904) 630-1452 JACKSONVILLE, FLORIDA 32202

 FAX (904) 630-2906

 E-MAIL: CLBROWN@coj.net

**SPECIAL COMMITTEE ON UTILIZING UF HEALTH AS A HEALTHCARE DELIVERY ORGANIZTION MINUTES**

**April 3, 2014**

**2:00 p.m.**

**City Hall**

**117 W. Duval St., 4th Floor**

**Conference Room A**

**Attendance:** Council Members Matt Schellenberg (Chair), Robin Lumb, Clay Yarborough,

**Excused:** Council Member JohnnyGaffney

**Also:** Andy Marino – Florida Blue; Russell Armistead and Penny Thompson – UF Health; Karen Bowling – Mayor’s Office; Paula Shoup – Legislative Services Division; Yvonne Mitchell – Council Research

See attached sign-in sheet for additional attendees.

Council Member Schellenberg called the meeting to order at 2:01 p.m. He began with introductions, welcomed everyone to the meeting and explained the purpose of the committee. He requested that Ms. Bowling share comments about her recent meeting with Hugh Greene.

Mr. Andy Marino provided a recap of last meeting discussions which involved exploring options to increase volume and revenue to UF Health through City employees; possible savings to the City healthcare cost under current plan design or a more specific plan design moving more utilization towards UF Health. The options discussed were: 1) target marketing of employees without a primary health care provider and directing them to UF Health facilities; and 2) a Blue Select product option detailed specifically under the UF Health and St. Vincent’s systems; however, it is not readily available for large group businesses.

Mr. Russ Armistead commented that UF Health’s reputation as the indigent care provider does not allow equal standing up against the other service providers. He believes that equally marketing will not produce a significant increase in commercial business. Ms. Penny Thompson reported that the City provided UF Health a list of 700 names to target as potential customers. There were only 20 out of 700 that signed up with UF Health. Mr. Marino shared a new option where UF Health could offer a co-insurance/co-pay or deductible holiday concept which doesn’t require Florida Blue to alter the current plan at all. This option did not receive positive feedback.

Mr. Armistead reported that UF Health is willing to reduce pricing in order to get a product with benefit differentials being less ($20-25) per pay period for the employees. Florida Blue will not build and file with the State a product for one client.

Challenges

1. City is not self-insured.
2. Does it save you money? What should the pricing be to save money as it relates to captive vs non-captive?
3. Permission of other healthcare systems in the HMO products since Florida Blue contracts prohibit such product

Ms. Karen Bowing reported that her conversation with Hugh Greene was very positive and he was open to participating in discussions to find a solution to assist UF Health. CM Schellenberg reported meeting with Mr. Moody Chisholm, President of St. Vincent’s. He shared that after 98 years of service Daughters of Charity will be leaving St. Vincent’s and moving on to provide service to another facility with more of a need. CM Schellenberg stated Mr. Chisholm is willing to participate in discussions with the City and UF. Additionally, Mr. Chisholm offered a suggestion of reduced cost on specialized services. For an example, contribution amount to monthly premium and member out of pocket/cost share portion are levers that can be used to attract employees. The incentive would be to move toward the UF captive plan versus the community plan. Even though cost may be lower for employee (ex: 90/10) it cost the City more especially if self-fund.

The solution for UF Health will require collaboration from the various healthcare system providers. The CEOs of the local hospitals are aware of UF Health situation and are supportive and willing to participate in discussions. It was suggested that a task force be developed. Ms. Bowling reported that administration is considering options as it relates to being self-insured or utilizing a hybrid plan. She stated that in recent communication with Mr. Armistead the agreement was to increase marketing (on-site nurse, neighborhood cleanup, etc.) and lobbying efforts at the State level. An Employee Services Director and Chief of Compensation & Benefits are expected to be presented, in the near future, through legislation to the Council. These individuals will be essential in the design of a healthcare solution. Ms. Bowling explained this process as a three tier phase: internal (savings from self-insured vs hybrid plan decision); plan design; and community group (discussion on how other hospitals can contribute to include all healthcare systems).

There was extensive discussion on explanation of hybrid plans. Ms. Bowling and Mr. Don Titcomb are meeting on April 16th to review updated claims, discuss options and recommendations. Mr. Armistead mentioned that he will continue to market and produce quality service. The dilemma is not enough commercial business. He shared that UF Health is still seeking to build a 90 bed facility in the North although they have been challenged by HCA. There is a hearing pending this matter. Mr. Armistead believes that if commercial business increased to about 20% it would probably provide enough profitability to support the indigent care program. Otherwise, the City or State will have to fully support the hospital or would no longer exist.

Ms. Bowling agreed to contact administration of the local hospitals to participate in conversations. This group would meet as a subcommittee prior to the next scheduled committee meeting. Mr. Marino requested that the discussion and decisions of the subcommittee of leaders be documented for liability purposes. He requested that Mr. Armistead involve Florida Blue to assist with all marketing efforts to attract the commercial business.

CM Schellenberg will attend the meeting of the subcommittee and report back.

The next meeting will be May 1, 2014. There being no further business, the meeting was adjourned at 2:56p.

Yvonne P. Mitchell, Council Research Division (904) 630-1679

Posted 04.16.14

2:00 p.m.