

THE STATE OF TEXAS §

COUNTY OF CAMERON §

BE IT REMEMBERED on the 28th day of APRIL, 1993 there was RECONVENED a REGULAR Session of the Honorable Commissioners' Court of Cameron County, Texas, at the Courthouse thereof, in the City of Brownsville, Texas, for the purpose of transacting any and all business that may lawfully be brought before the same.

THE COURT MET AT:
1:30 P. M.

PRESENT:
ANTONIO O. GARZA, JR.
COUNTY JUDGE

LUCINO ROSENBAUM, JR.
COMMISSIONER, PRECINCT NO. 1

CARLOS H. CASCOS
COMMISSIONER, PRECINCT NO. 2

JAMES R. MATZ
COMMISSIONER, PRECINCT NO. 3

NATIVIDAD VALENCIA
COMMISSIONER, PRECINCT NO. 4

INELDA T. GARCIA, Deputy
COUNTY CLERK

ABSENT:

----- 0 -----

Upon motion by Commissioner Cascos, seconded by Commissioner Rosenbaum and carried unanimously, the April 27, 1993 Regular Meeting was reconvened.

----- 0 -----

(10) CONSIDERATION AND ACTION ON CAMERON COUNTY'S HEALTH AND LIFE INSURANCE RENEWAL FOR 1993

Judge Garza stated that the intent of the recess of the Regular Meeting was to "Workshop" this Item to the extent necessary in order to make a decision.

At this time, Mr. Rolando Martinez, Health Administrator, presented the following "Memorandum" that outlined some concerns regarding the Health Insurance Plan:

Mr. Martinez remarked that the Court needed to provide direction on three (3) items, that being the bidding cycle for the Health Insurance, the responsibility for the enrollment of Section 125, and the membership of the Insurance Committee, noting the advantages and disadvantages of the options available.

At this time, Mr Dalton Hobbs, Group Manager with the Firm of Coccozza, Shepard & Watson, introduced Mr. Albert Perez, Brisky-Perez Insurance, Account Agents, and Ms. Linda Walker, representing the Travelers Insurance Plan Administrators. He presented the following information packet to illustrate the County's claims history, which significantly affected the cost of the Self Insurance Plan, as well as the Cost Summaries for the Plan Options available:

Commissioner Cascos questioned what the statement of "disadvantages of re-bidding and the danger of the County's liability exposure" meant and Mr. Hobbs responded that generally it meant that the aggregate "stop loss" Health Contracts were for twelve (12) months and since there was a possibility that the County would seek bids within ninety (90) days, then the County would be on a month-to-month "stop loss" basis. He added that should the claims exceed the "stop loss" point and the County changed Insurance carriers, the County would be liable for the excess amount paid in claims. Mr. Hobbs remarked that as of May 1, the Travelers Plan Administrators would have to assume the cost of \$470,000.00 regardless of the Court's actions.

Commissioner Cascos reviewed the Insurance Committee's recommendation, that being to renew Alternate Plan III and to begin the bidding proposals process cycle sometime in November in order to consider alternative Insurance proposals prior to May 1, 1994.

Commissioner Cascos moved that the Insurance Committee's recommendation, to renew Alternate Plan III with the current carrier, be accepted as the effective Plan for this renewal cycle, and that the proposal specifications for the next bidding cycle be drafted in approximately six (6) months.

The motion was seconded by Commissioner Matz.

Judge Garza suggested that Mr. Martinez approach the Court, in approximately six (6) months, concerning direction with respect to a three (3) or five (5) year bidding cycle and whether to retain outside consultants in order to avoid a similar situation.

A lengthy discussion followed concerning the procedures utilized to audit the claims submitted, the frequency of the claim reviews and the review of the medical charges by Doctors and Hospitals.

Commissioner Valencia stated that many employees could not afford "dependent" coverage and would probably withdraw from the Plan because of the high cost and added that he preferred to seek proposals within the ninety (90) days.

Mr. Hobbs remarked that the Insurance Committee considered the very same concerns regarding the increase in premiums, the benefits, and the cost of dependent coverage for all the employees.

Commissioner Cascos stated that the review process for the proposals would take between four (4) and five (5) months, and he was concerned about changing Plans in mid-year and the County's exposure within the interim period.

At this time, upon motion duly made by Commissioner Cascos and seconded by Commissioner Matz, the vote carried as follows:

AYE: Commissioners Cascos, Matz and Judge Garza

NAY: Commissioners Rosenbaum and Valencia.

----- o -----

At this time, Mr. Martinez stated that the other issue of concern was the enrollment of the Cafeteria Plan and Section 125, and the fact that the Committee was informed that the County Auditor's Office would not be responsible for said enrollment.

Judge Garza stated that he did not understand why the County Auditor's Office was withdrawing since they had handled employee programs in the past, and questioned whether the County Auditor's Office wanted to be "designated" by the Court, and the suggestion was made to designate the Auditor's Office to handle the enrollments.

Upon motion by Commissioner Cascos, seconded by Commissioner Matz and carried unanimously, the County Auditor was designated to be responsible for the enrollment of the Cafeteria Plan and Section 125.

At this time, Judge Garza suggested that a Report be prepared concerning the Insurance Committee, the terms of Office and the actual membership in order to establish some guidelines.

----- o -----

There being no further business to come before the Court, upon motion by Commissioner Cascos, seconded by Commissioner Matz and carried unanimously, the meeting was adjourned.

----- 0 -----

APPROVED this **11th** day of **May**, 1993.

ANTONIO O. GARZA, JR.
COUNTY JUDGE

ATTEST:

JOE G. RIVERA,
COUNTY CLERK AND EX-OFFICIO CLERK
OF THE COMMISSIONERS' COURT OF
CAMERON COUNTY, TEXAS