

AUDIT/BIDS/INSURANCE COMMITTEE MEETING
MONDAY, MARCH 29, 2010 AT 10:00 a.m.
COUNCIL CONFERENCE ROOM—2ND FLOOR, CITY HALL

PRESENT: **Chairman Dale Burkett**
 Councilwoman Brenda Craig
 Councilman John Howren

The Audit/Bids/Insurance Committee met on Monday, March 29, 2010, at 10:00 a.m. in the Council Conference Room, 2nd Floor, City Hall, Gastonia, North Carolina.

Chairman Burkett called the meeting to order. Due to a possibility that Chairman Burkett would need to step away from the meeting, Chairman Burkett passed the gavel to Councilman John Howren to preside. Councilman Howren recognized Mr. Jim Palenick, City Manager, for staff's presentation.

Item 1: Employee Health Insurance Proposal

Mr. Palenick stated that one of the things that came to staff's attention is the idea that if someone was covered as an employee with children or spouse, the costs of those two combined is actually less than family coverage. Given that, staff altered the first proposal to balance those categories. Mr. Palenick recognized Mr. Flip Bombardier, Assistant Staff Manager.

Mr. Bombardier stated the goal of the revised proposal is to balance the impact of the increased health costs to employees/retirees. The changes include removing the City subsidy of dependent coverage for the Employee/Children and Employee/Spouse categories (including retirees). The City would still subsidize premiums for the Family premiums.

Further, the Committee discussed the City's current health insurance policy's language on abortion coverage. The Committee recommended that the *elective* abortion language be removed from the City's insurance policy, therefore, only allowing abortion coverage for therapeutic abortions and in the cases of rape and incest. Legal staff was instructed to review the specific wording for removal of the elective abortion language before the policy is finalized. In addition, the wording would need to incorporate the language to cover therapeutic abortions only, including in the cases of rape and incest.

Action Taken:

Councilwoman Craig made a motion to eliminate all coverage of the City's current health insurance policy relating to *elective* abortions. Therapeutic abortions, including in the cases of rape and incest, would still be included in the City's health insurance coverage. Councilman John Howren seconded the motion. The motion was unanimous.

A second motion was made by Councilwoman Craig to accept the *revised* Health Savings Account plan as proposed on Monday, March 29, 2010. Councilman John Howren seconded the motion. Chairman Dale Burkett voted in the affirmative, making the motion unanimous.

Having no other business, the meeting was adjourned.