

**DATE: November 3 2017**

**FROM: Jack Seward, LEOFF1 Board Member Representative**

**SUBJECT: 2017 Change of Insurance Carriers for LEOFF 1 City of Olympia Retirees Information Presentation to Board Members – November 13, 2017**

**NOTE: TITLE: LAW ENFORCEMENT OFFICERS' AND FIRE FIGHTERS' RETIREMENT SYSTEMS. It says AND, not OR**

I am requesting time before the LEOFF I Disability Board during the Monday, November 13, 2017, Board meeting. The "Retired City of Olympia Firefighter LEOFF 1 Members" have made me aware of several problems occurring with the current medical, pharmaceutical, and vision plans assigned to "Retired LEOFF 1 Firefighter Members."

Since July 1, 2017, these members contacted me for assistance with dysfunctional requirements related to the medical plan (United American Insurance), the pharmaceutical coverage (Aetna) and particularly difficult and dysfunctional coverage by "Davis Vision."

I know Carl Watts of the City's Human Resources Department, has gone out of his way to try and resolve some of the issues on behalf of the "Retired Olympia Firefighter Members;" however, we feel there should not be continual problems when coverage is provided.

I interviewed no less than 50 retired members, including retired firefighters and retired City of Olympia Law Enforcement members of the LEOFF 1 retirement plan. 100% of the problems are issues the Olympia Retired Firefighters are experiencing with the new medical/pharmaceutical, and vision plans. The City of Olympia Retired Law Enforcement members had no complaints with service. The LEOFF 1 Disability Board needs to recognize the Law Enforcement members were allowed to remain with Regence or Kaiser Permanente; whereas Firefighters were NOT.

#### **PRESENTATION INFORMATION**

Below are notes related to undated memorandum from the City of Olympia HR Department

- L 1      *"Dear City of Olympia, LEOFF1 Medicare Retirees"* This sounds like it is to all LEOFF I Retirees.
- L 2      *"As you know etc., the City will be moving its insurance for LEOFF 1 Firefighter Retirees to the etc. NWFF Benefit Trust."* This line appears to be addressing the Retired Firefighter Members, which includes me as I am one. Our group assumed the memo was being sent to the Retired LEOFF 1 Law Enforcement members considering as noted in L1 above, it stated LEOFF1 Medicare Retirees which includes the law enforcement retirees.
- L 7      *"You must complete the attached enrollment form and return it to the City of Olympia no later than June 2 2017."* Our LEOFF 1 Firefighter Retiree members assumed all LEOFF I members were included, that there was no choice offered to this matter. It was mandatory.
- L 10     *"Attached is the 2017 Medicare Enrollment Guide which outlines the Medicare plan options. All LEOFF 1 retirees will be enrolled in United American Plan F and Aetna RX High Option."*

AGAIN THIS STATES ALL LEOFF 1 RETIREES. THE MEMO CONTINUES TO BE MISLEADING. Only the Retiree Firefighters are included. There are continuous statements that are NOT true and the result is lack of communication, leading to mistrust and confusion. We want to work with the City to rebuild trust, improve communication, which in turn will reduce further confusion for our members.

L 11-12 *"Retirees will be enrolled in United American Plan F and Aetna RX High Option. This is a Medicare Plan just like your current Regence MedAdvantage plan."*

The United American Plan F according to this memo on Line 20 is a Medicare Supplement plan. I have not researched the two plans for comparison. As stated on lines 16, 17, and 18, if it is medically necessary it is covered by the City. Change is constant and the procedures used to make a plan successful are lacking for the retired fire fighter group. Our current Policy and Procedure Manual is obsolete. It was created for use with the Regence plan which uses only one card for Medical, Pharmaceutical, Vision, and Hearing. The Retired Law enforcement members continue to use this plan with minimal trouble. Law enforcement members continue to have access to a physical fitness plan (known to some as Silver Sneakers). The Retired Firefighters no longer have access to any type of physical fitness plans. It is well known and researched as adults age, physical fitness reduces medical costs – losing access to physical fitness plans can increase medical expenses, not reduce them.

- Two out of three of the City's memos addressed LEOFF 1 Members: line one (LEOFF1 Medicare Retirees.) line 2 (LEOFF1 Firefighters) line (10 All LEOFF1 Retirees.) Our Retired Firefighters thought these memos spoke to ALL LEOFF1 RETIREES AND THAT ALL WILL BE ENROLLED IN UNITED AMERICAN PLAN F AND AETNA R/X HIGH OPTION. WHY WOULD WE THINK OTHERWISE – HOW COULD YOU POSSIBLY THINK WE WOULD THINK OTHERWISE AS YOU READ THESE MEMOS (again referencing lines 10 and 11).

Considering nearly every member of the Law enforcement and Firefighter groups are 65 or older, you would think the LEOFF 1 Board would want to offer both Police and Fire the opportunity to use these facilities so the member could chose to stay fit and be supervised by professionals.

By coincidence, I just received a notice from the City noting the Retired Firefighter Group will be moved to a different Pharmaceutical Plan on January 1, 2018. The Retired Firefighter group will be moved to Humana for their R/X, prescriptions, etc., and will no longer be with AETNA R/X, and again no changes for the Law Enforcement Group.

L 14 The idea that these two groups were separated, Police and FIRE, is believed by both groups to be discriminatory and should never have happened. These two groups have been side by side, with exactly the same identical benefits, with oversight by the same LEOFF 1 Board, provided by the same health care providers for the last 47 Years, without exception.

There are currently two Health Care Plans available (for Retired Law enforcement only). One provides the member a choice for enrollment in the AWC LEOFF1 Medicare Regence ADV E Group. Only one Card is needed and one advocate for negotiating the in's and out's is needed.

The second Plan provides the member a choice for enrollment in the KAISER PERMANENTE Plan (FORMALY GROUP HEALTH). Again (Law enforcement only). Only one card is needed and one advocate for negotiating the in's and out's is needed.

**There are currently 4 separate health care plans Retired Firefighters MUST use (medical, pharmaceutical, vision and hearing.** United American Insurance Company, a North West Fire Fighter organization which is the medical plan. It has its own card and procedures provided in hand out material. They also have advocates available by phone to assist with problems or advice. This Plan is mandatory and the only medical plan available under current conditions.

I'll have copies of several emails I've received from members to hand out to you at the LEOFF I Board Meeting as evidence of just how dysfunctional this plan is for our Retired Firefighter Group, the group being required to use this plan.

AETNA, WWFF, Medicare R/X is a pharmaceutical plan made available to the Firefighter group ONLY. It has its own procedure that you can normally get accurately from your pharmacy or there is a contact number on the back of your card. NOTE: After six Months of using AETNA Insurance and just barely getting it set up with our pharmacy (and in some cases having it rejected) as our pharmaceutical provider will be changing providers to HUMANA.

Davis Vision is a group made available to the Firefighter group ONLY. It is part of the Labor First LLC group. This is not an insurance company but a discount eye ware provider. This group provides an annual eye exam. They provide you with a card. Keep in mind, it is a DISCOUNT provider, so we have to figure out if it is cheaper to get our lens/frames/ this way or that way, and then some members found they had to actually send their frames out for 6-8 weeks in order to their glasses with this particular provider. If one needs their glasses (and most at this age do) this is an unacceptable process, and most members found the "discount" provider is not comparable to other vision insurances being provided other City employees and retirees, including LEOFF I Law Enforcement members.

And lastly, EPIC HEARING, available to the Firefighter Group only, will apparently provide a hearing exam. We haven't received anything from EPIC as of today but according to Labor First they provide a hearing exam. We worked diligently with the City in the past for hearing exams and hearing aids. We have no experience with EPIC and neither does the City, nor does the North West Trust who negotiated this on our behalf. Why?

If the Firefighter members have questions or problems, there is a hot line available to call. This number is primarily for United American Ins (medical) and AETNA (RX) (not sure if they will handle Humana for us in the future). (I have no idea if they handle questions about Davis Vision or EPIC Hearing issues).

A question the Retired Firefighter Group has for the City is WHY did you negotiate with the NW Trust in the first place? And why did you negotiate without us being involved? And why didn't you tell us upfront you were even doing such a thing? We've got 35-50 years + working with you. Why - Why - Why? This is just a simple ask? We fully understand why the Law Enforcement members weren't included (the IAFF element) in this negotiation -- that's not our question. Why did you even go down this path and look at a plan that would not include both groups in the first place, knowing we are one group -- the LEOFF I -- one group for 47 years! MONEY IS NOT ALWAYS THE ANSWER FOLKS! There are more things at stake here. The City's reputation -- respect -- honesty -- inclusiveness -- integrity -- openness -- communication -- trust -- much less the fact that you provided our group with a

dysfunctional plan and allowed the Law Enforcement to maintain their existing plan, which is a well working plan, one we all wanted to keep. Just how do you think that's going over with the Retired Firefighter Group – not so well! How can WE – you the City and we the Retired Firefighter Group get back on track?

I ask you to consider the quality of life for these retirees. They are frustrated – I am frustrated as their Board Representative for the past many, many years. These firefighters served the citizens of Olympia to save lives for years and years, and they are just asking for the simple medical/vision/RX/hearing plan like they had and the Law Enforcement members continue to have. We get that you figure you saved a lot of money but we question did you or are you really saving what you think you are or will! I cannot imagine the amount of staff time HR and accounting is (and will) have to spend on bills/invoices as this plan requires we now pay for out of pocket costs which we did not experience before. The City reimburses us for these costs and will now be processing more reimbursement checks. This requires employee time from the person at the front desk all the way upstairs, then handing it off, checking it and double checking it, stamping it for approval, and then processing it for a check, to cutting the check, to putting it in an envelope and the door in the mail. Then there is the audit or the lost checks that occur and they do occur or the calls you get wondering where my reimbursement check is. Were all of these costs considered in the potential savings you proposed? I can't help but think they weren't because we didn't plan on experiencing the dysfunction that has occurred. How could we? As a group, we will be very curious just how much the City actually spends on this plan including fielding phone calls, emails, etc. (if you truly track everyone's time) versus what you saved in premiums.

**FOUR CARDS SEPARATE MEDICAL CARDS (ACTUALLY FIVE IF YOU INCLUDE MEDICARE CARD) – FOUR PIECES TO A MEDICAL PLAN – DO ANY OF YOU HAVE TO DEAL WITH THIS IN YOUR PERSONAL LIVES? IF NOT, WHY ARE YOU ASKING US TO DO THIS?**

**Please work with us to resolve this matter. Thank you for your consideration.**

*For advocacy assistance, I am advising the Olympia Firefighter Group to call: LABOR FIRST.  
Local: 360.205.1415*

*TollFree: 844.818.1088*

Cc: LEOFF I Board Members  
Steve Hall, City Manager  
Mayor Cheryl Selby