

**HEALTH CARE COMMITTEE
COUNTY BOARDROOM
WEDNESDAY, JANUARY 11, 2017
3:00 PM
MINUTES**

1. Call to Order at 3:06pm.

2. Roll Call. Present: Melissa Andrews (ch), Doug Mullen, Janet Gibbs, Dustin Schulz, Jay Shreffler, Stan Glazier, Mike Hinrichsen, and Richard Hill. Excused: Mandy Campbell(vc) and Mary Bell. Absent: Joe Soto and Matt Smith.

3. Approval Minutes

a. December 14, 2016

Motion to approve the December minutes made by Glazier, seconded by Hinrichsen. *Motion Carried.*

4. Public Input - None

5. Balance of Funds Report

Premium and Claims Reserve Fund - \$434,670.82

Health Care Plan Fund - \$19,874.49

Mrs. Andrews noted that the county match and first payroll of the month employee share will be deposited tomorrow, with that deposit and the two funds the total reserves is at \$534,600.00. The committee discussed that the \$500,000 mark has been the goal for many years. Mr. Snedeker noted that this is a milestone for the plan, he recommends the County now move the goal line to a net of \$500,000. The Incurred but not yet recorded (IBNR) must be taken into account which would necessitate the fund to hold around \$750,000 to have a net of \$500,000. Based on where the fund was 8-10 years ago having a negative balance and requiring a bailout from the County this shows the plan is operating well and covering its costs while growing reserves. Mr. Snedeker noted that the Third Party Administrator change has slowed the payment of claims some so the fund balance might drop for a few months.

Mr. Hinrichsen noted that the County needs to look at the fact that the cost of the health insurance to the County has doubled since 2009. Mr. Snedeker clarified that the census of the Health plan has increased significantly, the rates have held relatively steady compared to the general population. Mr. Hinrichsen discussed that indirect costs for labor has increased significantly. Mr. Snedeker noted that most of the employees are now covered by the Health Care plan, as a result the plan cost should not have a dramatic increase like it did several years ago. Mr. Snedeker noted that the county is relatively generous in its share of the Health insurance cost. Mr. Hinrichsen asked about if a spouse has coverage elsewhere. Mr. Booth stated the plan will not cover spouses who have group coverage available to them through their employer, they can only be on the Medical Reimbursement Plan (MRP) which means the employee is also on MRP and not Major Medical.

Mr. Hinrichsen noted that the committee should look at a five year plan of costs.

Mr. Hill discussed that the taxpayers who are struggling with Health insurance costs should not have to shoulder a sweet deal for county employees.

Mrs. Andrews discussed that the General Corporate Levy has not increased in the last 3 years, other fund levies have increased but the General Corporate Levy has not gone up and the bulk of health insurance comes out of the general fund. She noted there is \$7.2M in the general fund, it was \$6.8M in 2015. She also noted that the county must not be paying the employees very much if the indirect cost is almost as much as the direct cost. The starting union rate is \$13.45 per hour, she struggles to find new employees due to the pay. Mrs. Jording discussed that a family could end up paying \$12,900 out of pocket while making \$13.00 per hour. The discussion was that the County has to walk a line of low pay and benefit. Mr. Shreffler

discussed borrowing against the fund balance since the employees have contributed a portion of those funds. Mr. Snedeker discussed that the mathematical calculation could be done but legally it is likely all the County's money. Mr. Glazier expressed concern over the possibility of using the Fund for other things. Mr. Snedeker noted that could cause the plan to run short and increase premium costs. Mr. Snedeker noted that the premium increases have been stable for the last several years however if the plan has several bad years there will be large increases again.

6. Appointments

7. Old Business

8. New Business

- a. County Board Action Follow-up (monthly item)

Three member's appointments were forwarded to the full board in December and were approved. Appointment certificates were given to those members.

- b. Appointment of Civil Rights Coordinator

Mrs. Andrews and Mrs. Harms discussed that this is a new ACA requirement due to the County receiving Department of Health and Human Services funds at the Health Department. Mr. Glazier made the motion to appoint Mrs. Andrews as Civil Rights Coordinator, seconded by Shreffler. *Motion Carried.*

- c. Tria Update

Mrs. Andrews provided the Tria update (attached) showing the saving realized as a result of the Tria program.

- d. CoreSource Service Agreement

Mrs. Andrews noted that the County has already switched to CoreSource, the signing of the agreement needs to be accomplished. The agreement has been reviewed by the State's Attorney's office and he has approved the agreement. Motion to send to full board for signature made by Hinrichsen, seconded by Schulz. *Motion Carried.*

9. Other

- a. CoreSource transition update

10. Executive Session (if necessary)

11. Any Action Coming Out of Executive Session

12. Set next meeting date

- a. February 15 at 3pm

13. Adjournment at 4:22

Motion to adjourn made by Hinrichsen, seconded by Glazier. *Motion Carried.*

Submitted by: Lisa Jording

Melissa Andrews, Chairman
Health Care Committee

Date