

**CHAMPAIGN COUNTY
Health Insurance Committee Minutes**

**Tuesday, January 15, 2013 – 3:00pm
Jennifer K. Putman Meeting Room
1776 E. Washington St., Urbana, IL**

MEMBERS PRESENT: Christopher Alix, Donna Blumer, Deb Busey, Barb Doyle-Little, Debbie Mennenga, Michelle Mennenga, Elizabeth Murphy, Amanda Tucker, Debi Young

MEMBERS ABSENT: Brent Frye, Stan Harper, Josh Jones, Tea Jones, Brian Mennenga, Brad Morris, Josh Reifsteck, Ed Sexton, Steve Ziegler

OTHERS PRESENT: John Malachowski, Linda Lane (administrative assistant), Vendor of wellness program

CALL TO ORDER

D. Busey called the meeting to order at 3:00 pm. Busey stated that agenda item III. would be moved behind item V. due to a non-member in attendance.

APPROVAL OF MINUTES

Motion by Tucker to approve the minutes of October 23, 2012, as presented; seconded by Doyle-Little. **Motion carried unanimously.**

UPDATE ON OVERALL 2013 BENEFITS IMPLEMENTATION

D. Mennenga discussed handout with total enrollment figures. Busey asked if that number included RPC employees. D. Mennenga said yes, it included all employees. She explained that the Health Reimbursement Account amount of \$1,200,000 is the amount if every employee participated, but the County has been running at about 15% of that. Malachowski asked if the 728 employees enrolled is the total enrolled in the medical plan. D. Mennenga said it was. Malachowski noted that the number stayed about the same, but where the changes are seen is in the dependent coverage.

Busey asked if there were any complaints or issues regarding open enrollment. D. Mennenga said there were the usual complaints about rates. She also noted there were a few glitches with the electronic enrollment, but they did not affect any employees' enrollment. She stated that there were four (4) employees that did not respond, after some reminders, and their coverage has been terminated. Busey asked how many attended the open enrollment meetings. D. Mennenga said about 200. Malachowski thought the addition of the vision insurance was the big driver for people to attend the meetings. Alix asked about the four (4) dropped employees with concerns. Tucker said she would like to see that those who have waived coverage have insurance elsewhere due to liability issues. Alix asked if someone could waive coverage without

proof of coverage elsewhere. D. Mennenga said they could. Busey stated that the County does not have a policy that requires proof of insurance if an employee waives County coverage. She then asked if it was known who waived coverage. D. Mennenga stated Nursing Home and Head Start employees. Alix noted that nothing can change without Board action and policy changes. Busey stated that this committee could make a recommendation to the Board about making that change. Murphy asked for the list of Head Start employees who waived coverage so they can look into it internally.

ONGOING DISCUSSION REGARDING WELLNESS PLAN

Busey noted that the discussion regarding a wellness plan started last fall. She said the plan currently does have wellness options and asked D. Mennenga what some of them were. D. Mennenga said smoking cessation was one and others are listed on Health Alliance's website. Malachowski said this group could look at the possibility of going beyond the "freebies" already offered by Health Alliance. He handed out a wellness readiness assessment that he would like each committee member to complete to determine if the County is ready to pursue a wellness plan. He asked that the surveys be returned to D. Mennenga within 10 days. He said Gallagher can make a presentation at the next meeting based on the results of the questionnaire and what other municipalities have done. Busey stated there currently is no formal plan and that costs needed to be considered as well as ways to move a program forward. Malachowski felt the costs would be easier to see once the County becomes self-insured because it is difficult to get cost breakdowns from Health Alliance. He felt the object would be to have Gallagher make a presentation in March showing a 3-5 year plan to implement a wellness plan. Busey felt that if the County were in a position to do so, that 2014 would be a good time to start a plan. Malachowski briefly explained the system that Gallagher uses. Murphy noted that RPC adopted a plan in 2008 and has had a lot of success with it. She noted that the paid day off is quite an incentive but that employees needed reminding often.

UPDATE FROM BENEFITS BROKER

Malachowski handed out a summary of plan usage for the past three (3) years. He noted that some totals may change due to some claims not being closed yet, but that the amounts would not change very much. He also noted that this was a bad year. Malachowski, on a positive note, stated that the HRA thru 12/31/12 had paid out about \$137,000, which is 16.4% of max budget. The budget was 20% and he thinks the final numbers will be around 18% due to the three (3) month period after the close of the year to get all benefits paid. Busey noted that there was quite a change from 2010/2011 to 2011/2012. Malachowski said some answers to that would be on the next handout he provided.

He stated that the first page shows the breakdown of which areas the claims have come from: inpatient, outpatient, ancillary, physician, and pharmacy. He noted that more people were in the hospital this year as well as having more doctor visits, but that pharmacy was down a bit. Malachowski moved to the second page explaining that this showed the large claims over \$100,000. He noted that the number of claims hadn't changed much over the years, but there was one very large claim this year by one person. He explained the third page breaks down the claims by number of members per claim amount range. He

noted that anything under \$1,000 is considered a low claim. Murphy asked if this was typical for this size group. Malachowski answered that it is very typical. Malachowski then stated that the fourth page show the discounts the County received, not including pharmacy, along with the amounts billed and the amounts allowed. He noted that the total amount billed was \$10.5 million, but because of the 56.8% discount from Health Alliance, the allowed claims totaled \$4.5 million. He stated that the discounts are essentially why the County is with Health Alliance and why it needs to stay with them. There are no other providers that can come close to the discounts that Health Alliance can offer. Malachowski stated that the discounts become more important as the County moves towards becoming self insured.

He stated that Health Alliance has contracted with the State of Illinois for the next seven (7) years, noting that as a good thing as it keeps the discounts high, but also a bad thing because the hospitals and clinics won't negotiate discounts with other providers.

Malachowski also reminded everyone that the renewal process will begin again in a few months.

Busey asked if there were any questions. There were none.

OTHER BUSINESS

Busey asked for any other business. Alix asked who the non-employee was. D. Mennenga answered that she is a wellness vendor. Malachowski knew of her and stated that what her company generally does is to set up on-site clinics at businesses. He noted that CVS and Walgreens have nurses and PAs at some sites now for minor issues with the goal that if a prescription is needed, the patient will fill it right then at their store. Alix said he would be interested in hearing more on this issue.

Busey stated that she felt the County should look at a wellness program as it is looking at becoming self-insured. Doyle-Little asked Murphy about the program they currently have in place. Murphy briefly described their program and what employees have to do in order to receive the opportunity for a paid day off, but said she could not say whether or not it has led to fewer employees being out sick. She did note that the incentive also improves office morale. Malachowski noted that some companies have quarterly giveaways as incentives, such as a small flat screen television. Busey thought the County could possibly use a combination.

Malachowski reminded everyone to please turn in the questionnaire to D. Mennenga.

ADJOURNMENT

Meeting declared adjourned at 4:03 pm.

Respectfully submitted,

Linda Lane
Administrative Assistant