



## ***Labor/Management Health Insurance Committee***

### ***MINUTES – APPROVED AS DISTRIBUTED 8/19/14***

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**Date:** Tuesday, August 12, 2014  
**Time:** 3:00 p.m.  
**Place:** Lyle Shields Meeting Room  
Brookens Administrative Center  
1776 E. Washington St.  
Urbana, Illinois

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#### **Committee Members**

**Present:** Chris Alix, Astrid Berkson, Doug Bluhm, Donna Blumer, Deb Busey, Barb Doyle-Little, Debbie Heiser, Josh Jones, Tea Jones, Angela Lusk, Michelle Mennenga, Brad Morris, Ed Sexton, Nora Stewart  
**Absent:** Stan Harper, Betty Murphy, Josh Reifsteck, Steve Ziegler  
**Others:** John Malachowski (Gallagher Benefit Services), Beth Brunk (recording secretary)

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#### Call to Order

Ms. Busey called the meeting to order at 3:02 p.m.

#### Approval of Minutes from July 22, 2014 Meeting

**MOTION** by Mr. Sexton to approve the July 22, 2014 meeting minutes from the Labor/Management Health Insurance Committee; seconded by Mr. Jones. Upon vote, the **MOTION CARRIED** unanimously.

#### Discussion of Insurance Options for 2015

Insurance Program Managers Group (IPMG) and the Intergovernmental Personnel Benefits Cooperative (IPBC) quotes have not changed from last month.

Health Alliance Medical Plans (HAMP) has reduced their quote to a 5% increase (\$270,000) over last year – this includes Affordable Care Act (ACA) fees and taxes. Starting in 2015, ACA mandates that all prescription co-pays aggregate toward the out-of-pocket limit. This will be an improvement in benefits because employees with medications will reach their \$3,000 out-of-pocket maximum sooner. The Committee agreed that the County's HRA program will not reimburse employees for prescription co-pays. Mr. Malachowski had HAMP price its fully-insured plan with an out-of-pocket maximum of \$1,750 to eliminate the need for the HRA, but the premium cost increased prohibitively.

The Committee reviewed higher drug card co-pays for tiers 2-6 (not including generic drugs – tier 1) in an effort to reduce the health plan premium. Mr. Malachowski commented that this would provide a marginal savings of \$107,676 for the County's health plan. This would affect only 14% of the prescriptions purchased through our plan – 86% of the drugs prescribed are generic. In the interest of compromise, Mr. Alix thought the prescription co-pays should stay at their current level since the Committee agreed to leave the HRA plan unchanged.

Mr. Malachowski anticipated receipt of HAMP's self-funded plan quote by next week. The Committee decided to meet next week to make a decision on the County's health insurance plan for 2015. The options being considered are HAMP fully-funded, HAMP self-funded and IPMG 12/12 option. The County Health Insurance plan recommendation to the County Board Committee of the Whole Policy Committee must be finalized in the next two weeks. For budgetary purposes, staff can assume HAMP renewal #2 numbers for the health insurance costs.

#### **Other Benefit Updates - Ancillary Health Plans**

**Benefit Planning Consultants (BPC) has reduced their administration fees** to \$4.90 from \$5.50 per employee per month. This is an approximate \$4,600 annual savings in fees for 2015.

The **Voluntary Vision Plan (Reliance Standard Vision)** – no change in rates for 2015

**Delta Dental** has two proposals: 1 year no change (2015) or 2 years at a 4% increase (2015-2016)  
Mr. Malachowski would recommend locking the rate for two years.

**Voluntary Life Insurance** – no change in rates – in second year of two year lock

**County Paid Life Insurance** – rate not confirmed but no change is anticipated

Mr. Malachowski will provide a report summarizing the ancillary plans next week.

Next Meeting

The next meeting will be Tuesday, August 19<sup>th</sup> at 3:00 pm in the Lyle Shields Meeting Room.

Other Business

None

Adjournment

Ms. Busey adjourned the meeting at 4:05 p.m.