

CHAMPAIGN COUNTY BOARD
LABOR MANAGEMENT HEALTH INSURANCE COMMITTEE
County of Champaign, Urbana, Illinois

MINUTES – APPROVED AS DISTRIBUTED ON AUGUST 9, 2016

DATE: Tuesday, August 2, 2016
TIME: 2:00 p.m.
PLACE: Lyle Shields Meeting Room
Brookens Administrative Center
1776 E Washington, Urbana, IL 61802

Committee Members Present: Chris Alix, Donna Blumer, Brent Frye, Barb Doyle-Little, Debbie Heiser, Tea Jones, Angela Lusk, Barb Mann, Matt McCallister, Michelle Mennenga, Brad Morris, Betty Murphy, John Naese, Tami Ogden, Dwayne Roelfs, and Rick Snider.

Committee Members Absent: Astrid Berkson, Stan Harper, and Josh Reifsteck.

County Staff: None

Others Present: John Malachowski (Gallagher)

Call to Order

Mr. Snider called the meeting to order at 2:05 p.m.

Approval of Minutes from July 19, 2016 Meeting

There was a Motion by Mr. Frye to approve the July 19, 2016 meeting minutes from the Labor Management Health Insurance Committee; seconded by Ms. Lusk. Upon vote, the MOTION CARRIED unanimously.

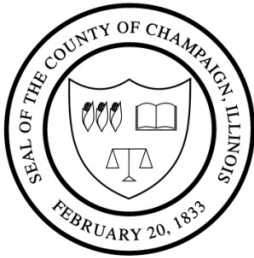
Discussion

Mr. Malachowski stated Gallagher has not received quotes from any additional carriers. Requests were submitted to Aetna, Blue Cross/Blue Shield and United Health Care. Each of these carriers have asked questions and requested clarification, but have not even submitted a preliminary proposal. All have indicated they believe they can produce numbers this group will want to look at. They believe they can give a competitive bid. He thinks that each of these carriers would love to take a flagship account like the County away from Health Alliance. He stated that of all the plans available, the Aetna/Coventry plan will “look” closest to the coverage currently provided by Health Alliance.

Mr. Malachowski commented that negotiations with Health Alliance regarding their renewal proposal continue. Gallagher’s underwriting department is reviewing all the numbers for accuracy. Mr. Malachowski does not expect Health Alliance to come back with a much smaller number (increase). He stated an aggressive proposal will likely be 30% OVER the current cost.

Mr. Malachowski reviewed last year’s process/renewal. He reminded the committee that the initial renewal quote from Health Alliance came in at 15%. The County switched from a PPO to an HMO to help mitigate the increase. There was discussion regarding the County’s claims in the last twelve months. Less than 50% of the County’s covered employees have claims less than \$500.

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The committee discussed options to help reduce costs. According to Mr. Malachowski, the limitation created by the Affordable Care Act (ACA) is a large factor. There has to be a maximum exposure (out of pocket) of \$13,700 per family. The current County plan is already at \$11,000. The fines for ACA non-compliance would actually be less expensive for the County, than the money it spends to offer insurance to its employees at the current level of coverage. Ms. Murphy stated the IL exchange is projected to ask for a 45% increase for next year. Ms. Mann asked whether the County could reimburse employees for the coverage they choose, individually. Mr. Malachowski replied that the ACA made that illegal.

The group also discussed the Intergovernmental Personnel Benefit Cooperative (IPBC). According to Mr. Snider, there are some other counties who did not have a positive experience with it.

There was discussion regarding the option of offering multiple plan options to employees. The group also talked about coverage by a smaller network.

Other Business
None

Next Meeting
Meetings will tentatively be scheduled for the next four weeks. The next meeting will be held on Tuesday, August 9, 2016.

Adjournment
There was a Motion by Mr. Alix to adjourn the meeting; seconded by Ms. Little. Upon vote, the MOTION CARRIED unanimously. Mr. Snider adjourned the meeting at 3:30 p.m.