



Labor/Management Health Insurance Committee

MINUTES – APPROVED AS DISTRIBUTED ON 10/20/15

Date: Tuesday, August 18, 2015
Time: 3:00 p.m.
Place: Jennifer Putman Meeting Room
Brookens Administrative Center
1776 E. Washington St.
Urbana, Illinois

Committee Members

Present: Chris Alix, Deb Busey, Stan Harper, Josh Jones, Tea Jones, Barb Doyle-Little, Angela Lusk, Barb Mann, Michelle Mennenga, Brad Morris, Betty Murphy, Tami Ogden, Dwayne Roelfs, Nora Stewart
Absent: Astrid Berkson, Donna Blumer, Debbie Heiser, Josh Reifsteck
Others: John Malachowski (Gallagher Benefit Services), Tammy Asplund (recording secretary)

Call to Order

Ms. Busey called the meeting to order at 3:01 p.m.

Approval of Minutes from August 11, 2015 Meeting

MOTION by Ms. Stewart to approve the August 11, 2015 meeting minutes from the Labor/Management Health Insurance Committee; seconded by Ms. Doyle-Little. Upon vote, the **MOTION CARRIED** unanimously.

Review of FY2016 Health Insurance Proposals

Mr. Malachowski provided handouts and informed the group that Blue Cross/Blue Shield has not yet submitted a proposal. He noted the costs represented in the handouts are gross costs; not subtracting any employee contribution. They are static numbers, based on the employee headcount at the time of the first proposal was reviewed. Health Alliance remains firm on the number proposed for Renewal #2; indicating claims support that number.

Health Alliance has proposed an additional HMO option (5000a). Mr. Malachowski reviewed the parameters of this plan; compared to the current plan. Discussion followed regarding the timing of claims, examples of coverage, deductibles, copayments, and the HRA.

Mr. Malachowski believes this plan makes good economic sense for the county. The current plan Renewal expense is approximately 6.9M; compared to 6M for the HMO 5000a. This translates to a 2.74% increase (not the 2.32% shown on the handout). Mr. Malachowski apologized for the error in the formula. There was conversation about the increase in HRA and the path to self-funding. Unused (annually) HRA funds carry over.

Ms. Busey also provided a handout illustrating the impact to the premiums of the proposed plans; based on each bargaining agreement.

According to Mr. Malachowski, all the current “in network” providers will also be “in network” for the HMO 5000a plan. Discussion followed regarding referral requirements, coverage for college students, the definition of “emergency” care, and coverage for retired county employees. Health Alliance has a process in place to address retiree coverage (out of state) and the plan is not impacted unless 10% of the entire covered group resides out of state. It was also noted that any new insurance plan will not take effect until January 1, 2016.

The Cadillac Plan Tax was also talked about. Mr. Malachowski reiterated that the cut-off for this is \$850 per employee (per month) for single coverage. The renewal (of the current plan) would translate to \$806; putting the county very close to that cut-off. There is mounting bi-partisan support in Washington to eliminate the Cadillac Plan Tax. Unfortunately, that would eliminate a lot of funding for the Affordable Care Act.

Recommendation for Approval of FY2016 Health Insurance Plan

MOTION by Mr. Jones to recommend HMO Plan 5000a proposed by Health Alliance; seconded by Ms. Stewart. Upon vote, the **MOTION CARREID** unanimously.

The group requested a meeting prior to open enrollment (scheduled for November); and a handout to provide to employees to summarize the changes. Mr. Malachowski agreed to work with Debbie Heiser to create a document to present to the committee for review at the next meeting; leaving time for changes if necessary.

Other Business

None

Next Meeting

The meeting scheduled for Tuesday, August 25th is cancelled. The next meeting is scheduled for Tuesday, September 1, 2015.

Adjournment

Ms. Busey adjourned the meeting at 3:54 p.m.