



**Champaign County  
Labor Management Health Insurance Committee  
County of Champaign, Urbana, Illinois**

**MINUTES –APPROVED AS DISTRIBUTED ON JULY 25, 2017**

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**DATE:** Tuesday, July 11, 2017  
**TIME:** 2:00 p.m.  
**PLACE:** Lyle Shields Meeting Room  
Brookens Administrative Center  
1776 E. Washington, Urbana, IL 61802

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**Committee Members**

**Present:** Donna Blumer, Tea Jones, Shantall Jones, Angela Lusk, Matt McCallister, Michelle Mennenga, John Naese, Paula Bates, Debbie Heiser, Barb Mann, Betty Murphy, Tami Ogden, Barbara Ramsay, Dwayne Roelfs, Rick Snider, Steve Summers

**Absent:** Josh Reifsteck, Josh Jones, Stan Harper, Robert King

**County Staff:** Tammy Asplund (Recording Secretary)

**Others Present:** John Malachowski (Gallagher)

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**MINUTES**

**I. Call to Order**

Mr. Snider called the meeting to order at 2:03 p.m.

**II. Approval of Minutes – May 16, 2017**

**MOTION** by Ms. Tea Jones to approve the minutes of the March 21, 2017 meeting; seconded by Ms. Lusk. Upon vote, the **Motion Carried Unanimously.**

**III. 2017 Health Fair Report**

Ms. Heiser stated 89 employees attended the event on June 13, 2017. The Auditor and Treasurer's offices had 100% participation. The event gave away 26 door prizes. AFSCME donated \$200. The event cost \$1,257.05 total.

**IV. Discussion - Renewal**

Mr. Malachowski provided a handout showing the process for rate development. He stressed the importance of understanding this is a standard process and formulation used by the insurance industry for renewals. Mr. Malchowski noted national trend numbers, which is a medical cost inflation rate. According to Gallagher, medical claims are trending at 7percent and pharmaceutical claims are trending at 15 to 20 percent. Mr. Malachowski explained the reason for two different proposed rates. In 2017, there was a moratorium on Affordable Care Act fees. Since it is unknown what will happen with ACA in 2018, there are proposed rates for either scenario (with or without ACA fees). The ACA fee charges the insurance company approximately 4 percent of the premium.

Mr. Malachowski provided a handout with the preliminary renewal figures for the County's current health insurance policy through Health Alliance. Health Alliance proposes a 10.85 percent increase if the ACA fees are required in 2018 and a 6.95 percent increase if the ACA fees are NOT required in 2018.

Mr. Malachowski informed the committee that Aetna will not submit a proposal to the County for 2018. He believes that Blue Cross Blue Shield and United Health will submit proposals.

The committee discussed potential benefit and deductible changes that could potentially reduce premium costs. Mr. Malachowski responded to a question by Ms. Ogden regarding pharmacy charges by saying the pharmacy portion of coverage could be changed to reduce the rate.

Mr. Malchowski noted the Cadillac Plan Tax is postponed until 2025. The Cadillac Plan Tax was originally supposed to go into effect in 2018, as part of the Affordable Care Act. Mr. Malchowski explained this is a 40 percent tax on the value of a health plan above a certain number. The tax was designed to penalize employers who offered “too rich” a health plan to its employees.

The committee discussed Health Alliance’s recent addition of available coverage for college students who live outside Champaign-Urbana.

**V. Next Meeting**

July 25, 2017 at 2:00 p.m.

**VI. Adjournment**

Mr. Snider adjourned the meeting at 3:14 p.m.