

Minutes approved 11-08-12



Insurance Review Committee Meeting

McKenzie Building – Jury Room

Thursday, July 12, 2012 – 3:00 p.m.

Committee Members Present: Chairman Zimmerman, Daymon Aeilts, Monica Connett, Janet Johnson, Tim Neuhauser, Julie Young

Committee Members Absent: Jim Carius, Chris McKinney, Jennifer Norman, Jennifer Stanton, Patti Timian

Others Present: County Administrator Michael Freilinger, Payroll Administrative Clerk, Teresa Melvin

MOTION

MOTION BY JOHNSON, SECOND BY YOUNG to approve the minutes of the December 08, 2011 meeting.

On voice vote, MOTION CARRIED.

Chairman Zimmerman shared the HCH Administration, Inc. Claims by Month and Claim Type with the Committee. Chairman Zimmerman stated that in the past there was a year to year comparison and he would like to see that report again. Neuhauser stated that it had previously been completed with a three year look-back.

Chairman Zimmerman stated some issues that were outstanding from the last meeting were to be discussed. The sixty day wait period to come on board with the Tazewell County Health plan was discussed. County Administrator Freilinger stated that the proposed changes were a result of the Affordable Care Act and how that does away with pre-existing conditions and therefore, no need to delay. The affordable Care Act is now part of our plan which is a good change. Now the coverage begins the first of the month after the start date. Melvin stated there has been no change yet. They will implement effective 12-01-12 at the beginning of the new plan year. Melvin also understood that the recommendation to do so needed to come out of the Insurance Review Committee.

Chairman Zimmerman stated at the next meeting this will be acted on. Freilinger stated he will make sure there will be a recommendation to the full Board so it can be effective with our new enrollment year.

Young asked if the premium discussion needed to be planned. County Administrator Freilinger stated that he was going to start the review

process earlier this year. He stated it had been past practice to adopt the budget in November. He is developing the schedule at this time. One of the major budgeting components is insurance costs. He stated there will not be as much of a claims history for a precise estimate. He stated that is not necessary to establish costs. He stated to plan for the worst and any savings would go into the reserves fund to hold down premium cost in the future.

Young asked if the reserve fund was still healthy. Neuhauser stated that there is plenty in the reserves. The claims from 2012 have come out of the cash flow and not reserves.

Johnson had questions on the 60 day waiting period. She asked about hiring an employee at the end of the November and their insurance then would not start until March. Melvin stated that those affected would be given ample notice.

Another issue that was discussed was the vision year is a two year plan that starts on the fiscal year (12-01 through 11-30) and the medical deductible is the calendar year (01-01 through 12-31). Johnson stated this is confusing to employees. Neuhauser stated this is something that cannot be changed as deductibles are on the calendar year.

Neuhauser suggested doing a payroll stuffer to explain to employees. Johnson stated the confusion is that the vision plan is for two years. There is no statement generated advising employees what benefits remain. The only statement obtained is an EOB when benefits are used. Freilinger stated this may be an issue that an HR Generalist could resolve.

The open enrollment form 125 was discussed. Johnson stated she had discussed the form with Melvin. There had been some confusion in the fiscal year and the calendar year. County Administrator Freilinger stated that the format of an insurance policy cannot be customized. He stated that an open enrollment orientation would be important to have in October. This would provide employees to speak to vendors and have questions answered from staff. He stated that an HR Generalist could make a presentation on the changes and advise employees what decisions they would need to make.

Melvin stated that some things on the 125 form, such as the Flexible Spending and AFLAC are on the calendar year and the insurance premium is on the fiscal year. The 125 form may need an adjustment.

Young asked about the Health Fair. The dates are not yet known. Employees will be advised when they are established. There was discussion on the premium discount. Melvin stated last year there was confusion on what was needed to receive a \$5 discount on their premium.

There is a Health Fair which is in conjunction with the City of Pekin. In order to qualify for the discounted premium, the employee must participate in the Health Risk Assessment portion of the Health Fair. This year the communication needs to be made clear as to what is needed to qualify for a premium reduction.

Chairman Zimmerman clarified that at the next meeting there will be comparative HCH details, a resolution to eliminate the 60 day waiting period to be included in the Tazewell County Health Plan and premium information. The Committee will also be provided with a Health Fair Date and there will be clear communication to employees.

Johnson stated that employees need to get their flu shot through the TCHD prior to the Health Fair. The cost for receiving it at the Health Fair is higher than if received through the TCHD.

Chairman Zimmerman recessed the meeting at 3:45 p.m.