

AFFORDABLE EMPLOYEE HEALTH CARE (AHC) COMMITTEE MINUTES
County Board Room, Oneida County Courthouse
September 28, 2020 1:30 p.m.

AHC COMMITTEE MEMBERS PRESENT: Dave Hintz – Chair, Billy Fried – Vice Chair (County Board); Lisa Charbarneau (LRES); Tracy Hartman (County Clerk); Erin Bjorkman (Sheriff’s Office); Darcy Smith (Finance)

ALSO PRESENT: Jenni Lueneburg (LRES); Jacob Syndergaard (Cottingham & Butler)

CALL TO ORDER AND CHAIRMAN’S ANNOUNCEMENTS

Hintz called the AHC Committee to order at 1:30 p.m. in the County Board Room of the Oneida County Courthouse. The meeting has been properly posted in accordance with the Wisconsin Open Meeting Law, and complies with the Americans with Disabilities Act.

Hintz notes that the goal of this meeting is to determine the 2021 budget amounts needed for the health plan, but the Committee will not determine the final 2021 health plan and design at this time.

APPROVAL OF AGENDA

Motion by Hartman to approve today’s agenda. Second by Charbarneau. All Committee members present voting ‘Aye’. Motion carried.

PUBLIC COMMENTS

No public present for comments.

PRESENTATION/DISCUSSION: 2021 HEALTH INSURANCE PROPOSALS AND POSSIBLE PLAN DESIGN CHANGES

Syndergaard states he went out for bids on both self-funded, trust and fully funded plans. For self-funded providers, four carriers declined to quote. The one self-funded carrier that would quote was SunLife and though the renewal came in 6% below renewal, the maximum plan exposure was estimated to be about \$1.5 million above renewal. Syndergaard provided the range of estimated plan costs to go self-funded from \$4,201,921 to 5,940,503 based on claims experience. Syndergaard feels based on this information, it would not be wise for the county to go self-funded at this time due to the number of high claimants on the plan and the significant risk the county may potentially take on.

Syndergaard discussed reference based pricing which he feels could potentially be the future of health insurance. The pros of referenced based pricing include a potential cost savings to the county of \$781,310 and a flexible plan design that would allow for unique better cost options. The cons of referenced based pricing include the unresolved balance of medical bills would be the employee’s responsibility which could cause financial hardship, collections/credit issues and added employee confusion on the plan. Syndergaard sees the value of reference based pricing but feels the lack of providers, added confusion and uncertainty may make this type of plan difficult to implement at this time. In the future, if the county could find a good referenced based pricing administrator that would specialize in assisting employees with the balance billing issues, this could potentially be a good cost savings model but the county would still need to weigh the risk of potential added financial risk to employees.

Syndergaard reviewed the fully insured quotes received. WEA Trust declined to quote. The current company, GHT (Group Health Trust) gave a renewal at a 9% increase, WPS provided a 24% increase, Aspirus HMO provided a 3% increase, Aspirus POS gave a 13% increase and Security Health gave an 8% increase. Syndergaard notes that Aspirus HMO could provide a 0% above renewal if the county eliminated

PRESENTATION/DISCUSSION: 2021 HEALTH INSURANCE PROPOSALS AND POSSIBLE PLAN DESIGN CHANGES (continued)

the near-site Erdmann Clinic from the plan. Based on quotes, Syndergaard feels the two best choices would be between Aspirus HMO or stay with the current provider, Group Health Trust. Syndergaard noted that his firm approached every possible insurance carrier in the market and many were not willing to quote based on claims history. Syndergaard also notes that the companies that did provide a quote were not willing to offer a two-year price quote.

Syndergaard further reviewed the GHT and Aspirus HMO plan proposals. Both plan designs would be very similar but deductible and out-of-pocket maximums for the family plan would be changed so both the Limited and Family plans would use the Limited plan deductibles and out-of-pocket maximums. Syndergaard further discussed Aspirus's offer to come in at 0% if the Erdmann near-site clinic was not included on the plan. Syndergaard suggested looking at adding the Erdmann Clinic membership model to the plan at \$60 per month adults and \$15 per month for children as an alternative to the 3% increase. Syndergaard led an in-depth discussion on introducing a no copay prescription drug plan to save the plan further, then introducing an HSA account to replace the HRA and MERP funding. Syndergaard provided further information on the bidding process.

Syndergaard discussed options regarding his commission compensation. Syndergaard states normally he would set a 1% commission rate that is already built into the renewal quotes. Syndergaard offered the alternative option to remove the commission rate from the premium and instead be paid per enrolled member, which he felt, was more appropriate. Syndergaard notes that many groups do not like the pay per member commission structure since it's an extra invoice to pay each month. Yet Syndergaard feels the pay per enrolled employee option would only reimburse him for employees actually enrolled on the plan and his firm would offer year-round services to the employees to help with claims issues and plan questions. In-depth discussion held regarding health enhancement programs, tobacco surcharges and wellness incentives. Fried asked when Aspirus needs an answer to their bid; Syndergaard says the end of October would be ideal but Aspirus can be flexible.

RECOMMENDATIONS TO LRES COMMITTEE FOR 2021 HEALTH INSURANCE

Discussion held regarding using the Aspirus HMO plan at a cost of 3% above 2020 costs for the 2021 budget numbers. When including Priority Medical Partner fees, the Committee agrees to use \$150,000 as the figure to be added to the 2021 budget for health plan cost increases. Further discussion held.

NEXT STEPS FOR THE COMMITTEE

Hintz feels this Committee should discuss the following items at the next meeting: HRA (Health Reimbursement Accounts), MERP (Medical Expense Reimbursement Program); HSA (Health Savings Accounts), deductibles, out-of-pocket maximums and wellness/health enhancement programs. Hintz feels the topics of referenced based pricing and free market medical can be left off the next agenda but will be looked at in the future once deadlines are done for the 2021 health plan.

Discussion held regarding which commission payment option to use for the benefits consultant. Hartman feels that if the commission is included in the premium, technically the consultant works for Aspirus whereas if the commission is taken out of the premium and paid directly by the county, the consultant works for the county. Hintz does not want to schedule a meeting for this Committee next week due to budget hearings but feels this Committee should meet again the following week to continue with discussion items. Fried would like to see the Committee further discuss health enhancement options at a future meeting. Overall, Fried feels this Committee has made a lot of headway and hopes to continue the momentum, even if it requires getting approval by the County Board to continue past the October 1st end date.

FUTURE MEETING DATES

To be determined

FUTURE AGENDA TOPICS

HRA (Health Reimbursement Accounts)
MERP (Medical Expense Reimbursement Program)
HSA (Health Savings Accounts)
Deductibles and Out-of-Pocket Maximums
Wellness/Health Enhancement Programs

PUBLIC COMMENTS

No public present for comments.

ADJOURNMENT

Hintz announced the adjournment of the AHC Committee meeting at 3:40 p.m.

/s/Dave Hintz
Dave Hintz, Chairman

10-09-2020
Date

/s/Jenni Lueneburg
Jenni Lueneburg, Committee Secretary

10-09-2020
Date