

INSURANCE COMMITTEE MINUTES

Members in Attendance: Jack Richie, Chairman
Col. Mike Brown, Highlands County Sheriff
Karen Kensinger, Supervisor of Elections
Wendy Jacobs, Tax Collector Alternate
Jerome Kaszubowski, Clerk of Courts
Estela Patrick, BCC Employee Alternate
Omar DeJesus, Sun 'N Lake of Sebring Improvement District
Dusty Johnson, Public Citizen
Vicki Pontius, BCC Retirees
Peggy Chapman, Property Appraiser

Others in Attendance: Pamela Rogers, BCC Human Resources
Rebecca Cable, BCC Human Resources
Chris Benson, BCC Business Services Director
Haydeliz High, Tax Collector
Belinda Decker, Clerk of Courts
Becky Bice, Clerk of Courts
Robin Riley, Brown & Brown/PRIA

The meeting was called to order at 10:01 A.M. by Commissioner Richie, Chairman.

The announcement sheet was read by Commissioner Richie.

Dusty Johnson made a motion to approve the minutes of the May 17, 2018 Insurance Committee Special Meeting. Mike Brown seconded. All members voted "aye," the motion carried.

Rebecca Cable notified the Committee that the Sheriff appointed Col. Mike Brown to represent the Sheriff's Office for this meeting as the Regular and Alternate Members were both unable to attend.

Robin Riley, Brown & Brown/PRIA:

Robin Riley walked the committee through the second renewal document she sent to the Committee. Florida Blue's Stop Loss renewal went from a 6% increase down to 5% at the same Stop Loss threshold of \$200,000. The Committee asked at the May 17, 2018 if it would be a benefit to raise the Stop-Loss threshold to \$225,000 or \$250,000 to impact the increase. Robin provided these numbers and stated it would not be in the best interest of the County to increase the Stop Loss threshold as it increases claims liability (see next section for motion).

Page 3 and 4 of the document has the renewal options for our basic, voluntary and retiree Life Insurance. The current carrier, Minnesota Life, has proposed no rate increase for employees and a five-year rate guarantee. The proposal from Florida Combined Life is proposing to match Minnesota Life's current employee rates with a two-year rate guarantee and a one-time Wellness Grant of \$25,000. Vicki Pontius pointed out that the Florida Combined Life retiree rates were higher than the current rates. However, Minnesota Life is proposing a 61% rate increase with the retiree renewal (from \$1.24 per \$1,000 to \$2.00 per \$1,000), where Florida Combined Life is proposing a rate increase of 30% (from \$1.24 per \$1,000 to \$1.61 per \$1,000) for retirees. So premiums would go from \$6.20 per month to \$8.05 per month. Jerome Kaszubowski asked if it would be possible to go with a different vendor for retirees and employees. Robin stated all of the products must be through the same vendor.

Omar DeJesus asked if the age 75+ bracket could be removed since we really don't have any need for it. Robin stated she would go back and ask to have it removed (see below for motion).

Health Insurance Renewal – 2nd review of options: Robin referred the Committee back to the previous month's renewal options (attached to the May 17, 2018 Minutes as "Exhibit B"), and page 2 of the current renewal with the HSA option as requested in the previous Committee Meeting. Robin walked the members through the plan features, then stated if the cost of the HSA plan were lower than the current costs it could be used to potentially fund the HSA. In this case, there would actually be a 2% increase over current costs to offer this plan so it would not be a good option.

Robin addressed Exhibit B, which illustrates the changes to the plan that would be needed to reduce the increase from 19% to 9%.

The Committee addressed the additional plan presented by Robin at the last meeting. The 5771 could be a potential third option for employees. It would be a "mid" plan (between the 5360 Base Plan and the 3564 Buy-Up Plan). Committee members alternately discussed removing one or the other of the current plans and replacing it with the 5771.

Dusty Johnson stated we should determine funding options first and then worry about which plan(s) to keep/change, etc. Peggy Chapman asked a question regarding what the Employer is funding now. Rebecca Cable explained the funding structure currently in place, where new hires after 9/1/2017 pay the higher rates (the increase from last year) and pre-September 1, 2017 employees did not have an increase.

Chairman Richie asked for feedback from all of the Agencies:

Jerome Kaszubowski from the Clerk of Courts felt the structure should stay just like it is, that long-term employees should retain the "free" plan and the agencies should pick up the cost. Jerome also spoke to Bob Germaine (the Clerk of Courts) and he believes current employees should have a "free" plan as well.

Mike Brown from the Highlands County Sheriff's Office (SO) presented that agency's position. The SO would like to keep the plans in place that we have. Recruiting is an issue, the SO is competing with a lot of Counties that have higher salaries, etc. and when they pitch benefits the free

plan is a good tool to use. However, Col. Brown also did not think it was fair to just put the cost on the new hires. Looking at plan options, he does not feel asking all employees on the Base Plan to contribute \$25.00 would be a bad idea. He concurs with many of the thoughts of the other agencies, however he feels each agency has its own unique structure and it is difficult to apply one strategy to all successfully.

Peggy Chapman from the Property Appraiser's Office stated Mr. McIntyre (the Property Appraiser) feels very strongly that there should be a "free" plan for employees and his agency would pay for it from their budget.

Dusty Johnson felt the taxpayers should not be paying for everyone's health insurance. There should be some "skin in the game" from the employees. He felt asking employees to pay \$25.00 is justifiable and would help out the reserve.

Omar DeJesus asked if there is a way to see what the individual agencies contribute and that way they can see what would have to be funded by each agency.

Chris Benson, Business Services Director for the BCC, stated the Board will be looking at Constitutional budgets and they will need to cut costs in other areas if they intend to cover the employee health premiums. Unfortunately, the option of taking money from any health reserve account is not viable this year so it is likely that the increase will have to be passed on to employees.

Recommendations Needed:

Keep High Mark as our Stop Loss Carrier or Switch to a New Carrier:

Dusty Johnson made a motion to continue with High Mark and accept the revised renewal with the 5% increase. Vicki Pontius seconded. All members voted "aye," the motion carried.

Keep Minnesota Life as our Basic and Voluntary Life Insurance:

Dusty Johnson made a motion to accept the Florida Combined Life proposal for basic and voluntary life insurance for employees and retirees with the Age 75+ bracket removed. Estela Patrick seconded. All members voted "aye," the motion carried.

Health Insurance Renewal – Additional Plans or Options:

No motion at this time.

The Committee tasked Robin Riley with bringing back a presentation that included all three plans (5360, 5771, 3564) on one sheet of paper, blown up large enough it can be easily read and that way the benefits and drawbacks of each can be discussed more easily. Jerome Kaszubowski also requested the information be put up on the projection screen so it can be seen by the public as well.

Funding Options:

No motion at this time. This topic will be discussed in more detail at the June 14, 2018 meeting.

The next Insurance Committee Meeting will be held June 14, 2018, 10:00 AM.

There being no further business, Chairman Richie adjourned the meeting at 11:28 AM.

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