

On Monday, July 8, 2013, at 11:30 a.m., the Iron County Board of Commissioners, meeting as a Committee of the Whole, met with the Elected and Appointed officials to discuss the employee insurance/health care costs. Vince Rose of Employee Benefits was present to answer questions. Personnel Chairman Ray Coates called the meeting to order. The Pledge of Allegiance to the American flag was recited. County Clerk Joan Luhtanen called the Roll of Board Members. Present were: Patti Peretto, Tim Aho, Jim Brennan and Coates. Absent was Carl Lind. Brennan made a motion, seconded by Aho, to approve the Agenda. On Voice Vote, the motion carried. A hand out was provided that included the coverage and costs for the Corrections Officers, the Current Community Blue Plan 11, and other explanation of benefits.

Vince Rose stated that usually the employer establishes a budget and then through negotiations, a plan is developed that will fall into the premium area. Both Peretto and Aho stated that a budget number has to be known, until that is known, it is hard for employees to choose a plan. Brennan stated that for 2014, the County Board will have to "opt out," then perhaps start with a 90/10 share of costs. The plan could be adjusted in order to lower costs of the premiums; such as, going with a three-tier drug card, rather than the current two-tier option. Another option would be to go with U.P. Blue, where one would be "in network" anywhere in Michigan, but if one goes to another state, then it would be "out of network." Rose explained that if one has an emergency out of state, that would be recognized as being "in network," or if one has a full-time student who is out of state, there is additional paperwork that has to be filled out, but they would be covered at an "in network" rate. And, if one was referred to a doctor in a different state, and that it was "justified" it possibly could be covered as "in network." If a Michigan hospital had a clinic in Wisconsin, and one received services in Wisconsin, that would be considered "out of network." One could purchase a "rider" which would cost \$ 69 for one person, \$ 166 for two people and \$ 207 for a family, which would offer the coverage we currently have.

Questions were posed by Joetta Greig, Sue Strahan, Christine Valesano about the HRA account; (those funds could not be used toward the premium); the Elected and Appointed would be the first group affected. Rose stated that the County is looking for ways to keep costs down, but still help the employees. A change in the drug card could save the County 12%. A three-tier card would be \$7 (generic), \$ 35 (in formula) and \$70 (non-formulary). Most people would save since the current co-pay for generic is \$ 10. Emil Kezerle and Mark Valesano asked about the possibility of the County being self-funded and having a higher deductible. Melissa Powell asked if a "wellness program benefit," could lower costs, and that did not appear to do so.

For the State Public Act 152 calculation, only the payments made for the medical premiums/drug coverage/HRA benefit are considered. Dental and vision benefits are outside of the PA 152 formula. Rose also explained how the Affordable Health Care Act (Obama Care) deadlines have changed. Some benchmarks will not have to be reached until 2015. However, the County's bill for health care will go up 5 % to 8% in January 1, 2014, for a portion of the Affordable Health Care Act.

The consensus was that all the employees wanted to work on finding a solution. This is a very important issue. A volunteer committee will study the various options. It was suggested that a representative of each department be a part of the committee. Even though some of the union contracts are not due immediately, a "reopener" could be requested, and that way, everyone could have input. The deadline to sign up with Sue Strahan was set for Friday, July 12. The first scheduled committee meeting was set for Tuesday, July 16 at 9:00 a.m. The first meeting with Vince Rose was scheduled for Wednesday, July 24 at 9:00 a.m. The unions will be contacted by the Administration.

Peretto made a motion, seconded by Aho, to adjourn. On Voice Vote, the motion carried. The time was 1:12 p.m.

Personnel Chairman Ray Coates

County Clerk Joan Luhtanen