

“Unapproved”
Personnel and Insurance Committee Minutes
December 7, 2011 – 3:00 p.m.

Present: Chairman A. Johnson; Supervisors Collyer, Hargrave, Rowland, Peck, Sausville, Kinowski, Wright, Yepsen and Wood; Ryan Moore, Mgmt. Analyst; George Martin, Treasurer; John Panichi, Barry McNamara, Kyle Wessel, Benetech.

Chairman A. Johnson called the meeting to order and welcomed all in attendance.

On a motion made by Mr. Hargrave, seconded by Mr. Rowland the minutes of the November 2, 2011 meeting were approved unanimously.

Mr. Kalinkewicz gave a brief overview of the monthly Self-Insurance Report, stating that the cases for the year are down as well as expenses.

Mr. Johnson said at the November committee meeting Benetech consultants were in attendance to speak about the renewal with Blue Shield. At that time they were asked to go back and look at the plans and programs and to come back to the committee with some recommendations on how the county might be able to save money.

Mr. Panichi from Benetech gave a brief overview of the county insurance plan as of today and what changes could be made to lower the County’s costs for health insurance. He stated that the plan they are recommending is conservatively estimated at approximately \$1.4 million for Medical and \$77,000 for Dental. Mr. Penicci said that what they are recommending is a reasonable and prudent approach because they know what the risk is and they are able to mitigate the risk with the stop loss. Mr. Panichi said what is being recommended is something that most counties in the State are already doing.

Mr. Kinowski asked if there has ever been a comparative analysis of other companies that provide similar health care services with similar benefits? Mr. Panichi said this has been out to bid on several occasions. He said to do a comparative analysis of other companies they would have to look at discounts, which would require claim files for all providers along with what the cost base of the claims are. In the time frame that we have there wouldn’t be enough time to do all that, he said. Mr. Panichi said to do an RFP it would be a seven or eight month project.

Mr. Hellwig said the Health Insurance Program was last competitively bid in 2009. He said this is handled similar to the property and casualty insurance where the county generally stays with one carrier for three years and then bid it out. The contract this year was to exclusively negotiate with Blue Shield. As a result of everything that come up with the budget we have asked Benetech to go back and to come up with options that are typically not part of that agreement.

Mr. Hellwig said his position this year has been that the county absolutely needs to take a much closer look at everything beginning with contract negotiations. There is no question that there are opportunities to regain ground in what our costs are, but it takes time. Unfortunately, at this late stage of the game some of those options are difficult or impossible to get done. December 20, 2011 is the drop-dead date, so if there isn't anything changed between now and then with the tentative budget, it goes into effect as amended at the workshop, he said.

A motion was made by Mr. Rowland, seconded by Mr. Peck to authorize a renewal with Blue Shield for the ASO program. Mr. Hargrave was opposed. Motion passed.

A motion was made by Mr. Peck, seconded by Mr. Rowland to enter into a contract with Benetech Consultants for a total of \$72,450. Mr. Hargrave was opposed. Motion passed.

Mr. Johnson said there has been a lot of turnover with the retirement incentive, and the county has gotten away from management training. It was suggested that management training should be implemented again. Mr. Johnson suggested sending a survey out to Department Heads asking them what type of training they would like to see or need. There would be no cost in implementing the training, he said.

Mr. Kalinkewicz said the Personnel Office would construct the survey and then forward it on to the committee for their approval.

On a motion made by Mr. Hargrave, seconded by Mr. Collyer the meeting was adjourned.

Respectfully submitted,
Chris Sansom