

LAMAR COUNTY BOARD OF COMMISSIONERS
WORKSHOP MINUTES

May 16th 2017
6:00 P.M.

The meeting was called to order at 6:00 p.m. on May 16th, 2017. Present for the meeting were Chairman Glass, Vice-Chairman Horton, Commissioner Heiney, Commissioner Traylor, County Administrator Zellner and County Clerk Davidson. Commissioner Thrash and County Attorney Mayfield were absent for the meeting.

ShawHankins-Johnathan Shaw

Jonathan Shaw addressed the board stating that the loss ratio with Blue Cross Blue Shield was at 100 percent and that the high claims have driven the premiums up. There was \$835,000.00 in premiums paid and a little over \$845,000.00 paid out. Mr. Shaw said that because the county is in the ACCG pool, \$211,000.00 of these claims were pulled out with a major loss ratio of roughly 83.6 which took the county to the original renewal rate of 8.18. Mr. Shaw said “We don’t stop there. They perform an aggressive marketing strategy every year. If the county chooses to go with United Health Care instead of Blue Cross Blue Shield, the savings would be \$34,200.00 with a ratio going from 10.38 to 6.38.” Mr. Shaw went on to say that Blue Cross Blue Shield has a lot of advantages on a group of Lamar County’s size and is a favorable renewal. Mr. Shaw said that there are significant benefits to being in the ACCG pool and that staying with Blue Cross Blue Shield is conservative while going with United Health Care is an aggressive approach.

Mr. Shaw stated that if they go with Blue Cross Blue Shield and go out of network, the employee will have to pay out of pocket. The maximum deductible is \$7,150.00 and even if the employee has a million-dollar claim, the deductible stays the same. The most the employee would be responsible for is \$7,150.00. Commissioner Thrash joined the meeting by phone conference and stated that the employees of Lamar County are not taking advantage of the wellness checkups and when they find out things that are wrong it is too late. Mr. Shaw stated that 48 percent of the employees never took advantage of the wellness checkup. The employees are not taking care of their health with preventative physicals. Mr. Shaw said that less than 20 employees had a preventative checkup this past year and there is a great importance to implementing a wellness program.

The Blue Cross Blue Shield Options, on the base plan, eliminates the limit to office visits. The co-pay is \$30.00 for a regular medical doctor and \$60.00 for a specialist. There is a buy-up alternative option to consider with a \$25.00 to \$50.00 co-pay. There is a level 1 and a level 2 pharmacy with tiers for Generic, Brand Name and Specialty Drugs. The level 1 pharmacy is your mass pharmacists such as CVS, Walgreens, and Rite-Aids. If the employee uses a local pharmacist, the medicine could go up about \$100.00. The employee also has telemedicine options that they can use. The combined annual plan total is \$853,311.00. The combined annual cost difference is 1.99%.

The United Health Care option saves the county \$33,776.00 from the current county cost. This option has no current restrictions on drug coverage. The downside to going with United Health Care is the employee risks losing their preferred provider that is currently in network. However, all the major-medical providers that employees have seen this past year are on the list. The office visit co-pay for tier 1 is \$25.00 and the co-pay for tier 2 is \$30.00. Mr. Shaw again stated that there is a potential disruption in healthcare service if they choose United Health Care and if the county pulls out of Blue Cross Blue Shield, they run the risk of losing those claims that were pooled. The good thing with United Health Care is that it does provide a wellness program. The board could also choose the enhanced wellness program that the county pays for which is \$45,000.00. Mr. Shaw stated that if the board chooses United Health Care the county will need to provide some type of payroll incentive. If they don't go with the wellness program, it will cost the employee around \$100.00. The "reward" that the county will need to give the employee could vary between \$50.00 to \$75.00. Mr. Shaw said that if they go with the United Health Care Provider they will be out of the ACCG pool for two years. Mr. Shaw stated that even though United Health Care is an attractive option for the county, there could be a disruption to the employees. If they stay with Blue Cross Blue Shield, there is a 4 percent increase but if they go with United Health and their Wellness Program there is a 2 percent decrease. Mr. Shaw stated that with the wellness program there will be coaching provided. The training could be 3 to 10 times a year depending on the employee service needed. Mr. Shaw stated that the Wellness Program can't prevent things such as pre-mature births or cancer but if they go with an aggressive type of wellness program the county will save money. Mr. Shaw said that employees who are walking around with high blood pressure or diabetes can be treated and the only way to start a wellness culture is to change to an aggressive type of Wellness Program.

Mr. Shaw stated that he must have a decision from the board by June 20th so that the insurance provider that the board chooses can make all the necessary changes and insurance cards can be provided to the employee. Mr. Shaw again stated that if the county goes with United Health Care, it will cost the county 2 percent less in premiums and \$45,000.00 for an enhanced type of wellness program. If they stay with Blue Cross Blue Shield, it will be a 4 percent increase. Mr. Shaw made the board aware of the fact that by going with United Health Care, the doctors out of network could be an issue for the employee. County Administrator Zellner inquired about the Monroe County Hospital coverage and Mr. Shaw stated that they are in network. Mr. Shaw stated that with the payroll incentive for going with a wellness program, the county would need to provide the employee with a payroll reward of \$75.00 to \$100.00. If the employee chooses not to go with the wellness program, it will cost the employee \$100.00 and this would come from a payroll deduction. County Administrator Zellner noted that if the employee chooses not to participate in the wellness program, it will have a positive impact on the budget. Mr. Shaw explained to the board that all employees will have to sign a corporate affidavit that they will participate in the wellness program. If the employee does not participate, then the employee will be charged for not participating. The Wellness Program team will come to the county and the County Administration will determine dates, location and types of screenings.

Chairman Glass requested discussion regarding the Regular Business Meeting and the only feedback was from Commissioner Thrash noting that the Towaliga Budget looked good and that they should go with it.

Vice-Chairman Horton made a motion to adjourn the workshop meeting at 6:50 p.m. and Commissioner Traylor seconded the motion. The motion passed unanimously.

THE LAMAR COUNTY BOARD OF COMMISSIONERS

Charles Glass, Chairman

Bennie Horton, Vice-Chairman

Robert Heiney, Commissioner

Ryran Traylor, Commissioner

___Absent___

Nancy Thrash, Commissioner

Carlette Davidson, County Clerk