

Lamar County Commissioners Special Called Meeting  
April 27th, 2016  
9:00 A.M.

The Lamar County Board of Commissioners held a Special Called Meeting on Thursday, April 27th at 9:00 a.m. Present for the meeting were Chairman Charles Glass, Vice-Chairman Nancy Thrash, Commissioner Bennie Horton, Commissioner Robert Heiney, Commissioner Van Baker, County Administrator Robert Zellner, County Clerk Carlette Davidson, Financial Analyst Sean Townsend and Human Resource Officer Lesley Kilchriss. County Attorney Mayfield was absent for the meeting.

**I. Call to Order**

Chairman Glass called the meeting to order at approximately 9:04 a.m. The purpose of the meeting was to hear a thirty minute presentation from four Benefits Consulting and Broker Services. Vice-Chairman Thrash joined the meeting 15 minutes after the meeting started and Commissioner Baker joined the meeting 10 minutes after the start of the meeting.

1. Jason Brady from Northwestern Benefits began his presentation with an overview of his background. He grew up a child of a Methodist preacher, his family is originally from Troup County and he is a University of Georgia graduate. Mr. Brady has fifteen years of experience with Northwestern Benefits and their company has 135 employees. Mr. Brady stated that Northwestern Benefits only does Health and Welfare and what makes them different is listed as five functions that a benefit consultant should look like. The first service being Strategic Planning whereby they have a renewal strategy for creating a process to take to market providing the best carrier that the market has to offer that will help leverage their service. They also have a complete underwriting team. The second service they have to offer is Employee Education and Communication. They have a very strong team. Mr. Brady said that he knows that the county has multiple departments with multiple shifts and that it is a challenge but through multiple strategies they will make sure that they touch everyone in Lamar County's population that works towards communicating with the employee. They have focus groups, videos, memos, one on one meetings, and benefit booklets. The third area is that they feel strongly about is that it is Benefit Administration in which they will handle all benefits, cobra plans, and eligibility files depending on what the employee needs. They also can provide a technology system as a part of their service. The fourth service offered is Daily Issues, it is their responsibility to handle all daily issues that an employee may have and Northwestern Benefits wants the employee to call their office every single time they have an issue. The fifth and concluding service is Compliance and they feel that it is their job to keep the county in compliance with State and Federal reporting. This includes 1094 and 1095 reporting and it their job to assist the county in these areas of service. County Administrator Zellner inquired about the reason that the employee would call them for. Mr. Brady responded that they have 24 representatives working to answer all questions regarding lost ID cards, denied claims questions, appeal letters, setting up appointments, follow-ups, pre-certifications, and anything else that has to do with benefits. They want

the employee to come to their office every time something is needed. Mr. Brady stated that this is the key difference from the other three firms that the board is speaking with today. They document every time the employee or dependent reaches out to them. They provide monthly service reports which are categorized according to the type of call received. Mr. Brady stated that Northwestern Benefits is the number one producer in the State of Georgia regarding the volume of clients. For Blue Cross Blue Shield they have 280 employer groups. They have over 650 total clients on board. Mr. Brady stated that their key differentiator is their culture and their collection of employee benefits. Mr. Brady stated that they have the depth and the breath that no other company has in the State of Georgia. Mr. Brady spoke about the volume with the carriers. They have the highest rating with every carrier that does business with them in the State of Georgia based on volume. Mr. Brady said that because of the way they are structured they take a lot of the work off of the carriers to have fewer people handling their business. Mr. Brady stated that if the carriers were good at all of these things that wouldn't have a job. Northwestern Benefits has grown their business with six sales peoples and 129 employees in one department. Mr. Brady drew a diagram showing the three departments that will provide service. There are five things that they do for the client. The first one is the Employee Advocacy with 27 employees including an escalation supervisor, a department supervisor and a department manager. They have a Benefit Administration department and all they do is process additions, terms, changes and how employees are selecting their services. They also handle open enrollment and new hires. They assign a benefits consultant that has three responsibilities. The first is the Strategic Planning. They have 24 with 12 consultants that manage 225 of their clients and 12 that manage under 100 clients. The consultant has different resources within their firm to manage the client. They have a Compliance Attorney that helps the team stay compliant. Mr. Brady explained that the Georgia Department of Labor hired Northwestern Benefits to train their society on the Health Care Reform. The Account Manager works with new hire orientation, with 12 account managers and 15 groups. There is a team of four underwriters and these underwriters work with the consultants. They also have their own Wellness Team with three full time employees who will design and implement a plan with divided responsibilities. Mr. Brady stated that the industry is demanding and they are committed to providing the best service to Lamar County. County Administrator Zellner asked why and how this organization through this procedure will benefit Lamar County and make the service better for the employee. Mr. Brady said that there are tasks and functions daily in terms of employment enrollment and when you look at your partner now they should be doing this job for you. There is a commission or a fee that is set in your fee right now that your current broker is receiving. They feel that their compensation is fair and their commitment is to deliver this service for that amount of money and it's an added value. Mr. Brady stated that he predicts that Northwestern Benefits will have 200 employees by the year 2020. County Administrator Zellner asked how they would relate or interface with our staff as far as making sure that everything is compliant. Mr. Brady responded by saying that the consultant is responsible for drafting this in the proposal. They will draft a three to five year plan. County Administrator Zellner asked the question regarding a new hire that starts and how Northwestern Benefits will make sure that he is enrolled. Mr. Brady replied that during open enrollment they follow up with the employee after 30 days and have open enrollment and standing

meetings for that new hire. They furthermore meet face to face with that employee and compliance is a big part of that meeting. Mr. Brady went on to address the providers that they work with such as Aetna, Blue Cross Blue Shield and Kiser Permanente. Mr. Brady stated that they outsource their COBRA plan through a third party vendor. The Benefit Administrator will handle the COBRA plan and the activities will be provided to the county. Commissioner Baker asked if they could provide a cost to the county per employee and Mr. Brady responded that they would need all claims and related data before a cost could be determined. Mr. Brady gave a few scenarios related to dental and vision cost and estimated at least a \$25.00 cost per employee with a \$300.00 premium and a \$1500.00 annual maximum. Mr. Brady stated that vision should always be voluntary and an eye exam is a part of the medical coverage. Financial Analyst Townsend stated that he had heard from the constitutional officers and departments that dental and vision was a choice that they would like to have. Mr. Brady stated that there are lots of plans to choose from. Chairman Glass inquired if they could start by July 1st, 2016 and Mr. Brady responded that that the renewal is out and they could start by July 1st once they get the claims report. Mr. Brady stated that Northwestern works with both private and public sectors and not focused purely on municipalities. Mr. Brady explained that the benefit administrator for the county would work through the consultant and the project managers but that the employee deals directly with the benefit advocate. County Administrator Zellner inquired about a cancer policy and Mr. Brady stated that they have four employees that work with this type of plan. They also have voluntary insurance and that same team will work with the employee to get them what they need. The voluntary insurance that the employees currently have will remain in place if this is best for the employee. They have individual and group plans that best suit the needs of the employee. Mr. Brady said that their help line is maintained in all 50 states and they have flex hours that range from 7:30 p.m. to 5:30 p.m.

2. Jonathan Shaw and James Clark of ShawHankins addressed the board with the statement that in order to provide a firm quote they would need the claims data but when they read the RFQ they were excited. The company was started by his grandfather in 1963 and now there are 40 employees with the business. If nominated James Clark will be the Account Manager and he is located in Stockbridge Georgia. Mr. Shaw stated that they pride themselves for being hands on and accessible to the employee. Mr. Shaw stated that they like to be on site with the staff and the employees. Mr. Shaw stated that he understood the challenges and the benefit needs. Mr. Shaw said that ShawHankins has 60 public entities across Georgia. Mr. Shaw said that this is a family run business and they have access to other resources. They have technology and compliances. They are a member of NFP Benefit Partners and this gives them an advantage. This allows them to have the look and the feel of a small family run organization with the power, leverage and resources of a fortune 500 company. This is a buying group. This is comprised of over 200 of the leading firms across the country. As a whole, NFP benefits partners is ranked seventh in the world. They are the fourth US privately owned broker. When ShawHankins goes to market they go as NFP benefits. They get significant discounts and cost savings on your plan. This is all based on relationships to receive the highest rate available in the State of Georgia. This also give us access to other resources such as their technology and compliance. They have 60 entities and because they are a larger company they can obtain a better rate for the county than someone with less clients. ShawHankins is affiliated with

Blue Cross Blue Shield and ACCG, Aetna, and United Health Care and they lean on references to get the better rate. They lean on their references and case studies when it comes to showing how a client can save money. The regional footprint shows that their headquarters are in Marietta, Georgia with offices coming to Stockbridge and McDonough. They are accessible and offer the ability to be onsite on a regular basis. Their organizational charter shows that they offer Consultation, Benefit Communication, and Administration. They have a true organizational structure, with designated specialist in a given area. They have over forty employees and over six consultants and they are dedicated to underwritten structure and two wellness strategies with the trend being three to five years. They don't water down the benefits. The team works directly with the county on the various aspects of the county's plan. The entire placement team, which is their in-house underwriters, work with actuaries every year. Their job is to analyze the claims data and put together RFP's and submit them to the various carriers each year so that they are bringing back the most competitive plan at the most competitive price that benefits the county and the employees the most. Mr. Shaw stated that he can't overlook the value of comprehensive strategies. Mr. Shaw said a perfect example is with Meriwether County. They are an excellent reference regarding their Wellness Program and this year they are proud to say that Meriwether County is getting a 15 % rate reduction. Their long term wellness strategy played an importance in this rate reduction. Having a dedicated individual to focus solely on this is priceless. As far as technology, they have an in-house team with an ease of administration services and a hands on platform. They don't have lagging bills and everything is real time and easy to review. When employees call into their call center, that is open from 8:00 to 5:00 p.m. at their headquarters in Marietta, they have no dial by directory, there is a live person who will answer. Mr. Shaw said that 73 percent of all calls can be addressed in that first phone call. These issues include lost ID cards, pharmacy coverage, out of network or in network, disability and life insurance questions. The consultation deals with the specific preferred carrier relationships. They work directly with ACCG. Their underwriters are in the ACCG pool but they are not necessarily married to ACCG. They have other carriers such as United Health Care and Meriwether County is with them now with a zero rate increase. They found a solution for them with a 15 percent reduction through Aetna. Mr. Shaw stated that success speaks for itself and gave out Beverly Thomas's name with Meriwether County as a contact. Vice-Chairman Thrash inquired about the 15 percent savings and wanted to know if it was through watching what they were doing, or through their Wellness Program. Mr. Shaw replied that it was based on good behavior due to the Wellness Program in regards to having low claims. Mr. Shaw stated that revenue savings can be found through good Wellness Programs. Commissioner Baker inquired about the first year savings for Monroe County Board of Commissioners with over \$700,000.00 worth of saving. Mr. Shaw replied to this by saying that they are self-funded. They looked at the maximum exposure and were able to get them down by \$700,000.00. They look at all self-funded strategies and on a group our size Mr. Shaw said he wouldn't recommend it. Commissioner Heiney stated that he was impressed by the success stories and wanted to know about the other 60 clients. Mr. Shaw stated that they were going to the ACCG conference and invited those that were attending to come to dinner and ask them for feedback. Mr. Shaw stated that ShawHankins is able to get lower rates because it isn't what you know but who you know. Mr. Shaw stated that they understand the

claims and they work with the groups to review the claims. However, ongoing claims are factored into the loss ratio. Mr. Shaw stated that if there is a negative loss ratio then he could guarantee the lowest renewal rate that is possible. Mr. Shaw stated that he would need to see the claims to know if Lamar County could receive a reduction in claims but he has a dedicated service team that work with the employees' one on one. Mr. Shaw stated that he will work to get us the lowest possible renewal rate. However, there are certain things that they have no control over and it is all about the environment and Lamar County's history. Chairman Glass asked how he could guarantee the lowest rate and Mr. Shaw stated it was about their relationship with the groups. Their relationship is their proven success and their track record. Mr. Shaw inquired about our renewal from our current broker and stated that if we have not received it then it is out of compliance. Commissioner Baker asked if Lamar County could expect a 15 percent reduction and Mr. Shaw stated he couldn't promise that but he expected to receive about a 10 to 15 percent reduction according to what our renewal may be. Mr. Shaw again stated that he could not guarantee that reduction. Mr. Shaw went over the services that you get from ShawHankins. He said that on top of the consultation you get their dedicated service team and they handle every aspect from the administration to the implementation and communication of our benefits including working one on one with our employees. They provide comprehensive educational meetings prior to open enrollment and they come out on site to the meet with various departments during open enrollment. Mr. Brady said that the value of having that hands on education directly with your employees really addresses any gap in understanding and what the values of these benefits do to provide services for your employees. Commissioner Horton inquired about the time frame of working with the employees and Mr. Shaw replied that they do a comprehensive meeting at open enrollment each year and they also meet one on one with each one and with the new hires. Mr. Shaw stated that they provide all of their clients with enrollment guides as for as technology which is seamless and in real time. Mr. Shaw spoke about an electronic data interface with Lamar County's payroll system and the insurance carrier. They build the site, maintain and manage everything so that Lamar County's Payroll Officer doesn't have to do this job. They do all of the Affordable Care Act (ACA) reporting including 1094 and 1095 reports. Vice-Chairman Thrash inquired about their Wellness Program. Mr. Shaw stated that they do have a Wellness Program and they have a team that would come out and work with the employees. There is a low cost for this program and a more expensive option that they take out to vendors for bid. It depends on how aggressive you want to be with the program the first year. When asked about their pharmacy coverage Mr. Shaw replied that there are all types of coverage with tiers related to copays and out of pocket costs. In conclusion Mr. Shaw said that his company is the most cost effective and affordable company for the county.

3. Al Adamson of Main Street Advisors began his presentation by saying that he has the renewal report for the health insurance. He said he didn't have all of the options because Blue Cross Blue Shield had not provided them to him. Mr. Adamson reported that the 2013 loss ratio was a 109 percent loss ratio for the county and that in 2014 there was a 139 percent loss ratio. Mr. Adamson stated that in 2014 Lamar County moved to Blue Cross Blue Shield in mid-year. Mr. Adamson stated that the renewal rate was supposed to be July 1st, 2015 but there was no rate increase and for 21 months Lamar County has had the same rate. The cost trend over the last two years is 11 percent over a 22 percent rate

increase based on the history of Lamar County. Mr. Adamson stated that based on Lamar County's history he was expecting it would be about a 30 to 35 percent increase. However, Blue Cross Blue Shield is giving Lamar County a 17.75 percent rate increase as shown in the renewal report. Mr. Adamson stated that this is still a significant rate increase. Mr. Adamson continued on with the review of the report displaying that last years earned premium was \$831,467.00 and they paid claims of \$896,075.00. They take out large claims over \$100,000.00 and pool them so Lamar County's actual cost of adjusted claims was \$720,367.00 for a loss ratio of 96 percent. Mr. Adamson went on to say that being associated with ACCG is good because the whole pool of counties, through Blue Cross Blue Shield, shows that they were profitable last year. The ACCG pool incurred lost ratio (ILR) was 86.3 so Lamar County was able to piggy back off of them and get a decent rate increase for a 21 month period. Mr. Adamson stated that 2.25 percent of the rate increase is government fees. Mr. Adamson said that Lamar County has 113 employees currently enrolled in the group and this is down from about 120 a year ago. Some of these employees are Deputies on Tri-Care (Military Insurance) which is a 12-18 months type COBRA plan and now he has heard that Doctors in this area are not taking this insurance. Mr. Adamson stated that the insurance premium cost runs around \$587.00 ahead for the county. Currently the county employee is paying \$16.00 every pay period for insurance with the pre-tax dollar coming to about \$11.50 for insurance coverage. Mr. Adamson stated that most employees in surrounding counties pay around \$25.00 to \$30.00 a month. Mr. Adamson is predicting with the 17.75 percent rate increase the premium will go from \$587.00 to \$691.00. This amount comes to \$11,775.73 cents more a month and \$141,380.76 a year. Mr. Adamson said unfortunately Blue Cross Blue Shield has not provided the utilization report to him which is employee history and large claims data because they are dragging their feet to keep the business. Mr. Adamson stated he too also had an issue with his security software. Mr. Adamson stated that without the utilization report he can't recommend the county on how to save money. Mr. Adamson stated that he has been strategizing with his representative from Humana, Aetna and United Health Care and his brokers. They have several ideas of ways to reduce premiums in the high \$500.00 to low \$600.00 area so that it will not hurt the employees to much. Mr. Adamson said that he doesn't know what strategy they need to take at this point because they don't know if the county has a lot of large medical claims or pharmaceutical claims. Mr. Adamson believes that if the claims deal with people using the doctor to much there are ways to address that issue. Lamar County has \$183,000.00 in large claims but that could be just one employee. There could be other things going on. The things that are hurting the health insurance are the new government mandates along with taxes and fees that are being charge. The claims over \$500,000.00 are the fastest growing set up claims in the industry. There are also a new wave of Cat Scans, MRI's, PET scans that are costing triple what older versions used to cost. The biggest issue is runaway pharmaceuticals. The biggest one of these is the new Hepatitis C treatment. It cost over \$100,000.00 and is 99 percent effective. Pharmaceutical claims are not reflected in the large claims data so the county could have one or two of these and not be affected. Mr. Adamson said he would be able to review this once he receives the utilization report. Mr. Adamson stated that he is working with every carrier for options and ideas on how to reduce the cost. If the \$183,000.00 claim is not resolved we may not be able to move. After removing the large claim, the ACCG pool ILR is 86.3 percent and the group

adjusted ILR with credibility comes to 94.8 percent and this is more than a 12 month period. Mr. Adamson explained that part of the \$587.00 a month premium goes to large claim risks and is built in to the rate. Mr. Adamson stated that more options are coming for the county and the employee. The strategies are to incentivize the behavior. This would be a Wellness Program and the data proves it works. Companies are identifying the high risk such as smoking versus not smoking. Mr. Adamson stated that Spalding County charges \$50.00 a head for anyone that smokes. The person signs an affidavit. Mr. Adamson stated that also being involved with employee, checking to make sure they are taking their medication and watching their maintenance schedule. He has ideas on how they can help the county incentivize this. Mr. Adamson stated that when he has some numbers to show the board he will lay it all out on the table. Mr. Adamson stated that are some things that he is excited about and hoping it will work for Lamar County. However, it all depends on where the problem falls, such as large claims, pharmaceutical, or medium size claims. Lamar County is running about one out of five 5 years healthy which keeps the rate high. Mr. Adamson stated that the \$2500.00 deductible is rich when one claim cost over \$500,000.00 and deals with cancer. Mr. Adamson gave an example of a \$400.00 shot to boost white cell counts to take chemo the following week and this type of claim drives up the cost. Mr. Adamson said that cancer business is a cash cow for life. Mr. Adamson stated he needs the utilization report before he can review the claims history but his goal is to keep the premium in the \$587.00 range. Mr. Adamson also ran numbers for dental, vision and life policy that would probably not be that much more for the employee but he recommended that the employee buy their own vision plan. Mr. Adamson stated that the Life Rate from Blue Cross Blue Shield could be about \$1000.00 with a \$7.00 charge for the employee which would be a significant benefit for the employee. Currently the county pays the life insurance for the employee. Mr. Adamson concluded by saying that you could offer the dental and vision on an employee basis.

4. John Leggett and Rob Tate with MSI Benefits located out of Kennesaw, Georgia stated that they had been in business for 33 years. Matt Benfield would be the Account Manager if Lamar County selects MSI Benefits. They have 47 government clients and were just awarded Ware County bringing them to 48 clients. They are an independent broker with 40 carriers and 22 Counties in the ACCG pool. Their goal is to keep the cost down and provide the county with the best benefit service. They have an on-line enrollment platform along with an employee benefits handbook. They do everything in-house. They own their enrollment platform and it is not outsourced. During open enrollment they provide packets, have group meetings, and work face to face with the employee. They have an eligibility team and a live helpdesk that handles bills, claims, and any other insurance issue such as a lost id card. They provide an activity report that shows all of the transactions. The eligibility team also reconciles the invoices and handles new hires and termination. However, they have to have the information within 60 days of termination or new hire or termination credit for that employee is not extended to the county. The task organization includes eligibility, enrollment, customer service billing, and information technology. They provide a payroll activity report each month that matches what the employee chose at open enrollment. Their MSI Benefits website requires username and password and this also includes those that go on a COBRA plan. All of the employee files are achieved and this automated system is used to eliminate paper. They provide a total compensation benefit statement so that the employee knows what is coming out of

their check each pay period. Mr. Leggett said that they manage all issues in house and they do not outsource their help line. The annual renewal process begins in January and February and renewal reports are released by April 12th, 2016. They also do a mid-year claims review. They do not have to be the agent of record to quote a cost price but they need the claims data for rating purposes. They also do compliance reporting for the client including the 1094 and 1095 report however, they did charge \$3.00 per form this past year but the going rate for the forms is normally \$7.00 to \$8.00. They provide a health reimbursement plan and through this program found that one of their clients was doing horrible. Because MSI Benefits was watching over this program they were about to have a 30 to 40 percent increase and they increased their deductible and changed their copay to make up for the rate increase. In the industry, the normal average deductible for an employee is \$2500.00. They work hard to get competitive quotes and never accept the initial negotiation. When Vice-Chairman Thrash inquired about a Wellness Program, Mr. Leggett stated that they do not support a Wellness Program because the return on investment is hard to measure and because the idea is to catch people that are at a high risk but you have to have buy in from employees. Mr. Leggett gave an example of getting your blood sugar checked so that you don't have a heart attack. He then said the idea is to keep the employee healthy. Getting an employee healthy is not really about saving money but saving their life. Mr. Leggett stated that you should design your benefits and then review your Wellness Program.

### **Benefits Consulting and Broker Services Round Table**

Commissioner Baker stated that he liked the Northwestern Benefits presentation even though he missed the first 10 minutes of the presentation. Commissioner Baker shared his thoughts about each of the brokers. He stated that Northwestern Benefits are big and they clearly have a good program however Commissioner Baker stated that he would not change to Northwestern Benefits. He went on to say that ShawHankins gave the best presentation and they hit his hot button several times. ShawHankins is big but small and they have the hometown like we have now but with the largest cliental and he likes them a lot. Commissioner Baker stated that ShawHankins says they can save us 10 to 15 percent but in all fairness to Main Street Advisors. Mr. Adamson brought the bad news with him today but he is still small potatoes. Main Street Advisors is a very small company and Mr. Adamson gives us the really personnel touch but ShawHankins does too. Commissioner Baker stated that if he had to choose, then he votes for ShawHankins.

Commissioner Heiney stated that he agreed with Commissioner Baker but he liked both MSI Benefits and ShawHankins because they both have the most municipal business. Commissioner Heiney went on to share his thoughts and said that they seem to have the most experience with entities such as Lamar County. One company is over 60 years' worth of experience and the other one is 50 municipalities and counties. They seem to have the highest amount of experience dealing with entities such as Lamar County. Commissioner Heiney said because of this he would immediately discount Main Street Advisors. Commissioner Heiney said that Main Street Advisors doesn't have the infrastructure that MSI Benefits and ShawHankins does. Commissioner Heiney stated that he doesn't believe that they have the ability to relieve Lesley of her work load the way some larger broker firms can. They have an

infrastructure that is designed to work directly with you to make your day easier. Commissioner Heiney stated that he personally agreed with Commissioner Baker and he would choose ShawHankins. Commissioner Heiney stated that ShawHankins does a lot to benefit Human Resources.

County Administrator Zellner stated that ShawHankins has a salary module on their website that list job descriptions, questions for interviews, and other things that relate to the employee.

Vice-Chairman Thrash said that the way to save money on insurance is to get people well and that we need to get our employees/workforce well. Vice-Chairman Thrash shared her thoughts regarding the wellness issue. She said that in the meetings she has attended there is talk about smoking and getting diabetes down and even to the point that some people are no longer having to take insulin. By doing these types of things you are in itself lowering your medical cost. Vice-Chairman Thrash said that this is one area that ShawHankins really impressed her because ShawHankins said that this is one of the things that are going to help us with. MSI Benefits, when addressing the Wellness Program, wanted to know how to measure a Wellness Program and then turned around and told how you measure it. Vice-Chairman Thrash said that she thought that ShawHankins could help us to do that. Vice-Chairman Thrash believes that saving money in the long run is not her ultimate goal because her ultimate goal is to make everybody better with a healthier workforce because when you do that the county will ultimately save money.

Commissioner Horton liked the presentation from Northwestern but he also felt like the company was too big for Lamar County and out of our price range. Commissioner Horton said he agreed that Main Street Advisors is a small company and he understood that this is not Mr. Adamson's fault. Commissioner Horton said that MSI Benefits seem to be in line with ShawHankins but he really liked ShawHankins presentation. Commissioner Horton said that his vote would be with ShawHankins.

Human Resource Officer, Lesley Kilchris stated that she liked ShawHankins after reading their book.

County Administrator Zellner stated that he liked ShawHankins presentation and their Human Resources. ShawHankins and MSI Benefits both have services that are pretty much equal, according to the services that they provide.

Vice-Chairman Thrash said that all of these brokers can come in here and say that they can save us 15 to 20 percent but it is going to be based off the actual claims and the loss ratio. Vice-Chairman Thrash said that she has seen this before with brokers that come in and say that they are going to give us a discount rate and then the next year they tell us that our loss ratio is too high and you are going to have an increase.

Commissioner Baker agreed with Vice-Chairman Thrash but noted that ShawHankins is the only one that said that they are getting premium reductions because of the relationships' and this is real important. Vice-Chairman Thrash finished up by saying that ShawHankins also

impressed her when Mr. Shaw said that he is going to get in there and fight for Lamar County and they don't just take at face value what you are giving them. Commissioner Baker stated that he doesn't think that if you compare apples to apples and Mr. Adamson is a nice guy and it's good to have someone in your community to represent you but, he doesn't see Mr. Adamson getting the same kind of deals as ShawHankins who has 60 other municipalities that he represents.

Commissioner Heiney said that ShawHankins has a better infrastructure to provide you with a higher level of service and he thinks that more importantly they have a brain structure to come up with ideas to get reduced premiums. One idea was to charge more for cigarette smokers. Commissioner Heiney said that he actually thought that Mr. Adamson brought this up but, these are the kinds of things that we need to be looking at, different ideas and ways to improve and lower our premium costs. County Administrator Zellner said that ShawHankins is family owned company and has grown since this is the third generation. County Administrator Zellner said that this tells you something about ShawHankins.

Chairman Glass stated that Main Street Advisors can't compete in a lot of areas because of their size and their experience. Chairman Glass gave his opinion on the three brokers. He started off by saying that with Northwestern Benefits he was impressed by their approach to a five year plan and a one year action plan. They are going to look at our claims history and plan something to help us keep our costs down in the future. As for ShawHankins, he said that he was impressed with the details of what they have and the history of who they work with. He liked the reputation of the company and the description of what they provided or what they will provide if they become are our broker. MSI Benefits was similar to the others in terms of what they can provide. They had a couple of new things that they threw in there that he was interested in. These two services included the medical reimbursement account and the mid-year review. Both of these services indicates to him that they are focused on keeping the cost down. Chairman Glass concluded by saying that on the flip side he agreed with Vice-Chairman Thrash that MSI Benefits did not seem to be focused on the Wellness Program.

Commissioner Baker stated that there is no time to wait on final claims numbers and said that the employees want better service.

Commissioner Heiney made a motion to approve ShawHankins as the Benefits Consulting and Broker Services and Commissioner Horton seconded the motion. The motion passed unanimously.

### **Adjournment & Executive Session**

Vice-Chairman Thrash made a motion to adjourn the Special Called meeting and go into executive session to discuss personnel at approximately 11:41 p.m. and Commissioner Baker seconded the motion. The board adjourned the Special Called meeting at approximately 11:42 p.m. Commissioner Baker made a motion to adjourn the meeting and Vice-Chairman Thrash seconded the motion. The motion passed unanimously.

THE LAMAR COUNTY BOARD OF COMMISSIONERS

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Charles Glass, Chairman

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Nancy Thrash, Vice-Chairman

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Bennie Horton, Commissioner

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Robert Heiney, Commissioner

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Commissioner Baker, Commissioner

Attest: \_\_\_\_\_ Carlette Davidson, County Clerk