

Lamar County Commissioners Special Called Meeting
June 3rd, 2016
10:30 A.M.

The Lamar County Board of Commissioners held a Special Called Meeting on Friday June 3rd at 8:00 a.m. Present for the meeting were Chairman Charles Glass, Vice-Chairman Nancy Thrash, Commissioner Bennie Horton, Commissioner Robert Heiney, County Clerk Carlette Davidson, and Human Resource Officer Lesley Kilchriss. Absent for the meeting was Commissioner Baker and County Administrator Robert Zellner.

Chairman Glass called the meeting to order at approximately 8:00 a.m. The purpose of the meeting was to hear two Insurance Quotes from Benefits Consulting and Broker Services ShawHankins and Main Street Advisors. Chairman Glass stated that he put several options in a spreadsheet and shared with the Constitutional Officers and the Department Head. The spreadsheet with 5 options are attached to the minutes. There is a base plan and a buy-up option to choose from. The current plan is \$587.07 and the new base plan from ShawHankins would be \$583.85. Chairman Glass requested input from the Constitutional Officers and the Department Heads. The feedback that Chairman Glass received from the Constitutional Officers was to keep the cost down for the employee with options for vision and dental. Superior Court Clerk Caleb Tyson was present for the meeting and wanted to know if there was anything that could be done to keep the cost down without diminishing benefits. He asked if there was something that could be done to make the county more attractive. The response from both brokers was less claims and better wellness and engagement. Mr. Adamson of Main Street Advisors stated that the county's biggest problem is the massive claims from one or two employees but noted that these are issues that are unavoidable. Superior Court Clerk Caleb Tyson recognized the fact that there have been books distributed to the employees regarding wellness and wanted to know if there is an active plan in place to help us down that path. Chairman Glass stated that it depended on the selections that are made in this meeting. Superior Court Clerk Caleb Tyson said that after reviewing the spreadsheet from Chairman Glass, it appeared that option 1 and 3 were very similar with the buy-up of option 3 being a little cheaper but with less benefits than option 1. Superior Court Clerk Caleb Tyson stated that there are going to be two sets of employees, one that will be for the base plan option and the other for the buy-up option. Both groups need to be accounted for. Superior Court Clerk Caleb Tyson voted for option 1 and option 3.

Vice-Chairman Thrash stated that she had spoken to Sheriff White and that he had stated to her that he was leaving it up to the board to make the decision because he had not had time to really review all of the options.

Chairman Glass stated that he heard back from the Elections Office and that they would like to keep the co-pays. The Fire Department had responded that they liked option 4. Public Works Director Rigdon stated that his concern was his employees would want to go with the cheapest plan based on what comes out of their pay check every week. Public

Works Director Rigdon stated that most of his employees are over 40 years old and asked if the buy-up plan would include the \$16.00 per pay period plus the buy-up plan. Chairman Glass stated that this could be possible. Chairman Glass stated that the buy-up plan will cost more than the base plan but the county might could absorb the base plan but not the buy-up plan.

Tax Assessor Haddock stated that she liked option 3 and option 5. She stated that her employees' salaries are low and an increase would be less money that they would bring home. Tax Assessor Haddock asked the board if they could give the employees the money that the county will contribute to the insurance benefits so that the employee could get their own insurance. Chairman Glass stated that legally the county has to provide insurance to the employee or pay a fine for not providing insurance.

Chairman Glass stated that the primary thing that impacts the cost is the deductible and the prescription aspect of the policy. Chairman Glass stated that they can manipulate the plans to make up the difference but it's a cost/benefit difference. The only way to keep the premiums low is to cut the benefits.

Mr. Adamson pointed out that a lot of the plans, all across the board, have a split co-pay. The first co-pay is primary, the second co-pay is a deductible and co-insurance and then no co-pay for a specialist. Mr. Adamson stated that not having a co-pay for a specialist may not be a good idea for someone who has a chronic condition. The employee doesn't need to be on a low cost plan without a specialist co-pay. Mr. Shaw stated that you would be getting the negotiated discount rate because Blue-Cross pays that specialist and you are getting benefits from that but there is just not a true co-pay. Mr. Shaw said that once you hit the required deductible the insurance would pay at 80 percent of the cost and the employee would pay 20 percent. Mr. Adamson stated that you are still looking at \$155.00 to \$175.00 per visit. Tax Assessor Haddock inquired about the doctors in this area and both brokers replied that they are in the same network.

IT Director Whitlock said that it appears that all of the buy-up plans are close to what the current plan is now and the only way to get the current plan is to choose one of the buy-up plans which is going to cost the employees more per pay period. Chairman Glass stated that the premium for renewal went up 18.8 percent this year. Mr. Adamson interjected that his premium for renewal went up 17.8 percent. IT Director Whitlock wanted clarity about the buy-up plan. Chairman Glass responded that for option 1 it would be \$34.47 per pay period plus the \$16.00 per pay period the employee is currently paying.

Vice-Chairman Thrash wanted to know why there were two different numbers on the renewal and Mr. Shaw stated that this was the information provided to them from Blue Cross Blue Shield. Mr. Adamson stated the difference between the 18.8 percent from ShawHankins and the 17.8 percent from Main Street Advisors was based on his 3 percent service fee.

IT Director Whitlock inquired about other options such as vision, dental and life insurance. Chairman Glass stated that there are these options to consider but the board is concentrating first on the health benefits.

Tax Assessor Haddock asked if the employee chooses to stay with the base plan will the \$16.00 per pay period be the same. Chairman Glass told her that this was the goal of the board. Tax Assessor Haddock then stated that she is voting for option 4.

Vice-Chairman Thrash stated that when looking for insurance are you wanting a catastrophic plan or do you want an insurance plan that has a co-pay and/or one that meets a deductible. Vice-Chairman Thrash stated that she personally doesn't like a plan with deductible and a co-insurance because you pay out of pocket until you meet your deductible. Vice-Chairman Thrash stated that personally, even it is a little more, the actual deductible amounts mean something.

Building and Zoning Director Gunter stated that he let his employee review the options and she preferred option 1 but he didn't have an opinion because he personally has Medicare and other insurances for life so he never reviews the numbers.

Commissioner Horton stated that he wanted to hear what the Constitutional Officers and the employees wanted but keeping the premium low as possible while meeting the employee's needs was his goal.

County Clerk Davidson and Human Resource Officer Kilchriss both stated that they had talked with various employees and they had heard the employees wanted cheaper insurance and lower deductibles so that they could afford the payments in the event that they do have to go into the hospital.

The board and the employees present continued to discuss all of the options on the spreadsheet amongst themselves. Chairman Glass stated that from the board's stand point the base difference from option 1 and 5 is different. He said that option 1 is \$40,000.00 more for the base to the county and option 2 would be \$45,000.00 cheaper. Option 3 would be \$45,000.00 more and option 4 would be \$35,000.00 more but that option 5 would be the same as option 4. Chairman Glass stated that whatever base they decide to select they could put \$50,000.00 more into the budget and in addition to whatever the base price is could towards offsetting the current \$16.00 per pay period the employee is currently paying. Instead of paying \$16.00 per pay period they may have to pay \$12.00 per pay period. The benefits will be reduced but the out of pocket cost will also be reduced. Chairman Glass said that the buy-ups will still be a tough pill to swallow for a lot of folks. Mr. Shaw interjected that with the option 2 and the \$45.00 on the 4 visits, that's about \$4,400.00 less than current plan and you could choose to re-invest that money into TelaDoc. Mr. Shaw said that this will give the employee access to free 24-7 doctor visits which could be a solution for routine primary type medical visits. The cost for this service is approximately \$5.50 per employee per month. This type of service is for issues such as allergies, ear infections and burns. Mr. Shaw stated that the doctors can only prescribe antibiotics and not narcotics. Mr. Adamson stated that he also had a

TelaDoc type of plan that is a little higher but said that his rates offsite the cost. His cost is about \$8.00 to \$9.00 per employee.

Chairman Glass and the board continued to review the base and the buy-up options. The board discussed adding money to the budget to cover the higher cost of the insurance plans. The board discussed the differences between the generic and the non-generic prescriptions plans. The board reviewed the emergency plans, the in-patient and the out-patient hospital plans.

Commissioner Heiney stated that he preferred option 2 and County Clerk Davidson and Human Resource Officer Kilchriss pointed out that this option has a \$750.00 hospital co-insurance that employees didn't really like but they also pointed out that that it has a lower deductible that the employees did prefer. Commissioner Heiney said that this policy may keep down emergency cost (ER) for those that go to the ER because they have a headache or a broken toe nail. Commissioner Heiney stated that an insurance policy like this is good for small businesses. Commissioner Heiney stated that employees should pay small claims themselves. Commissioner Heiney said that personally for himself and his wife they pay small claims and try to stay healthy. Commissioner Heiney inquired about the prescription cost of tier 1 and the \$1500.00 deductible. Mr. Shaw said that this is for non-generic prescription drugs. Human Resource Officer Kilchriss said that for those employees that can't afford the \$750.00 they aren't going to go to the hospital and get something seen about that possibility could be serious. Commissioner Heiney stated that we have increased claims and these claims are raising the cost of our insurance. He went on to say that the only way to reduce cost is to try not to go to the doctor. Human Resource Officer Kilchriss added that for this very reason we need to put a wellness plan in place to teach people. Mr. Shaw stated that there is a \$2,000.00 grant from ACCG that will help fund a wellness program and there is free bio-metric screening from ShawHankins and other free resources available. Mr. Adamson stated that in the transition from the former and the present Human Resource Officer they missed the deadline to get the ACCG grant.

The board reviewed the base and the buy-up options. Commissioner Heiney inquired if an adjustment could be made to any of the deductibles on the various options and was told that the process for a quote would have to start over because this was constructed as a unit. Mr. Adamson noted a mistake on the spreadsheet for option 4 and 5. The co-pay is \$35.00 rather than \$45.00 dollars. Human Resource Officer Kilchriss said that on the base plan of option 1 and 3 you get \$25.00 on the deduction plus co-insurance. Mr. Shaw said for a primary it would be \$25.00 and for a specialist it would be out of pocket and whatever would go towards the deductible. Chairman Glass noted that the base plan for options 1 and 3 are the same and options 4 and 5 are the same.

Vice-Chairman Thrash stated that she doesn't like the fact that the urgent care has become an alternative to emergency room care and also with all of these policies you have to meet your deductible and co-insurance before it starts paying except for option 2. Mr. Adamson from Main Street Advisors stated that urgent care on options 4 and 5 is a \$75.00 co-pay. This information was not on the spreadsheet because Chairman Glass

assembled the spreadsheet in a short amount of time for review. Chairman Glass said that he did not list everything that was in the original bid, on the spreadsheet only the important differences in the options.

Vice-Chairman Thrash and the board discussed splitting the cost of the buy-up with the employees. The board discussed mixing and matching the base plan and the buy-up plan. Mr. Adamson stated that the buy-up on option 3 and 4 are the same and the difference in cost is his service fee. Chairman Glass figured \$70.00 a month for the buy-up plan. Vice-Chairman Thrash said that \$70.00 a month could push some county employees over the edge. Vice-Chairman Thrash asked if it was feasibly financially for the county to split the buy-up cost with the employee. Chairman Glass stated that they would probably have to add more than \$50,000.00 to the budget. Vice-Chairman Thrash said that they have to consider the fact that they have some of the lowest paid employees and a \$70.00 a month increase is not sustainable for some employees.

Commissioner Horton stated that he wished that there was a way to put together a \$25.00 co-pay plan and offer something a little less totally. Vice-Chairman Thrash said that if they choose the buy-up under option 1 it would cost the county \$697.73 per employee and that premium per year would be a 17 to 18 percent increase. Mr. Adamson noted that it is not \$697.73 but \$684.00 with Main Street Advisors. His premium at \$684.00 would be \$ 928,500.00. Mr. Adamson stated that this is an increase of about \$133,000.00. Vice-Chairman Thrash posed the question that if the employees absorb half of that increase then how much would come out of the employees pay check. Mr. Adamson said that counting the \$16.00, current pay period deduction, it would be \$38.45 a pay period and it would cost the county \$66,555.00. Mr. Adamson stated that you are looking at a rate increase of \$97.35 and divided by two that comes to \$48.68 and times 12 that comes to \$584.16 and then divided by 26 the cost is \$22.47 plus \$16.00 which comes to approximately \$38.45 per pay period. Mr. Adamson stated that if you pay for the base on options 4 or 5 that would be a cost of \$35,000.00 for the county. This leaves you \$15,000.00 and divided by 12 and then divided by 114 employees you are right at \$10.97 per month. You then reduce the price of the buy-up on either option 4 or 5 by \$11.00.

Superior Court Clerk Tyson wanted to know if the options still include TelaDoc. Mr. Adamson stated that if they have the unlimited co-pay you don't have the TelaDoc but if you do the TelaDoc you put the full amount of the buy-up back on the employee to stay within the \$50,000.00 budget. Chairman Glass said that from a budget stand point they have two numbers where one is a \$50,000.00 increase and the other is a \$66,000.00 increase but the \$50,000.00 is going to be a stretch especially for the next month. The current premium is \$803,111.76 and the new premium would be \$936,218.16 if they stay with what the county currently has. This figure is based on 114 employees.

Vice-Chairman Thrash reviewed the medical analysis provided by ShawHankins and stated that if they go with option 2 the base plan will be \$505,147.00 and the buy-up plan will be \$856,803.00. Vice-Chairman Thrash stated that this is a \$79,000.00 saving to the county. This includes the renewal of \$936,218.00 and selecting option 2, the renewal including the buy-up is \$856,803.00.

Chairman Glass pointed out that the \$505,147.00 was not based on 114 employees because the amount was based on 70 employees choosing the base plan and 42 employees choosing the buy-up plan.

Mr. Adamson requested that they look at his VOAPIS plan provided in the benefit quote and take the vision out this could save the county some money. Mr. Adamson stated that you may be giving the benefit to a population of people who may not need it. Commissioner Heiney stated that the base plan provides everyone with a level of insurance with option 2. He said that the buy-up plan is a more robust plan for people that need a little more insurance. Mr. Adamson stated that the last time there was a buy-up option about 60 percent of the people took it. Mr. Shaw said that he wanted to stress that the differences in rates can be matched. They matched the renewal that was in place and what has been done sounds like the percent has been changed. Mr. Shaw said that it is not their goal to increase the commission. Mr. Shaw stated that they are going to match whatever the compensation is and whatever the lowest compensation is. Mr. Shaw stated that he did not want that to be a driving factor in why the rates are different. Mr. Shaw stated that he understood looking at different plans but in terms of compensation, the rates will be the same and don't assume that there will be any difference. ShawHankins goal and mission is to match whatever the lowest payment that is out there. Mr. Shaw stated that he feels that this is a rush deal and Vice-Chairman Thrash stated that this is why they are where they are now. Commissioner Heiney stated that if they are going to talk about a commission cut then is it a service cut. Commissioner Heiney said that it's the organization that will provide the highest level of service. Commissioner Heiney stated that the board thought this through to a great extent at the last meeting. Mr. Adamson showed the board his renewal that he submitted to the board in April at the RFQ meeting. Mr. Adamson stated that the renewal is 17.75 percent rate increase. If you look at the renewal, inside the ShawHankins book it is listed as an 18.75 percent increase. Commissioner Heiney stated that ShawHankins did not have access to all of the data. Mr. Adamson stated that you made ShawHankins agent of record and they have the same renewal that he has. Mr. Shaw then stated that it should have been identical. ShawHankins requested in their RFQ specs for identical data and he can't explain why it is not. Mr. Shaw said that it was not their intention by any stretch. Mr. Adamson stated that it was submitted as different. It's in the bid as different. Mr. Adamson stated that ShawHankins renewal reflects a 4 percent service fee. Mr. Adamson stated he cut his service fee by 25 percent. Commissioner Heiney stated that it depends on what level of service is being provided and what the county needs. Mr. Adamson stated that the board selected ShawHankins without a bid. Vice-Chairman Thrash stated that they were not discussing bids at that time but choosing an agent of record. Mr. Adamson stated that you don't have to be agent of record to run a quote. Mr. Adamson stated that he was not agent of record five years ago. Vice-Chairman Thrash stated that they are not discussing agent of record in this meeting, they are here to select a plan for the county. Chairman Glass stated that they are also discussing what option that the county can afford and which one they want to choose. Chairman Glass stated that they wanted to try and keep the \$16.00 per pay period amount per employee and then go with whatever plan that can best fit into the budget. Chairman Glass asked the board if they wanted to increase the budget by \$50,000.00 or \$66,000.00 and still keep the \$16.00 per pay check and/or split with the

employee and go up to \$32.00 a pay period per employee. Commissioner Horton asked if the other members in the meeting could have an input and Superior Court Clerk Tyson stated that he sees that there is going to be an increase for the employees. Commissioner Heiney wanted to know if the employee could take a smaller amount of benefits and go with a catastrophic type of plan along with the TelaDoc plan. Superior Court Clerk Tyson stated that on the front end employees are going to notice what comes out of their pay check first but on the back end if someone gets sick they will notice the diminishing benefits. So, naturally they can stomach the diminishing benefits up front but once they are hit with the bill was that worth the lower cost in benefits. Commissioner Heiney asked what was typical in terms of benefit packages. Mr. Shaw stated that it is unfair to compare a local entity with public entities. Mr. Shaw stated that a lot of governments are going with the base and buy-up type of plan. Commissioner Heiney again asked what is typical in the government world. Mr. Shaw said that in terms of deductible option 2 is right in line with the median. Mr. Shaw stated it differs from county to county depending on the budget, the employee wages, and the differences in plans. Mr. Shaw stated that option 2 is not a below average plan but an above average plan. Commissioner Heiney asked if the base plan for option 2 is an above average plan and Mr. Shaw replied that for someone with medical issues the base plan would not be suited for that employee. Commissioner Heiney asked if it was typical to give an employee something more than the option 2 base plan. Mr. Shaw replied that the option 2 base plan depends on the type of employee. You have employees that would like to have major medical coverage but not pay as much. Mr. Shaw stated that there are two different types of employees and there is not one plan that will make everyone happy. Commissioner Heiney asked Mr. Shaw if the option 2 base plan is typical in most of the 159 counties in Georgia. Mr. Shaw replied that as an option yes but, as a stand-alone option, no. Commissioner Heiney stated that they were discussing the base plan first and the buy-up plan later. IT Director Dexter Whitlock interjected that the idea is to drive the consumer to purchase the buy-up plan. Commissioner Heiney stated that he doesn't believe that this is it at all. Chairman Glass said that in many counties that this wouldn't be palatable because it is an average plan. Chairman Glass said that compared to what the county currently has it not palatable because it is less benefit but in many counties it is more than the average plan. Mr. Adamson stated that it is a pretty radical change from what the county currently has in place. Commissioner Heiney stated that it is also a lower deductible when you are in and out of network. Mr. Adamson stated that if you throw in the facility charge on top of this it is almost the same as someone with a \$3,000.00 plan. Tax Assessor Haddock stated that she is concerned about the \$750.00 hospital deductible with the option 2 base plan for in-patient and outpatient. Mr. Shaw stated that you have a \$100,000.00 medical claim on the current plan and on the base plan. You are out \$6,660.00 on both plans. Your major medical protection on both plans is identical. After the \$6,660.00 deductible any doctor, any hospital is paid at 100 percent. Commissioner Heiney stated that he believes that this is reasonable but he realizes that no one wants a \$6,600.00 bill but, it beats \$100,000.00. Commissioner Heiney stated that the insurance should be catastrophic and hopefully we can get involved in a wellness program and all get healthier and have less doctor visits. Commissioner Heiney stated that he sees the life insurance premiums going down because people are living longer. There are less claims because people are healthier and if we can get the claims down then the rates will go down. Vice-Chairman Thrash

stated that she had heard from members of the Board of Managers for ACCG, that she is a member of, that they have less claims because their counties are involved in a Wellness Program. Mr. Adamson noted that the Wellness Program is built into both Blue Cross Blue Shield and ACCG. Mr. Shaw stated that this wellness program is a base line program and you cannot expect to see that kind of results with a base line programs. Mr. Shaw said that this is certainly not how you want to stair step into the program but that they utilize their wellness director to work with the local facilities. They work with the Human Resource Officer to put a plan in place that is more comprehensive. Human Resource Officer Kilchriss stated that she doesn't believe the employees will like the first 4 office visits at \$45.00 and after that the employee has to pay off the deductible before they can get the 20 percent. Superior Clerk Tyson stated that if you use the TelaDoc that may reduce the need for a doctor's visit. Vice-Chairman Thrash asked if you had to meet the deductible on all of the plans and Human Resource Officer Kilchriss stated that in option 1 you have a co-pay every time you go to the doctor. Mr. Adamson added that this applies to options 1, 3, 4 and 5 on the base plan. Human Resource Officer Kilchriss said that the co-insurance applies to the specialist and Public Works Director James Rigdon noted that on the buy-up it's all the same. Mr. Shaw stated that the difficult thing is that there is no perfect plan. Chairman Glass called for a decision from the board. He asked if the board wanted to have a benefit discussion or a budget discussion. Commissioner Heiney suggested that they look at option 2 base plan and then look at the buy-up plan. Chairman Glass stated that they could have a \$50,000.00 increase to the budget for the next twelve months. Commissioner Heiney suggested if they do this then they could apply it to the buy-up plan so that the employee doesn't have to pay as much. Mr. Adamson stated that he could present a way to achieve more savings. Mr. Adamson suggested that if they take the vision off of the base plan it could save money. Chairman Glass stated that the board needed to discuss either the benefits or the budget. Mr. Adamson stated that it is a little of both. Commissioner Heiney suggested that they discuss budget first. Chairman Glass inquired about the money that is available for the next 12 months. Vice-Chairman Thrash stated that they budgeted \$803,000.00 for Health Insurance. Vice-Chairman Thrash thought that they had put a little more in the budget planning on an increase. Chairman Glass stated that the budget is broken down per department and requested that the Financial Analyst Townsend come into the meeting. The Financial Analyst Townsend however was out of the office. Chairman Glass stated that since the budget for health insurance was broken down by department he had no way to total the amount but knew that the budgeted amount was roughly \$800,000.00. Chairman Glass requested that the board decide how much money the county could afford for health insurance.

Vice-Chairman Thrash suggested that they go back and discuss the benefit plans. Mr. Adamson suggested that they take off the vision because this could save the county approximately \$26,000.00. Mr. Adamson said that if you add that to the \$50,000.00, proposed increase to the budget, that gives you \$76,347.00.00 to reduce the buy-up plan. Chairman Glass suggested that they choose the option 2 base plan without the vision but wondered if the employees could live with this decision. IT Director Whitlock asked what the cost would be for option 2 base plan with no vision and Chairman Glass replied it would cost about \$35,000.00 to \$40,000.00 for the county. Superior Clerk Tyson and

Commissioner Heiney both agreed that the saving grace with the option 2 base plan is the lower deductible. Chairman Glass noted that the total out of pocket of \$6,600.00 is still going to be the same. Chairman Glass said that if you go to the doctor's office a lot it could save you about \$500.00 a year. If you go to the hospital a lot it could cost you about \$3500.00 out of pocket. Chairman Glass addressed the board and asked if option 2 would work as the base plan. Vice-Chairman Thrash stated that it would work except for the \$1500.00 on prescription drugs. Commissioner Heiney stated that they could go with the option 2 buy-up plan to supplement those issues. Commissioner Heiney said a lot of people aren't going to care about the \$1500.00 deductible. For those who do care, they will go with the buy-up plan. The board and the employees present continued discussion about the TelaDoc option, the primary care, hospital care and preventive care visits. Human Resources Officer Kilchris asked if you could have one base plan and two buy-up plans and Mr. Shaw replied that on this size group of employees you can only have one base and one buy-up plan. The board discussed the difference in cost for choosing the option 1 base plan and the buy-up plans as opposed to choosing option 2 base plan and the option 2 buy-up plan. The board discussed the fact that the option 1 and option 2 buy-up plan is the same but the base plans are different. Commissioner Heiney and Chairman Glass both agreed that increasing the budget by \$50,000.00 will reduce the co-pay on the base plan and assist with the cost of the buy-up plan. There was more discussion from the board about removing the vision to help offset the cost of the base plan. Mr. Shaw stated that it would be a good idea to remove the vision and keep the base plan at \$567.00. Mr. Adamson said they could apply the saving to the \$50,000.00 proposed budget increase which will offset the buy-up. Mr. Adamson said that the difference between option 2 and option 5 is a .09 cents difference per pay period for the employees. Mr. Adamson stated that the county is going to spend \$50,000.00 with either option. Mr. Adamson stated that it comes down to what the employees like better. A little higher deductible and no facility co-pay, no gigantic drug card. Mr. Adamson stated that there is no difference between option 2 and option 5 except for the buy-up cost. Chairman Glass asked the board if they were accepting the \$50,000.00 increase to the budget. The board discussed the 18 percent increase for this year as opposed to the 8 percent that was supposed to have happened last year. Vice-Chairman Thrash requested that they select a plan and then discuss budget. Vice-Chairman Thrash stated that she is hearing from the employees that they want the lowest co-pay and the lowest deductible. Mr. Adamson began his discussion about the fact that there is no difference between option 2 and option 5 except for the facility charge. Mr. Adamson began sharing numbers with the board. Mr. Adamson stated that the county is looking at \$587.07, the current price minus the \$567.81, which is \$19.26. The \$567.81 is with the vision removed. Mr. Adamson said that \$19.26 times 114 employees is \$2,195.64.00 and that cost is \$26,347.68 in savings over what you paying now. Mr. Adamson said, "You throw the \$50,000.00 that you are adding to the budget and on top of that you are going to increase your benefits budget. You come to \$76,347.00 and divided by 12 and divided by 114 employees you come to a cost of \$55.00 per month per employee." Mr. Adamson said the cost to the county is \$669.71 divided by 26 pay periods leaves \$25.76. Mr. Adamson stated that the board could reduce the buy-up plan by \$25.76 cents. The buy-up plan counting the \$16.00 the employee is already paying is reduced down to \$42.16 a pay period. If you do option 4 or 5 base at \$612.97 a premium that's \$35,000.00 to the county in additional cost. Mr. Adamson said,

“You will have to eat \$431.00 for this to work but that’s \$15,000.00 that can be contributed to reduce the buy-up. This is \$15,000.00 divided by 26 and divided by 114 is roughly \$5.03. This reduces the buy-up to \$42.07. You are looking at option 5 being \$42.07 per pay period for the employee as opposed to option 2 being \$42.16 a pay period for the employee. It is roughly the same if they go with the buy-up and the base is easier to sell to the employee without that massive deductible on drugs and your doctors co-pay is \$10.00 less with option 5.”

IT Director Whitlock stated that all the buy-up does is gives the employee the chance to get back to the current level of coverage. Commissioner Heiney asked how much was the cost without the vision and it was determined that it would go from \$583.00 to \$567.00. Mr. Adamson stated that there is virtually no difference to the employees either way or to the county.

Chairman Glass stated that he figured that the county cost would be \$621.00 per employee per month based on 114 employees. The board discussed the wellness plans that cost money and Mr. Shaw stated that it depended on how aggressive the county wants to be with the plan. Mr. Shaw stated that the plans range from free to \$50,000.00. Vice-Chairman Thrash stated that she was thinking on around \$10,000.00. Mr. Shaw suggested that they not do this in the first year of a wellness program. Mr. Shaw said that you have to develop a culture, get some communication and utilize the free programs through ACCG, the grants and the ShawHankins Wellness Directors. Vice-Chairman Thrash stated that ACCG would help us with all of this and used the example “Walk-GA” as an incentive. Vice-Chairman Thrash also said that a true wellness program offers people incentives such as gifts cards to stop smoking and teaching employee how to lose weight. Mr. Adamson stated that he already has some of those things built in such as a \$50.00 gift card from Blue Cross Blue Shield. Vice-Chairman Thrash stated that she didn’t know about this incentive until recently. Mr. Shaw stated that this information has to be communicated. Chairman Glass stated that the prescription cost of \$1500.00 is a problem and suggested that they review other base plans. Vice-Chairman Thrash asked what the cost would be to the county if they choose the option 3 base plan. Commissioner Heiney stated that it would be \$873,030. Mr. Shaw stated that he would take away 1 percent so that they could compare apples to apples. Chairman Glass stated that the \$873,030.00 is based on 70 employees taking the base plan and 42 employees taking the buy-up. Vice-Chairman Thrash stated that option 3 base plan seems to be the plan that the employees would like and can afford. Mr. Adamson stated that option 3 doesn’t have the specialist or urgent care co-pay. Mr. Shaw stated that there is no perfect plan and that they do the best they can under the budget constraints while still meeting the needs of the employee. Chairman Glass stated that with option 3 plan at \$843,444.00, and the TelaDoc this could cost about \$850,000.00 and the employee would have to assume the cost of the buy-up. Vice-Chairman Thrash stated that option 2 base plan is the best option for the county. Mr. Adamson stated that option 4 and 5 plans are better than the option 2 plan and went over his reasoning with the board. Chairman Glass stated that if they choose the option 2 plan as the base they could then give the employee each \$54.00 for towards the buy-up plan. Vice-Chairman Thrash agreed. Mr. Adamson again stated to the board that option 4 and 5 plans are better plans and it will be the same cost to the

county. Mr. Adamson and Mr. Shaw had a difference in discussion on the cost of the plans.

Vice-Chairman Thrash made a suggestion to choose the option 2 plan as the base and choose option 5 as the buy-up plan. Commissioner Heiney suggested the option 4 plan as the buy-up. The board discussed the differences and Mr. Shaw stated that this would be about \$34.00 per pay period. Public Works Director Rigdon stated that if they went with the option 2 base plan without the vision at \$567.00 and added \$50,000.00 to the budget and split this between 114 employees he said that you could then go with option 5 as the buy-up. He then said you could give each employee an extra \$51.00 to put towards the buy-up. Mr. Adamson said, "To go to where we are now it's going to cost \$47.00 more a pay period even them paying \$50,000.00 extra towards the budget." Mr. Adamson stated that it's a big difference in premium. Public Works Director Rigdon asked if this included the \$16.00 the employee is already paying and Mr. Adamson stated that this includes the \$16.00. Mr. Shaw stated that this is palatable. Mr. Shaw stated that the base on option 2 plan meets the need of that lower paid individual and they have that major medical protection that is affordable. Mr. Shaw said, "The buy-up on the option 4 plan gives the employee that comfort of both doctor visits and the prescription drug coverage and it gives the employee a little more exposure for an in-patient or outpatient stay but the maximum out of pocket is still the same." Chairman Glass stated that the impact to the employee would be that the benefits are reduced on the option 2 base plan and could eliminate the \$16.00 per paid period cost and if you choose to go to the buy-up it could cost the employee \$39.00 per pay period.

Vice-Chairman Thrash made a motion to choose option 2 as the base plan without vision and option 4 as the buy-up plan as the option for the employee. Commissioner Horton seconded that motion. The motion was approved unanimously.

Vice-Chairman Thrash added the addition of TelaDoc and Mr. Shaw stated that they are saving the county on the group employer paid life insurance by about \$1800.00 to \$2000.00. Mr. Shaw stated that this will help offset some of the buy-up cost.

Commissioner Heiney made a motion to add TelaDoc as one of our health care benefits and Vice-Chairman Thrash seconded the motion. The motion passed unanimously.

Mr. Adamson inquired about which broker they are choosing. Vice-Chairman Thrash stated that they had already approved a broker. Mr. Adamson asked Vice-Chairman Thrash why he was allowed to present a quote to the board. Mr. Adamson stated that he had submitted a quote that was 2 percent less than ShawHankins. Mr. Adamson stated that ShawHankins only matched his bid because Mr. Shaw was in the room. Mr. Adamson stated that ShawHankins requested a copy of the renewal that Mr. Adamson submitted it to them in April. ShawHankins asked for a renewal that had a 1 percent rate increase. Mr. Adamson stated that whether it is oversight or not he submitted a bid that was 2 percent higher than his. Mr. Adamson stated that this is anywhere from \$12.00 to \$13.00 an employee and anywhere from \$16,000 to \$18,000.00 more expensive than Main Street Advisors. Chairman Glass stated that the only difference is the bottom line.

Mr. Adamson stated that ShawHankins service fee is higher and if he had not been in the room he would not be allowed to match his rates. Mr. Adamson stated that his current plan is \$684.00 while ShawHankins current plan is \$697.00. Chairman Glass stated that the board voted on ShawHankins because they had better services to offer. Mr. Adamson stated that the board voted to ease the Human Resources Officer burden and that for \$17,000.00 they ought to hire a part-time assistant to come down here and work four hours a day. Mr. Adamson stated that ShawHankins has pricing power and Mr. Adamson stated that he has the same thing from Humana with the same quotes. Mr. Adamson wanted to know why for the last 20 years that he has been in this county dealing with government, the local government is equal to, less or actually within 5 percent, according to Commissioner Horton, he gets the business. Mr. Adamson stated that he is 2 percent less. Mr. Adamson stated is that now suspended for all local businesses. Chairman Glass stated that as for as comparison for the same service and the same product it is the board's decision. Mr. Adamson stated it was the same product and the same service. Chairman Glass agreed on product but not on service. Mr. Adamson left the meeting.

Chairman Glass continued with the meeting and requested that the board vote on the supplemental benefit options.

Vice Chairman Thrash made a motion to approve Metlife as the voluntary Dental Plan. Commissioner Heiney seconded the motion. The motion passed unanimously.

Vice Chairman Thrash made a motion to approve EyeMed as the voluntary Vision Plan and Commissioner Horton seconded the motion. The motion passed unanimously.

Commissioner Horton made a motion to approve One-America as the Basic Life Insurance Plan and Vice-Chairman Thrash seconded the motion. The motion passed unanimously.

Commissioner Heiney made a motion to approve One-America as the voluntary Life Insurance Plan and Vice-Chairman Thrash seconded the motion. The motion passed unanimously.

Vice-Chairman Thrash made a motion to approve One-America as the voluntary Short Term Disability Plan and Commissioner Horton seconded the motion. The motion passed unanimously.

Vice-Chairman Thrash made a motion to approve One-Americas as the voluntary Long Term Disability Plan and Commissioner Heiney seconded the motion. The motion passed unanimously.

Executive Session and Adjournment

Vice-Chairman Thrash made a motion to adjourn the meeting at 10:38 and go into executive session to discuss personnel. Commissioner Heiney seconded the motion. The

motion passed unanimously. The board came out of executive session at 10:48 and adjourned the meeting.

THE LAMAR COUNTY BOARD OF COMMISSIONERS

Charles Glass, Chairman

Nancy M. Thrash, Vice-Chairman

Bennie Horton, Commissioner

Robert Heiney, Commissioner

Van Baker, Commissioner

Attest: _____ Carlette Davidson, County Clerk