

**Washington County Benefits Committee**  
January 18, 2011

**CONVENED:** 1pm

**COMMITTEE MEMBERS:**

**Present:** David Ainslie, Mike Brunner, Angi Duyck, Susan Field, Amanda Garcia-Snell, Tracie Krevanko, Valerie McCraw, Tammy McVean, Susan Pinnock, Sara Stevenson, Charlie Weaver  
**Absent:** David Bellwood, Dirk Biddington, Don Bohn, Karen Crawford, , Kim Knudeson,

**HUMAN RESOURCES STAFF:**

Tracy Kittler, Benefits Specialist  
Stephanie Reitmajer, HR Manager

**CONSULTANTS:**

Mike Berry, Mercer  
Kristen Kirschten, Mercer

**1. ORACLE ADVANCED BENEFITS**

- This system is a new module, for our Oracle/WISARD system. It has been a several month project involving the Benefits, Finance, and IT teams.
- The new module was implemented to help with the strategic initiatives surrounding benefits and the Committee's work. In addition, it can allow the tiered benefit rate structure that the Committee has been discussing as a preferred method of cost sharing, should the County decide to have an employee contribution.
- The system now allows better reporting, more efficient communication with vendors and dependents for each employee are housed in the system, rather than a paper file.
- Jan Paris, HR Analyst, presented a demo of the system.

**2. UPDATED EXPERIENCE [Handouts]**

- Providence-the most current experience shows claims through November 2010.
  - Loss ratios should be about 80-82%; the look poorly for March-July.
  - The renewal rates are being prepared by the vendor now.
  - There had not been much total change in the loss ratios for the previous 12 months.
- Experience for the County's Kaiser medical plan is available only through June 2010.
  - Loss ratios of the most recent experience replace lower loss ratios.
  - Although year-to-date (YTD) numbers are not too bad, they are increasing and heading in the wrong direction.
- ODS vision may experience a rate increase.
- ODS dental YTD has increased a bit; rate increase expected to be about trend.

**3. HEALTH CARE REFORM [handout]**

- Health care reform continues to be dynamic and change; and it will continue to change until renewal in July 2011.
- Individual mandate is proving to be difficult to implement.

- Regulations for the next 12-24 months are pretty solid; that is the focus of the handout.
- Most provisions have a 7/1/11 effective date for Washington County, as the regulations stipulate the first plan year after 9/30/2010. As Washington County's plan year runs 7/1-6/30 (along with the fiscal year), most provisions will be effective 7/1/2011.
- Some of the difficulties with clarifying the provisions of this bill result from that fact that no single government agency is responsible for these changes. Changes affect the IRS, CMS/Medicare etc.
- Most of the provisions effective in July (examples are listed below) will benefit employees; with a cost included in the rates.
  - Age 26 provision for adult children
  - No lifetime dollar limits on essential health benefits
  - Mandated preventive services in-network with no cost sharing

#### **4. VOLUNTARY BENEFITS**

- Long term Care (LTC) and voluntary life continue to be put together as options/plans and associated costing

#### **5. ACTION ITEMS FOR NEXT MEETING**

- Evaluate local jurisdictions vision plans.

#### **6. NEXT MEETING, February 24, 2011 1pm-4pm**

#### **7. COMMENTS**

The following comments were made by committee members:

- "Are there reporting requirements involving employees and families SSN's?"
  - Yes. There are federal reporting requirements that happen via the medical vendors in conjunction with Medicare (CMS) requirements.
- "Kaiser rates are expecting to increase too. Why?"
  - There are a large numbers of claims. In addition to lots of people with lots of claims, many of the claims are over \$50,000. That is expensive care, and it is reflected in our rates.
- "Will we be proceeding with Long Term Care and Short Term Disability as County voluntary benefit offerings?"
  - LTC is still a viable option and Mercer is receiving rates etc.
  - STD carriers are in question due to average sick leave accruals County-wide
  - LTD buy-up is also being quoted/evaluated.
- "Will AFLAC be an option?/Can we use payroll deductions for AFLAC?"
  - AFLAC is administratively very difficult to work with; most likely the County will select a vendor more appropriate for the County's size and needs; this type of offering will be considered though.
  - While previously any type of deduction was difficult to handle from a systems perspective, our new system (OAB) allows this with much greater ease.