

Health Insurance Workshop

Dixie County Courthouse

Board Meeting Room

July 08, 2021 – 9:00 AM

While adhering to the CDC Guidelines and following State of Florida Executive Orders: 20-51 Establishing Response Protocol, 20-52 declaring a Public Health Emergency, 20-69 regarding Local Government Public Meetings and the Dixie County Emergency Declaration 2020-27. The Board will meet and limit access by staff and the public to the meeting room. The Board meetings are audio recorded. The public can hear and participate in the meeting via conference call by dialing 1(917)900-1022 and enter code 32628.

COMMISSIONERS

Jody Stephenson, District 1

W. C. Mills, District 2, Vice Chairman

Mark Hatch, District 3

Jamie Storey, District 4, Chairman

James Valentine, District 5

STAFF

Duane Cannon, County Manager

Martha McCaskill, Administrative Asst/Grant Coordinator

Michael Osteen, County Attorney

Barbie Higginbotham, Clerk of Court

Verna Wilson, Chief Deputy Clerk

Della Rhymes, Asst. Chief Deputy Clerk

Jacki Johnson, Chief Financial Officer

CALL TO ORDER

The Board meeting was called to order 9:00 Am by Commissioner Storey.

INVOCATION AND PLEDGE TO THE AMERICAN FLAG

The Invocation was led by Commissioner Valentine and the Pledge to the American Flag was led by Commissioner Mills.

BRAD HOARD, COUNTY EMPLOYEE INSURANCE

Mr. Brad Hoard appeared before the Board along with Mr. Andrew Rains to present the Employee Insurance Renewal options for 2021. He compared premiums and Claims since 2013. He discussed the medical increase of 11.86 percent of the current premium and the alternate Blue Care plan and the Blue Cross plan and encouraged the Board to consider participating in a Wellness program. The Health Savings Account was also discussed in comparison to an FSA.

For the current year, the county has paid a premium of \$1,664,802.00 for 181 employees. The insurance claims equal \$2,031,485.00 which is a 122 percent loss. Last year the loss ratio was 98 percent and the year prior was a 102 percent loss ratio. The three-year average is that the county has paid \$4,802,549.00 in premiums for insurance coverage and the claims have been \$5,170,917.00. Based on these figures, the rate increase of 11.86 percent is generous by Blue Cross.

Commissioner Stephenson asked if there was a base rate that insurance companies follow.

Mr. Hoard said there is a manual set premium rate based on several factors like age, zip code, etc. However, that rate is then manipulated by the experience of the policy holder which in this case is the 122 percent loss. He said they changed from Avmed to Blue Cross in 2017 and Blue Cross gave the county a decreased premium compared to Avmed. He said the premium paid and the claims have been close in comparison over the years with Blue Cross.

Manager Cannon verified if no alterations are made to the current plan then the increase will be \$203,690.16 for insurance coverage.

Mr. Hoard said that is correct.

Mr. Hoard discussed some possible changes. He said you can change the plan, Blue Cross Blue Options which is a PPO and Blue Care which is an HMO. They both have the same coverage, same \$1500.00 deductible, same co-pay. The only difference is the platform, PPO versus HMO which offers a different network of doctors.

Mr. Hoard informed the Board that the Blue Care is the more popular choice. He said the Town of Cross City and the Dixie County School System have this plan.

He told the Board that an employee can use any Blue Cross provider if they are under the Blue Cross Blue Options plan. If the employee chooses to have Blue Care only Blue Care doctors can be used. In an emergency the employees can use out of network doctors.

He said both plans offer the same coverage, but they are structured differently.

He said Blue Care is a cheaper plan, with no out of network charges and the claims are usually less.

Mr. Hoard said he can give the Board a list of providers so that the employees can check to see if their doctor is on the list. He said all employees should choose a primary care doctor or Blue Cross will choose one for them.

Commissioner Stephenson said that most people don't want to change doctors.

Commissioner Hatch asked Mr. Hoard to explain how the 10 percent is a savings and will not affect the employee.

Mr. Hoard said the Blue Care doctor gets paid less but cannot charge the employee for the difference.

Commissioner Stephenson said that the doctors agreed with the insurance company to accept a 10 percent decrease in billing for this plan.

Mr. Hoard said yes.

Commissioner Stephenson asked if the employee would get the same amount of care.

Mr. Hoard replied yes.

Mr. Hoard said the county can offer both plans to the county employees.

Commissioner Stephenson asked about the percentage of use of each plan by other counties.

Mr. Hord said in Dixie County everyone uses the Blue Care Plan. He said the Dixie County School Board also offers the Blue Options.

Commissioner Stephenson said the county has the option to pick either plan.

Mr. Andrew Rains said the Blue Care network is very strong within our area. He said the Blue Option plan may be better if the employees needs to see specialists. He said he uses the Blue Care plan for his family.

Commissioner Hatch said you won't know exactly what the increase premium will be until after open enrollment.

Mr. Hoard said you will know the cost to the Board before that.

Ms. Holly Houghton asked if the cost to the employee will be pre-tax or post-tax from their paycheck.

Mr. Hoard said that will be up to the employee to choose.

Mr. Hoard said he strongly recommends the county participate in a Wellness plan that Blue Cross offers. He said this would make the employees more aware of their health. He said this would include BMI checks, blood pressure checks, flu shots, etc. He said that Blue Cross will schedule two, one hour long, meetings within the first six months of the plan. At these meeting they will speak on specific health issues and subject matter. He said they must have 50 percent of the insured employees attending the Wellness Program meetings.

Mr. Hoard said that employee participation will help reduce claims, which will reduce the premium rates.

He said that Blue Cross offers a one-month premium holiday if you participate in this wellness program. Which means the county gets one month free and does not pay the premium for one month of twelve. Which would save the county \$160,000.00. He said by adding the wellness program the premium increase would change from \$203,690.16 to \$43,000.00.

Commissioner Stephenson asked how to structure this because the employees will want to know if they are getting paid while attending these meetings.

Manager Cannon said they can rotate the attendance of the meetings by departments.
Mr. Hoard said the meetings can be scheduled toward the end of the day if needed.

Manager Cannon asked for clarification of this scenario. If the Board makes no changes to the current insurance plan and adds the Wellness Program, with employee meetings in October and March for the checkups, but they do not have the employee participation that is required, would the county have to pay back the one month free premium.

Mr. Hoard said he believes the insurance company would work with the Board on that.

Clerk Higginbotham said this was done in Gilchrist County and the employee participation was very good.

Mr. Hoard said this clarified \$160,000.00 savings is for one year only.

Ms. Martha McCaskill asked about a wellness check-up.

Mr. Brad said that is different than what is offered at the wellness meetings. He said this is more of a counseling type situation. He said you will still go to your regular doctor for a wellness check-up. He said this may encourage more people to see their doctor for a wellness check-up.

Ms. Holly Houghton spoke about a "Fit for Duty" policy in the employee handbook.

Mr. Hoard said if the county chooses the Blue Care and the Wellness Program it will save the county \$112,000.00 for the year 2021.

Commissioner Stephenson said it makes sense to change to the Blue Care as long as the employee's doctors are on the provider list.

Commissioner Hatch and Commissioner Mills both expressed their frustration with using the Avmed insurance company in the past which was an HMO plan

Manager Cannon asked if Mr. Hoard could help with the transition.

Mr. Hoard said he has helped with the transition from a co-pay to a Health Savings Account. He said he has helped with the transition in 2013 to Avmed for a premium savings and the transition in 2017 to Blue Cross.

Mr. Andrew Rains said he recommends the Blue Care and uses this program for his family. He said if an employee has a special need then they may need to stay in the network for their specialist.

Ms. Angie Crowley asked about doctors at Shands.

Mr. Hoard said that the doctors at Shands will not have an issue with this insurance plan.

Mr. Hoard said that after 6 months and if they county employees have participated in the wellness meetings. The insurance company will give the county \$10,000.00 cash as an incentive to help with wellness. He said this is a one-year benefit.

Commissioner Hatch said that paying employees to attend these meetings will be a huge amount from the budget every year.

Mr. Hoard said they can drop the wellness program after one year.

Commissioner Hatch asked why employees stopped getting new hire physicals.

Mr. Hoard said that some still do. He said that work physicals and drug testing is considered to be separate from the Wellness Program.

Ms. Martha McCaskill suggested to give the employees an incentive to attend the meetings.

Mr. Hoard said the county could use the \$10,000.00 for this, maybe pay for lunch or give a gift card for attendance. He said the first year of the wellness plan is the hardest to get people to participate, but after that many are willing to continue.

Commissioner Mills asked about the annual savings if the rate stayed at the 11.82 percent increase.

Mr. Hoard said that would depend on the amount of the claims. He said potentially \$60,000.00 in the cost of premiums.

Mr. Hoard reminded the Board that in 2018 there was a 1.5 percent rate increase, and then in 2017 there was a 20 percent rate decrease. Unfortunately, today in 2021 the rate is a 11.86 percent increase.

Commissioner Hatch said he would like to offer all three choices to the employees at open enrollment. He asked when the Board must make their decision about the plans.

Mr. Hoard said the county will need the information for the Budget. However, he needs this to present at open enrollment in September. He said if the county will be making any changes then open enrollment will need to be earlier for the employees. He said they should start the process in August.

Manager Cannon asked if the Board could decide by the July 15 Board meeting.

Commissioner Hatch said no, addressing this in August would be better.

Commissioner Stephenson said he wants the employees to be able to use the same doctors and get the same level of care. He requested a listing of health care providers.

Mr. Andrew Rains said they will get this together for the Board.

Mr. Hoard said they will run the list covering five counties.

Commissioner Mills said if they can get this list early, he would be ready to vote on this by August 05.

Commissioner Hatch agreed.

Commissioner Stephenson also agreed.

Commissioner Hatch asked about the family plan and if they are required to do the wellness checks.

Mr. Hoard said only the primary insured.

Director of Emergency Services Darian Brown asked about the difference in cost to the employee to get family coverage.

Mr. Hoard said to switch plans would save the employee \$300.00 per month for family coverage. He said that currently there aren't any employees with family coverage. He said there are some with spouse coverage.

Commissioner Hatch said the employees can't afford the current family plan coverage.

Mr. Hoard said the next topic for discussion is the differences between the Health Savings Account (HSA) and the Flexible Spending Accounts (FSA). He said both accounts are for reimbursement of medical expenses. He said the HSA was set up to help employees with the insurance deductible in 2006 or 2007.

He said with the HSA account, the employee is the account owner and is given \$1,000.00 from the Board to go towards the deductible. The employee can add money to this account, up to the IRS allowed amount, for a savings on their tax return. The employee can withdraw money and spend this money however they chose.

He said with an FSA account, the county/employer is the account owner. The money in the account must be used for qualified expenses only. If the employee quits their job, and there is money still in the account, the money belongs to the employer. He said there is no roll over balances from year to year with an FSA account. He said the employee must pay costs up front and then file a claim form with receipts to be reimbursed or it's possible to have a debit card for use for qualified expenses only. He said the employee cannot withdraw any money from this account. He said he would recommend a third party handle the insurance claims with the FSA accounts.

Commissioner Hatch said most employees will not contribute to the FSA account.

Mr. Hoard said the county currently has 193 employees and 171 of these have the health insurance coverage.

PUBLIC COMMENTS AND CONCERNS

There were no comments or concerns expressed at this time.

ADJOURN


Commissioner Hatch made the motion to adjourn at 10:36 AM. Commissioner Mills seconded. Board approved.

ATTEST:




Barbie Higginbotham, Clerk-Auditor

BOARD OF COUNTY COMMISSIONERS
DIXIE COUNTY, FLORIDA


Jamie Storey, Chairman

PLEASE BE ADVISED that if a person decided to appeal any decision made by the Board with respect to any matter considered at such meeting or hearings, he/ she will need a record of the proceedings, and for such purpose, he/ she will need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based.

“Persons with disabilities requesting reasonable accommodations to participate in this proceeding should contact (352) 486-4931 (Voice & TDD) or via Florida Relay Service at (800) 955-8771.”

The Board meets the first Thursday of each month at 10:00 AM and the third Thursday of each month at 6:00 PM. Individuals that would like to be placed on the agenda should call Barbie Higginbotham, Clerk of Court, by 4:00 PM on the Friday Preceding the Board meeting, at (352) 498-1200.