

Minutes of a Special Meeting of the Finance Committee

The Finance Committee of the McLean County Board met in a Special Meeting at 8:30 a.m. on Tuesday, November 19, 2002, in Room 700, Law and Justice Center, 104 West Front Street, Bloomington, Illinois.

Members Present: Chairman Sorensen, Members Berglund, Kinzinger, Rodman and County Board Chairman Sweeney

Members Absent: Members Arnold and Renner

Staff Present: Mr. John Zeunik, County Administrator; Ms. Lucretia Wherry, Human Resources Assistant; Mrs. Carmen I. Zielinski, Administrator's Office

Department Heads/
Elected Officials

Present: Sheriff David Owens, McLean County Sheriff's Department; Chief Deputy Derick Love, McLean County Sheriff's Department; Mr. Bob Keller, Director, Health Department

Chairman Sorensen called the meeting to order at 8:37 a.m.

Chairman Sorensen presented a request for approval to fill the vacant positions of an Office Support Specialist I and one Correctional Officer Position in the Sheriff's Department.

Sheriff Owens explained that the Correctional Officer's position is requested because the officer that was performing the duties of this position has resigned to return to full-time active military duty.

Sheriff Owens stated that the Office Support Specialist I became vacant when the individual decided to stay home after recently getting married. This person was hired to fill in for an employee who is on military leave from the Office Support Specialist I position.

Motion by Berglund/Rodman to recommend approval to fill the vacant position of Office Support Specialist I and one vacant Correctional Officer position in the Sheriff's Department.
Motion carried.

Chairman Sorensen presented a request for approval of the Resolution to Establish Rates for the Health and Life Insurance Program for Fiscal Year 2003.

Mr. Zeunik stated that Mr. Bob Keller, Director, Health Department, and Ms. Lucretia Wherry, Human Resources Assistant, are present to explain the changes and details of the Program and to answer any questions.

Mr. Keller stated that the County Administrator's Office and the Employee Benefits Committee have worked to provide McLean County employees with quality health care

coverage within an environment of ever-increasing health care costs. Across the country, employees covered by health care plans are being asked to participate to a greater extent in the cost of coverage. Efforts by employers and employees to improve an individual's health and to become discerning health care consumers will assist holding future costs down.

The Health Alliance Health Maintenance Organization (HMO) offers a number of local doctors to serve as Primary Care Physicians. Once a Primary Care Physician has been selected, that provider will be the first point of contact for most medical services. Coverage will pay for 100% of most costs after a modest co-payment. Specialist care will be covered at the same rates, but must be pre-authorized by the Primary Care Physician. A Provider Directory will be distributed at the Open Enrollment Meetings. The most notable change to the HMO option is that member co-payments for inpatient hospitalization have risen from a flat \$200.00 rate in 2002, to a 20% coinsurance payment for 2003. Coinsurance is subject to the out-of-pocket maximum limitations of \$1,500.00 for single member coverage and \$3,000.00 for all other tiers.

Mr. Keller noted that out of pocket maximum on prescriptions is \$1,500.00. After the out of pocket cost reaches \$1,500.00, Health Alliance will pay 100% of the prescription costs. Health Alliance will not cover a 50% tier medication unless it is "medically necessary" and no other alternative is available. Although the co-payment for generic prescriptions has remained the same, co-payments for name-brand drugs have increased 30% and 50% respectively, subject to the out-of-pocket maximum.

Mr. Keller explained that the Health Alliance Preferred Provider Option (PPO) offers more flexibility in choosing doctors and hospitals, but requires higher deductibles that must be paid by the employee. For the first time, the PPO offers a wellness option to employees. Physical examinations and related tests are now offered as an added benefit. Employees are encouraged to take advantage of this new feature in order to maintain their health status and obtain needed treatment early in the disease process. This feature is aimed at both encouraging wellness and holding down medical expenses for both the County and employees.

The County will provide payment to employees through a rebate for the first \$500.00 individual and \$1000.00 family of the employee's deductible for any service provided in-network and with a percentage co-insurance denoted. This "rebate" would be accomplished through the member receiving service from the in-network provider who would then, in turn, bill Health Alliance. Health Alliance would pay their portion of the provider's bill directly and then pay the member their share of the first \$500.00 of deductible expenses along with an explanation of benefits detailing what remains of the employee's financial obligation after the County pays the "rebate." Another change to the PPO plan is the increase in the out-of-network share of cost to employees. During 2002, the plan allowed for a 70/30 payment of out-of-network claims with the same deductible as in-network claims. For 2003, the plan provides for a 60/40 payment of out-of-network claims and out-of-network deductibles are \$2,000.00 and \$5,000.00, respectively, for single and family participants. In addition, County rebate payments do not apply to out-

Minutes of a Special Meeting of the Finance Committee
November 19, 2002
Page Three

of-network claims. Further, out-of-network-out-of-pocket maximums have increased significantly. These changes are to help control costs by providing incentives for the employees to utilize Health Alliance in-network providers. Ms. Wherry noted that out of pocket maximum on prescriptions is \$1,500.00. After the out of pocket cost reaches \$1,500.00, Health Alliance will pay 100% of your prescription costs from the \$10.00 and 30% tier.

The County will continue to provide a \$10,000.00 life insurance benefit to all employees. Additional coverage is available at group rates at the employee's option. The Administrator's Office is recommending changing providers from Lafayette Life Insurance Company to Clemens and Associates Life Agency, Ltd. Lafayette Life proposed a rate of \$2.20 per employee per month effective January 1, 2003 through January 1, 2005. Clemens and Associates proposes a rate of \$1.80 per employee per month effective January 1, 2003 to January 1, 2005.

Motion by Berglund/Rodman to recommend approval
of a Resolution to Establish Rates for Health and Life
Insurance for Fiscal Year 2003. Motion carried.

There being nothing further to come before the Committee at this time, Chairman Sorensen adjourned the meeting at 8:44 a.m.

Respectfully submitted,

Carmen I. Zielinski
Recording Secretary

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