FRANKLIN COUNTY BOARD SPECIAL MEETING AT 2:00 PM

MINUTES OF MEETING
Sep 4, 2024

CALL TO ORDER

The Special Meeting of the County Board, was called to order at 2:00 p.m. by Chairman J. Larry Miller. This meeting was held in the Franklin County Courthouse, County Board Room 133, 100 Public Square, Benton, Illinois.

ROLL CALL

Secretary, Kevin Wilson, called the roll. Members in attendance were J. Larry Miller, Dave Bartoni, Angela Evans, John Gossett, Curtis Overton, Kevin Weston and Brad Wilson. Neil Hargis and Ray Minor were absent at roll call. Ray Minor arrived late.

Also in attendance were Gayla Prather, County Board Office Manager; Kyle Bacon, Sheriff; Matt Barnett, County Engineer; Marty Leffler, County Coroner; Cindy Miklos, Supervisor of Assessments; Jim Muir, Circuit Clerk; Steve Vercellino, County Treasurer and other interested parties.

PLEDGE

Chairman J. Larry Miller lead everyone in the Pledge of Allegiance.

PUBLIC NOTICE

Chairman J. Larry Miller informed everyone that the purpose of this meeting is to approve Ryan Buckingham, Director of Emergency Management Agency raise and to discuss employee's insurance with two companies: HOPETRUST / Snedeker Risk Management and Randy House & Associates Inc / SAS. We are going to have a discussion today about our healthcare provider, we are going to have two groups here. One is our provider now, Mr. House. But he is our provider and then we have a representative from Hope Trust here also, and Dixie Anderson is with Randy also. So, we are going to let them make a presentation to us and this is all informational. We will let them individually speak and we originally were talking about having a session to do this and there just was not any place in the listing that really provided for that. So, we decided just to make this a public meeting and let everybody hear what is going on.

RYAN BUCKINGHAM, DIRECTOR OF EMERGENCY MANAGEMENT AGENCY - RAISE APPROVAL

Chairman J. Larry Miller stated that the first item on the agenda is the approval for Ryan Buckingham, Director of Emergency Management Agency raise. As approved at the June 17th Regular County Board meeting the first payroll of July, Ryan was given a raise to comply with the Department of Labor Human Resources to the EMA director salary, which will increase to $43,888 on July 1st, 2024 as per Department of Labor Regulations. According to the employee data sheet, that raise was less than *all other employees* and is changed to the 4.5% increase. The current new rate of pay is retroactive to December 1, 2023 and will be to reimburse county for the Department of Labor raise that at this time has been determined null and void.

John Gossett made a motion to approve Ryan Buckingham's raise as presented at 4.5%. Angela Evans seconded the motion. On roll call vote, all voted yes.

Said employee data sheet is made a part of these minutes.

HOPETRUST / SNEDEKER RICK MANAGEMENT - EMPLOYEE'S INSURANCE DISCUSSION

Chairman J. Larry Miller stated that the next item on the agenda is a discussion for employee's health insurance and first to give their presentation is HOPETRUST / Snedeker Risk Management and he introduced Jacob Janssen, Kevin Kern & Brent Williams. So, at this time I want to present the folks from HopeTrust and they can begin. Jacob and Brent and Kevin, I think, do you have some information for anybody in the public or I believe we should be ready. Okay.

Brent Williams:

Thank you, sir. So first I just want to say thanks for inviting us today. We are going to talk to you to show you what we have, tell you a little bit about who we are and what we do. I am Brent Williams. This is Kevin Kern and Jacob Jansen. We work with Snedeker Risk Management. We are the plan administrators for the HopeTrust and the HopeTrust is the plan that we would be looking at for healthcare. The HopeTrust stands for Health Options for Public Entities. We only insure public entities, in trust. So, this is our 13th year of participation in the trust.

It came about with four founding counties, that had the same vision, that they were looking for an alternative to the standard commercial carrier and something to give them consistent rates or at least a little more attainable rates. The trust, as I said, it has been 13 years in its existence.

Each member entity that joins the trust has a representation on the board. We have a five-person executive board member that oversees it and we are happy that we have a 99% retention rate for members that have joined. So, we have free access, member access, to our clinical team, in-House for employees to be able to use, talk about medical needs or RX questions that they have. And the trust is a lot different than your commercial carriers and the fact that we have some innovative ways to bring plans and bring multiple options to the employees. So hopefully we can show you some things that they have not had an option in the past to help with. So, at the bottom of that first page, you will see there are executive board members and officers. Again, as I said, there is five executive board members that are elected and they meet quarterly.

On the second page, this is just a list of our family of clients, it is everyone we work with. We put it out there so that you folks have an opportunity to reach out to them and talk to them a little bit about who we are, what we stand for, and how we work. Those that have the HT designation behind our name are Hope Trust members. So those members are in the trust itself. Some of them locally here. Franklin County Second Circuit probation is with us. Jackson County, Johnson

County, Mount Vernon Township, Perry County Housing, Pulaski, Union, Wayne, Williamson are all members of the trust and there's others there. Those are just the ones that are kind of close to you. If they do not have an HD there beside their name, then either we work with them on a self-funded health program or maybe on property, liability, work comp.

We also have another side of the business, moving on. We talked a little bit in the beginning there about our clinical team. This is our member resource page. We have a pharmacist on staff, clinical director, and then also a director of nursing, on staff. So that's free access to your employees and the members to be able to talk to those folks. Maybe they are having a prescription issue that they want to work through. They can work with Sarah on that. Or maybe they are looking to have a medical procedure done, maybe a knee replacement and they do not have a preferred doctor. They can reach out and work. Leah, she can give them the top-rated physicians in their area at the best cost.

Both great assets there. Any questions on anything?

Chairman J. Larry Miller:

Those folks are also available? I mean they are available to the employees themselves?

Brent Williams:

Absolutely. Yep. They are available for members to talk to at any time.

Chairman J. Larry Miller:

So, there is a question that tell me if I am right, but if they have a question even about medications, they can direct them somewhat.

Brent Williams:

Absolutely. We can help with medications. If they have a question about claim, question about, like I said, medical procedure. They need guidance in some direction. We get as involved as employees want us to be or as hands off as they want us to be. Now we consider ourselves a family, but we also know there's laws that we follow.

Chairman J. Larry Miller:

And if I am not mistaken that these two are fairly new to your organization.

Jacob Janssen:

It has been about three years now. Sarah's been about the same time I was five and Leah I would say about three years.

Brent Williams:

So that was something that came about from membership honestly. People talked about, and the nice thing about the trust is if you join the trust, you guys own the trust, your a participant in there, you have input into what happens to the trust. Those were both suggestions that came about where people were struggling finding issues and we brought those people on board to help.

Chairman J. Larry Miller:

If I ask a question there, so you, the fact that you, I call it a coop. Okay, I will look at it. Okay. I've dealt with co-ops all my life. They have been a tremendous asset to my professional life. And so, the groups that are involved, are they, I do not know if this is the right term, are they part owners?

Brent Williams:

So technically, I mean every member is an owner of the trust. Snedeker Risk Management does not own the trust. Those groups that participate are the owners of the trust. We just manage the trust.

Chairman J. Larry Miller:

And so, all policy decisions are made not by a board. Some of them are.

Brent Williams:

So, the executive board ultimately is the ones that vote. Those five people there that we talked about are the ones that vote to make policy changes, policy changes. Those changes come about from membership. Like I said, you would have a representative on the board and they meet annually and they bring recommendations. We are going to dig into some of those. One of the things was on one of our policies several years ago, they thought it was important that the employees have a life insurance benefit and it came to the table and they voted to add, well, at that time it was a $10,000 life insurance policy. It had been up to 15,000 through this year. They just voted last month for 2025. It will become a $20,000 life insurance policy. That is included with the plan at no cost to employees. So those are some of the things that membership can drive. Hearing benefits was one thing that we heard a couple years ago that they thought was important to give and that came from some of the membership. Executive board voted to include those in there. So yeah, you are on the right track. Anybody else got a question of this one?

Jacob Janssen:

So next thing we will talk about here. We had met with Larry, Kevin, and John and talked about some plans. Plans here that I am going talk about are two plans. One essentially kind of mirrors what you have. We have discussed trying to eliminate the HRA to not have the county have an exposure and additional cost on that. So, this would be one of our off-the-shelf plans that well mirrors what you have now. Now that being said, if we need to build the plan exactly how you have it now, we can certainly do that. But I am going to go ahead and dive into this Hope 500 plan here. So, this would be the plan here was just the hope 500 on top of it. Brent made a good point. You get $15,000 of life insurance. You do not pay for that, you do not elect it, you automatically get it.

And 2025, that will change to 20,000. Heaven forbids if there is an accidental debt that would double the 40,000. So, like Brent said, the executive board just thought it was very important for our membership to have life insurance in some capacity. So that was something that we added. Unfortunately, we have had to pay it out. But we can at least sleep well at night knowing that membership does have something in place if something were to happen to them. What is a little bit different from what you have now from what you have now to what we are currently presenting is you will see under the major medical plan there are three tiers of providers. There is preferred, there is standard and there is out of contract. You will see under the preferred providers that it is zero. There is no deductible, there is no copay, there is no out pocket. We will jump into that a little bit more.

You will see under the standard you would have for a single individual, $500 deductible, thousand dollars out of pocket. That would just be using standard providers there. So, talking about preferred and standard, we will jump into it, but it will make a lot more sense. But just keep in mind under the plan you currently have now if you are using preferred, it is zero. If you are using standard, you are a thousand dollars would be your worst-case scenario. Moving on down to where it says kind of split in the page for a physician office visit, that is $0 after deductible preventative services, whether that is standard or preferred or paid at a hundred percent by the plan, you have up to 40 visits for chiropractic a year could be a lot of the same things your plan currently has now.

Now I will talk just a little bit about the prescription drug program.

So, you will see under the preventative drugs, that is zero. We can provide a list letting you guys know what is preventative drug, you know what is not and what the cost would be. But our preventative drug list is actually very large. So, if someone has a drug that falls under the preventative drug that is going to be zero, your generics would be seven, your formularies would be 30, your non formularies would be 45 and your specialty drugs would be 20%. You can see down at the bottom for a 90-day supply of your maintenance drugs, if you get a 90-day supply, you can get three months at the cost of two essentially. So, if that is something that your membership's interested in, you can get a 90-day supply and they are essentially cost you what it would be. You get a 90-day supply and it would cost you two months for two months essentially for three there.

So, another thing too, we have the mail order on drugs too. So, if anybody wanted to do mail order drugs, we could essentially do that as well for anybody if they had interest in that. Are there any questions on the Hope 500 plan?

Brad Wilson:

And you said this is well the same? Do you know what is not the same?

Jacob Janssen:

So, I believe now you have a $500 deductible with an $800 out of pocket. What would be different if you still have a $500 deductible. The co-insurance would be the same, but you are out pocket would be slightly higher. This was just something that we offer that is off the shelf, so we could provide that to you today. If we do need to build something that exactly mirrors what you have, we can certainly do that. But I just wanted to have something in here today to show you guys.

Essentially the next plan that I would like to talk about is the Hope 400 plan, which is kind of got the orange at the top of it there. So, this was something in a prior meeting that we had talked with Larry and Kevin and John about for the size of Franklin County. I really do think that it would be a good idea for you guys to have multiple plan options for your membership. And the reason I say that is because I mean I think you guys are right around a hundred people, so one plan might not work for everybody. So, what we kind of talked about on this was under the high deductible plan, say you had some membership that maybe did not use the plan all that much. This plan out here can be paired with a health savings account. So, kind of our thought processes and sense of that that if we can come in and this be a significantly cheaper rate than what you are paying now, maybe the county would have some interest in funding an HSA.

So, I think what is good about that is especially if Franklin County has got some folks that are not using the plan, has some younger people coming on to employment at Franklin County. I will give you an example. I have an HSA where we work, I am 28 years old, I do not use a doctor. We fund the HSA and it is great because maybe as some of you know when HSA funds go to that employee, you do not lose that. They keep those funds forever. So, we just like to look at creative ways essentially to where if we can bring a good benefit to the membership, we would like to do that. If we could get the county to fund an HSA if it makes sense cost-wise, that could be money that your membership could have for years and years and years on it there.

What is slightly different about this plan though is you will see you still have life insurance which will go to 20,000 next year, but you will see under the preferred and standard. So, since this plan can be paired with the health savings account, the IRS steps in and says so much money must be spent before we can weigh your cost. So, you will see what is different is under the preferred you use preferred it would be $1,600 would be your worst-case scenario. For single it would be 3,200 for family. Well, most of the folks on this plan are single. So that would be your biggest difference is that you would have to pay a little bit before you could start waiving costs, but it is more than half of what you are out of pocket would be under standard, which would be

4,000. So just want to point that out.

We would love to waive it from the get go. But since it is a qualified high deductible health plan, it can be paired with an HSA. The IRS does say so much money must go through before we can start eliminating your costs there.

A lot of it works the same except when you go down to the prescription drug program. Essentially what is different about this plan compared to what you currently have now is when you go and get drugs from a pharmacy there, it will go towards that $4,000 because it is one in the same. So, your major medical and your prescription drugs would go towards before. So that would really be your biggest difference aside from the Hope 500 plan that I just talked about because once you get to the 4,000, you are essentially, you are done spending for the year there.

Kevin Kern:

It is a different concept than probably what many of your employees are used to. HSAs have been around for approximately 10 to 15 years. If you have been in a previous workplace where your employer has offered that, maybe your employees are familiar with it, but it is a different way of thinking. It is a little bit more investment in your own healthcare. They offer a lot of benefit because they are tax free, and as Jake mentioned, the good part about it is, it is not the old Flex Plans where if you have money contributed to your HSA by your employer, it is not use it or lose it by the end of the year, it is your money. It can stay in your bank account. It rolls over from year to year and the goal is hopefully if you have a string of good years that money adds up so that when you do have a major health issue, you have got a little bit of a nest egg to use it. It is tax free. There's tax free treatment and it even rolls over into a retirement plan if you have HSA money when you get to your retirement age. There is a lot of education on that that we would have to work on if folks are not familiar with it. But my guess is maybe some of the employees even had that at previous workplaces. Even if they leave the county's employment and go somewhere else, they still have that HSA bank account. It is theirs.

Jacob Janssen:

Next plan I would like to talk about, and this is a little bit different than probably something you have ever seen before too, is you will see at the top it says save money and maximize your benefits. We call this the health reimbursement plan, HRP for short. Essentially this plan will not work for everybody, but you would be surprised how many people it would work for. So, I will give you an example. If you have an employee in your office whose wife maybe works for the state, maybe works at a local bank, and they might even already have coverage with her aside from what they have with the county or if they could get on her plan and it is not too costly. We can cover not only your employee but her spouse and any children that they have under the plan and we will pay for all deductibles out of pockets, copay's, drug RX, essentially any out of pocket that the membership has there.

So, I know it is an odd concept, but we started working with Williamson County last year. We got some good HRP participation there. You would really be surprised how many people are eligible for it. Essentially the beauty of it is too is for folks that are eligible, the only out out-of-pocket cost they have is what they are paying to be on that other group major medical plan because it comes in at such a fraction of the price for the county that most counties just go ahead and do not charge anything for it. Essentially what is nice about that is you could cover your whole family and the only out-of-pocket cost you would have been what you are paying premium wise to be on that other plan. So, we can cover if it is just your employee and her spouse, she has got five children, we can cover all of them. Essentially what happens is when they go get medical services and say they have a $500 bill, they turn a claim form into us, we send them a check for $500 to pay for that out-of-pocket cost.

So, it is essentially free healthcare except for what you are paying to be on that other plan there.

Kevin Kern:

Most of the time this is through, as Jake said, through the spouse's employment, but it can be through Tricare. Occasionally we see people that may have retired, for example, from the state of Illinois and they still qualify for benefits, any group major medical care. So, one of the things that we typically like to find out when we are investigating a group, getting to know them is figuring out what percentage of your workforce may qualify. And then it is an education process there too because this is a different concept. A lot of people will blink their eyes and look at us and say, that sounds too good to be true. But when we walk them through the steps, it really does make sense and typically we start out gauging different groups.

Usually between 10 and 25% of the workforce may be eligible. They may have other healthcare available to them. Then we will work on educating, getting out the flyers, talking with those people individually and you are not going to get all those people to sign up, but you will get a fraction. And I think what would find in our groups, for example, Williamson County get a base level the first year they get up, they work it, they get their money back through their health claims and then the water cooler conversation starts and they are coworkers that may be eligible but not on it. They are convinced that it really does work. And then you see membership grow in the HRP plan after that.

Jacob Janssen:

Okay, I know we are throwing all that out to you guys, but one more thing I do want to spend a decent amount of time on this is our preferred network list essentially. So, you will see that the first page, front and back, the second page, front and back and the front of the third page are all preferred providers. So, I want to spend a little bit of time on why we did what we did the longest time we used a typical network. We used Health Link OA three. Great, you can go anywhere or see anybody. But what we started to find out is as the hope trust got larger that we could pull claims and figure out, okay, well why at hospital A are we paying this opposed to hospital B? Well, it was all because of the agreements that were in place.

I will give you an example. I am from Beardstown, Illinois, I live in Marion now, but in Springfield there is two major hospitals that sit next to one another. We could see for billed charges that a knee surgery at one was 75,000 and another 35,000. Well, we thought, well why is that? We need to do something to where we can kind of pull the curtain back and let everybody see that. Why is this the way it is? So, we went back to health link, they said, Nope, we are not going to do that. These agreements are shrouded in secrecy. No, if you do not like it, you just must find a new network. So, what we did was everybody on these pages we reached out and got agreements with. So, the preferred ones are the facilities that came to us and gave us a better network deal opposed to the standard ones.

I want to be very clear, standard providers are still perfectly fine to use. You just have your standard deductible and out of pocket. But preferred is where we can sweeten the deal essentially for the membership. So not to beat a dead horse and go through all these, but I think probably three of the major providers that you would use in Franklin County are SIH, Deaconess, Christopher Rural Health, those are all preferred providers. So, what does that mean for your membership? That means they pay nothing. They have no deductible, they have no copay, they have no out-of-pocket costs. So, the idea behind this is we know what the network agreements that we have in place. If we have people using preferred providers, we can keep cost in check because we know what the network agreement is. So, the idea behind it is, well, let us make it as sweet as we can for the employees to where if you go to preferred, we will just completely waive your costs. You will not have any deductible, no copay, no out-of-pocket costs at all. So that's kind of how the preferred got started. So, I want to be very clear, standard providers are still perfectly fine to use, but preferred is where we can really make it really, really, good for the employees to where the sense of plan that you have now, if they are going to Deaconess, if they are going to SIH, if they are going to Christopher Rural Health, we eliminate their cost. No deductible, no copay, no out of pocket, nothing.

Kevin Kern:

One thing I would point out about our provider is anytime we work with a new group, one of the first things that we want to do is figure out where it is you are going. We want to make sure that if the employees have a doctor, a chiropractor, a health clinic, a hospital, any place where they are getting regular care, we want to make sure that they are in our network. So those are the first things. We feel confident that our network's in good shape in this area simply because we do so much business right here in the area. We work with probation, we work with McLeansboro, Williamson County, all the same regional area. But that said, if there are people on here that we do not have that we need to get, those are one of the things that we roll up our sleeves and do, we have a good success rate getting folks in our contract, whether be doctor's offices, clinics, hospitals, those are the things that we want.

We have good success rate for that. Probably 99.9% of people we reach out to, we do get a contract. The question is standard or preferred. Another question that comes up pretty frequently if there are standard providers, as Jake said, nothing wrong with those. Perfectly fine to use. Basically, just like what you would have under your current plan under any commercial health plan. But can those standard providers ever get bumped up into the next tier and become preferred? Yes, they can. And we have had good success with that over the years. Dealing with different facilities where more bargaining power that we must visit with those facilities and say, hey, we have a high level of membership in your area that want to use your facility or we want to help migrate caregiver facility. That typically facilitates good discussions. So, we have a pretty good success rate.

We cannot promise that with any facility, but we will always engage with the facilities.

Jacob Janssen:

One more thing to point out too. Let us just say you are on vacation in California or New Mexico or wherever that may be. You break your arm; you must go get emergency services. That is perfectly fine. We will still process those claims. No one will have an out-of-network penalty or anything of that nature there. We treat them just like standard providers. That is questions that sometimes come up as if, well what if I am traveling and I break my arm, I need to go to the emergency room. So, by law we must process those and make those to where the member is not paying any more than what their out of pocket would be. I mean if it is an emergency, please go get your care.

Chairman J. Larry Miller:

What if one of our employees,' God forbid, diagnosed with cancer, and they want to go to Mayo Clinic?

Jacob Janssen:

So, we have grant programs. I believe it would be on the HRP page there, but essentially if someone does have some very large care that needs to be taken care of like that, we would ask that they would reach out to our clinical team and we would find the best solution to where they could get that care.

Kevin Kern:

That is a great point that Jake makes. The provider list basically encompasses our territory, which is downstate Illinois. So, folks in our territory, they migrate through parts of four states, Illinois, Indiana, Kentucky, Missouri. That is our bread & butter. But that said, not on the contracted list and they want to go to Mayo Clinic or MD Anderson or Cleveland Clinic or something. We need to know about it ahead of time. It is not that they are precluded from going, that is just a conversation that needs to be had as Jake said, we can find alternative care, we have got grant programs, we can get single case agreements. It is just a discussion that needs to be happening before the care.

Tami Price, GIS Coordinator:

I know the difference in preferred and standard, you were kind of saying deductible and this and that, but what are we talking about? Are you talking about a co-pay, are we having a thousand dollars deductible that I must pay that thousand first? Do you see what I am asking?

Jacob Janssen:

Yeah, yeah. So, the plan that we presented, that would be your worst-case scenario. If you did go to standard, it would be the thousand dollars. Now that being said, you probably would not get it in one swoop because you have a $500 deductible followed by 80 20 co-insurances. But to answer your question, yes, that would be the worst-case scenario would be the thousand dollars. But co-insurance would obviously kick in there and pay and I would be surprised if it was just right off the bat.

So, after the $500 is satisfied then it would be 80 20 co-insurances. So, I will give you an example. You satisfy the $500 deductible; you get a hundred dollars bill from a standard; 80% co-insurance would be what the plan would pay. You would pay $20 of that essentially.

Tami Price, GIS Coordinator:
And one I am concerned on that is because I have looked through your list and it does not have the preferred at all. How is your standard? I mean I am looking at, I have got some major medical, right now, and it is in St. Louis, so we are looking at Washington, even Barnes, none of that is on it.

Jacob Janssen:
Yeah, so Barnes right now would be standard. Now the other three major health places there, Mercy, SLU, those would all be preferred. But you are right, they are. Yeah, they are on there, were SSM, SLU Care, Mercy, all of those are preferred providers.

So, you would pay the Zero. Now Barnes, I will be honest, they are currently standard, but we are to the point where we are negotiating with them again. So, I will give you an example of these negotiations can really take off and go. SIH last year was a standard provider. We brought Williamson County into the mix and that was enough for them to become preferred. The HopeTrust has grown so much in the last year, year, and a half that we went back to the table with Barnes and said, is there any way we can get this to be preferred? Now we cannot promise that, but they did promise they would investigate it and say, we will let us see if we can get this to where they become preferred status.

Tami Price, GIS Coordinator:
And then do you have a maximum out of pocket?

Jacob Janssen:
On the preferred it would be zero. So right now, the plan that I just went through, it would be a thousand. That would be it. Now that is it.

Tami Price, GIS Coordinator:
Then you would just forever pay 80/20, it would not hundred, right?

Jacob Janssen:
Yeah. Once you get to your thousand you could be done. You would've no more. That would be for the pay everything after that, for the year the okay,

Brent Williams:
So, it is very, very similar to what your plan you currently have.

Tami Price, GIS Coordinator:
I am curious about your life insurance are their caps on age? Because they do cap age right now.

Jacob Janssen:
So actively I think actively working. I think, it does. I can get you an answer on this. I think if you are past 65 and actively working, it does decrease, but it is not like you do not get any benefit at all essentially. But I think once you hit 65 it does decrease benefits essentially, which I can get you the answer. That is a great question.

Chairman J. Larry Miller:
You done?

Brent Williams:
You have any other questions?

Kevin Kern:
You guys were throwing an awful lot at you, but I think to sum it up, we will sit down. You have questions, feel free to reach out. But we are a small family-owned firm. We have worked

exclusively in the governmental space. We have been fortunate to have a lot of folks in our family of clients all around southern Illinois. We know the area well. We have worked with a lot of the groups; we have worked with all medical providers. We really have tried to do this in a different way. Healthcare is so challenging. We recognize that no matter what employer group you go to, it probably is the second largest expense in your budget line. And the point that I try to make, anytime I am with the county board, with a group of employees, anybody concerned…. the best effort that we can give, for all concerned, is to come to an agreement and understand where the money is being spent.

And that is where I feel like as a society, we have done a poor job. The medical field is too confusing; it costs too much money and people do not know what they are paying for. And the more that we can pull back the curtain and the more that we can give them good value, that I think is where the hope trust has excelled above just about anybody else out there. We have worked for you as the members and we also try to educate all concerned. We are open to good ideas, but that is really where the things that the guys have talked about, whether it is the clinical team, whether it is the preferred provider list, it is all come from suggestions and it is aimed at pulling back the curtain, in trying to give the covered members and the people responsible for spending the taxpayer's money, more control over their dollars. The result of that is it is a good stable growing benefit for the employees and it is the best value we feel for the taxpayer's money.

So that is the philosophy. I appreciate Larry, I know you came to our conference and you saw a little bit of how we operate in action. I think that is the best way that anybody concerned can educate themselves is probably go back to that second page. Our family and clients, we are always going to be the salesman when we come in here. Do not take our word for it, call anybody on that page that is in the HopeTrust and ask them what they think about it.

Brad Wilson:

I have one question. So, you say you have 99% retention rate, so there is a 1%. What is the process if we get into this trust, what is the process for getting out?

Kevin Kern:

Great question. Joining the trust is basically an intergovernmental cooperation agreement and it renews automatically from year to year. Unless you give notice, every year there is a 120-day notice prior to the end of the year that you must give to the board of directors to leave the trust.

We operate on calendar year, so the plans automatically renew January 1st every year. You can leave by providing notice basically around September 1st every year. The other thing that I think is very beneficial to county boards, remember this is a trust founded by counties that live and die on budgets that typically start December 1st so that you all can finalize your budget and have firm numbers in there. We also give out our renewal rates in the month of August. So, you have got that information in your back pocket and you can bank on it for the coming calendar year and if you do not like what you see, you have got time to get out of the trust. Before that 120-day deadline I know of no other program where you were going to get renewal rates that far in advance that will be guaranteed on through the following calendar year. Great question.

Chairman J. Larry Miller:

On the drugs. Maximum amount of pocket is $2,750?

Jacob Janssen:

Yes, that is correct.

Chairman J. Larry Miller:
Okay, so that does not go towards your deductible or anything like that?

Jacob Janssen:
No, not on the Hope 500 plan, but we do put the stop in there in case. Alot of people are on generic or preventative where it is zero or seven. But say if someone was on high-cost drug, we put that parameter in place so that no one could spend any more than that on those drugs there. But that would be a two worst case scenario.

Chairman J. Larry Miller:
Any question?

Dave Willmore, County Highway:
Sure. Just say Williamson County, what is the average premium cost per employee?

Kevin Kern:
It is different for each employer. It is different. Every group and everyone's deductible are different. So, we manage so many groups we can absolutely get you that information. We do not have it off the top.

John Gossett:
I have a question. I am going to read a statement for you from our present plan and I want you to tell me how you compare to this statement. Okay. The statement says the plan, the out-network deductible is $5,000 individual, $15,000 per family and an of pocket maximum is 10,500 individual or 31,500 family. Alright, what is your numbers for the same thing?

Jacob Janssen:
Okay, so if someone were to go out of network essentially, then we would negotiate the bill down and it would be 50/50. So, if someone had an out of network that was $5,000, we would try to negotiate that down to as low as we could and then

the plan would pay 50% and then the member would pay 50% of that overall, overall cost there.

John Gossett:
Okay. But this is saying under the budget plan $5,000 but individual would be absolute max. Your out of network deductible is $5,000 individual 15,000 per family and the out-pocket maximum is ten five, hundred individual 31,500 family. Now you are saying that if I got a hundred thousand bill, suddenly, I would owe $50,000.

Jacob Janssen:
We would try to negotiate it down but essentially, yeah, depending, we do not want to encourage people to go out of network. Now that being said though, if they did, we would try to negotiate it down and it would be split 50/50. That is correct.

Brent Williams:
That goes back to where we talked about if somebody needs to go to Mayo or MD Anderson, if they work with us, we will get a single case agreement.

So, it is not an out of network charge.

Brad Wilson:
But there are no guarantees you can get that agreement.

Brent Williams:
No, there is no guarantee. I mean we have had them in the past. We have had MD Anderson, the clinic at Mayo where we worked that agreement with them more on case by case by case because most people, honestly, you have got something major wrong if you are going for that care. We want people to have that care but if we are not seeing them on a regular basis, they are not seeing our members so they do not want to work out some negotiated.

Kevin Kern:
We have grant programs that can help people that are facing extraordinary care situations. We have a few of every year. The key to all of that is we need to know about that before the care takes place if possible. That is not possible, in emergency situations, those claims are always covered under federal law.

Chairman J. Larry Miller:
But yes, you want to follow up on?

Don Miklos, County Highway Foreman:
Well, I got a couple more. Go ahead and do what you got to do.

Chairman J. Larry Miller:
Well one of the things, it is hard to get specific here. Okay, but go ahead. I am going to try.

Don Miklos, County Highway Foreman:
These are questions that we had about five years ago when we met before, right? I want to just reiterate to see if it is the same or different. Balanced billing. Is that all been straightened out, or is it?

Brent Willliams:
It is no longer that, longer that issue.

Jacob Janssen:
That was before we had the network in place, essentially. So now the network being in place, we are understanding of what we pay the facilities when you go there.

Don Miklos, County Highway Foreman:
On standard and preferred providers?

Jacob Janssen:
Yep. Yep. Great question. Yep, that is correct.

Chairman J. Larry Miller:
Another question?

Cathryn Samples, County Highway Deputy Clerk:
But right now, it is child or children and are do you have the same thing? Insure just one or I am two right now and then drop one. Will that drop the cost?

Jacob Janssen:
No. So it is going to be the same. Yeah, that is correct. So, you want to insure both, it would not cost any more to insure both.

Chairman J. Larry Miller:
Okay. You have another question?

Don Miklos, County Highway Foreman:
Yes. I think when we went down road before, if the claims get high throughout the year, which there is a chance of that. Can your executive board, they can raise the rates correct on that.

Jacob Janssen:
Essentially, we could. We never have during the year, now the following year your rates could go up.

Don Miklos, County Highway Foreman:
That is one of the things that we discussed there cannot be a midyear adjustment.

Jacob Janssen:
You cannot go from paying, you could not go from paying $800 then suddenly in September we raise to 12 or 15 or what have you, the rates would be set for that year. Time would come around.

Chairman J. Larry Miller:
Alright, I am going to stop it here. Okay, thank you. At this point I appreciate you guys.

Said information is made a part of these minutes.

RANDY HOUSE & ASSOCIATES INC / SAS - EMPLOYEE'S INSURANCE DISCUSSION

Chairman J. Larry Miller stated that the next item on the agenda is a discussion for employee's health insurance and next to give their presentation is Randy House & Associates Inc / SAS and he introduced Randy House and Dixie Anderson and has some information for anybody in the public.

Randy House:

Thank you. Okay, we ready? This first page that we have, it has got all the lines with all the numbers. First off, I am Randy House. My agency has been the agent for the county for the last 23 out of the last 24 years. We have worked hard. We have met a lot, not as much recently as we have with past county boards, but I wanted to bring you up to speed. I thought we were talking; I was told we were talking numbers and rates. So that is what I brought. For the last 15 years, if you start with the highlighted line in 2009 when the county was with Pekin, your rate was $965 employee rate in 2009. We took back over after that year and six months and you are still not to $965. So, in the last 15 years, our agency and our administration company has saved the county over $8 million in insurance premiums. We can offer multiple plans, just like these guys. And I commend these guys. I do. I mean that seriously, you guys go out work, get the networks, that is the future. Absolutely. Absolutely. So, what they have is good stuff, but, the thing that does not fall into the situation is number one, the employees do not have any cost for their health insurance and the employee's maximum out of pocket is 800. So based upon that, it is impossible to put an HSA in place.

And that is because of the union agreements, that they do not pay anything and that they have those benefits. Right now, the county has a $2,700 exposure per person. I do not know with the prescriptions you will have more of an exposure, potential exposure with Hope. That just is what it is the numbers do not lie. You are currently with Blue Cross, there is no network issues, there is no claims issues, there is no, we got to get on the phone and call these guys to see if we can get you in there. We have done HSA since they first came out when George Bush and the boys passed that. We do all that stuff in house. If you guys want to do that, we can do it. But I am up here to answer any questions. You guys are $963. I do not know where a $500 deductible policy will fall with Hope. I know where some of their other policies are and you can ask them for those. But for $500 deductible, $300 co-insurance. You guys are about as competitive as you could be.

And like I said, I was here to talk numbers because I was told that there were not any policy issues. So, if we are having some policy issues, I need to know what those are.

Chairman J. Larry Miller:

I think Randy, I hope I did not misrepresent here. They were not going to bring numbers and I did not ask them to. We are just kind of looking. What I wanted to do is provide for the employees here an opportunity to look at theirs and they know what they have with you. And I am interested in two things here and that is providing a good, as good, or better plan for our employees. And then we are looking at cost on our side. That is who we are here on this board.

Randy House:

Completely agree.

Chairman J. Larry Miller:

That is the thing we are looking at. And that is not an easy thing to digest here for us today. I mean it really is not. And that is why these people are asking some questions that I think are valuable to us.

And I do not know of any problems. I will respond to that. Any of you had any problems that you want to even speak about?

Tami Price, GIS Coordinator:

I say I used it a lot and had no trouble. Zero. That was great.

Cathryn Samples, County Highway Deputy Clerk:

No problems at all.

Chairman J. Larry Miller:

The question and that I would have Randy, do you have any anticipation? You do not have to respond to this now. Okay, where we are going to be at next year and we know where we are now. And I know we have had some issues, some claims that are pretty good this past year.

Randy House:

So, for the last few years we have had good claims here. But I think we are going, they are good claims, bad claims, good as in size and volume, not as in great. They had claims. Personally, I think you are going to be in the neighborhood where you are at. That is just my opinion.

The only thing. And sitting in here and listening, which is kind of unfair, to hear their presentation, and then hear mine and then not get to rebut that. I guess the biggest one in the room gets to go last. I guess the biggest concern that I would have, as the board, would be the 120 days out. Because health insurance applications in the industry are good for 60 days. And so, you are going to decide if you get in the HopeTrust, which if you do, that is fine, but you are going to decide when you are in there to get out that you are not going to know where you are going and what your rates going be. Now, that is flying by the seat of your pants. And you are also the size that if you get in and excuse me, this is no bearing on anything.

If you get in and you get rate increases and you want to get out, you are the size of group that no other company has taken you. Blue Cross does not have to take you back. You are not 50 and under. The government will not bail you out. They will bail out everybody else, but they are not going to bail you out. So, if you get in and you have high claims, you are in and then you are at their mercy and hopefully they will go easy on it and they are working for you. Do not think that they are working against you, they are working for you. And they do the negotiation stuff with SIH and all that kind of stuff, that is a hard sell. Okay? So, I am being dead serious commending them because I like plans like that. I have looked at them for years. I do not have the staff that they have to do that. We just do what we do. But we do cities and counties and schools and small group stuff working on stuff for farmers. I will have to fill you in on that one these days because that is an untouched market. But, based upon what you see here over the last 15 years, you are not even where you were in 2009.

So, if you do 8 to 10% rate increase on that number from 2009 where you could have been, I will not say should have been where you could have been, but the 120 days is a big deal. Okay? That is a big deal. And nobody else guaranteeing to take you is a big deal. Now that is not a scare tactic. That is the fact. And I will answer any questions that anybody has regarding Blue Cross regarding their rates, etcetera. You have had large claims, you have ongoing claims. They are trending in the right direction. I will say that they are getting better.

Brad Wilson:

So, you had the loss ratio out there in that second last column. Is that correct? So, dating back to 2019, we lost 288%. 2021 we lost 631% and it looks like it.

Randy House:

That was a bad year.

Brad Wilson:

Yeah, it is down to 2024 176%.

Randy House:
And that was as of what was it, June, or July?

Brad Wilson:
So, based on what you are saying on getting out of that and getting into something else, is that the number? That is the number these companies are going to look at our loss ratio.

Randy House:
Do you guys want to speak to that? I mean, seriously, you are going to look at the loss ratios, you are going to look at the big claims. You are going to evaluate those against your network doctor provider pricing and you are going to give them a rate, correct?

Brent Williams:
We are going to evaluate based on health apps.

Kevin Kern:
If the county wants a proposal.

Brent Williams:
That is right.

Brad Wilson:
Yeah. So that is it. Is that the answer?

Randy House:
So yeah, they are going to evaluate, we have given them all this data or we gave Larry the data.

Brad Wilson:
Generally, how far back will the company look? Let us say we get in, three or four years from now. We want to get out. How far back are they going to look at this loss ratio?

Randy House:
They are not. They are not. They are not going to look at that 631%. Like you said, they are going to go off the health applications. They are

going to go off the large claims, just like the example they gave. A large claim may be a $75,000 new knee. That is just a hit. That is not cancer, that's not leukemia, that's not heart transplant where you are on $50,000 a month worth of drugs. That is a onetime hit. Blue Cross will evaluate that the same way those guys evaluate that and take that into consideration. And what we do is when we know that some of those large claims are one case, and we have done this for the last 23 years.

As a matter of fact, none of you guys were here at the time in 2009. That is how we moved you from 965 to 534, because we had a person here in the county that was expensive. And he was moving out of state to do his stuff elsewhere. So, I was able to find a company, by calling you and saying, hey, here is the losses but this one is coming off. Will you give us a rate? And we went from 965 to 534. They will do the same things. No difference. We all do the same things.

But it is not like auto insurance. No, it is not. Like you had three wrecks three years ago. So, you are going to have three more wrecks this year, which you probably will because it is amazing how the numbers do not lie on that. And the percentages of, once you have one, you are going to have another one. It is ridiculous how that runs. But health insurance is a little bit different. The chronic stuff is what kills us. The ongoing things, the knee surgeries, that kind of stuff. Those are just writing a check if you are done, then a little rehab, but away you go.

Chairman J.Larry Miller:

Any other questions, comments? You have been very enlightening.

Tami Price, GIS Coordinator:

Would you not want that rate to be low if you want to change?

Brad Wilson:

That is the question that I am trying to get at. If we go this other route and we get out. Nobody would want us, if they look at our numbers, anybody going to take a chance?

Don Miklos, County Highway Foreman:

What plan does the justice center have? Probation. Is it the Hope, you guys know?

Brent Williams:

They changed to 1000 last year. They increased their deductible to one thousand.

Don Miklos, County Highway Foreman:

Okay. Because I know what they pay per month.

Chairman J. Larry Miller:

What he said is exactly right. It is amazing how the figures, they do risk. And I will never forget that I was listening to presentation and you had a car that has a salvage title.

The insurance rates for that car, if you rebuild it and has the salvage title, the rates will be much higher for that. You know why? Because the numbers say that vehicle will be in a wreck, more likely to be in a wreck than the one you got in your, and that does not seem to make sense to me. But you guys have actuaries, that is what it is, and so it is interesting.

Said information is made a part of these minutes.

CLOSED SESSION

Chairman J. Larry Miller informed the County Board that a closed session is needed. Alright, now here is what I am going to suggest. I think we are well done with all the questions and everything, but I think we ought to go into closed session to talk just a bit. And I think we can do that. The reason I did not go into executive session to begin with was because our attorney seemed to think that we really did not have those right things to do that. So, what I would like for us to do is to make a motion to go into executive session for collective negotiation discussion of collective negotiated matters. This issue is a matter for negotiation. So, anyone want to make a motion?

Kevin Weston made a motion at 3:00 pm to go into closed session. Brad Wilson seconded the motion. On roll call vote, all voted yes.

Chairman J. Larry Miller:
We were going to go into our conference room. Will come back only to adjourn meeting. There will be no action taken today. Okay. And I thank you all.

RETURN TO OPEN SESSION

Brad Wilson made a motion to return to open meeting at 3:23 pm. Angela Evans seconded the motion. On roll call vote, all voted yes.

ADJOURNMENT

Chairman J. Larry Miller asked the Board if there were any questions. Brad Wilson made a motion to adjourn the meeting. Angela Evans seconded the motion. There being no further business Chairman J. Larry Miller declared the meeting adjourned.

J. Larry Miller
Franklin County Board Chairman

Kevin Wilson
County Clerk and Recorder