

FINANCE AND HUMAN RESOURCES JOINT COMMITTEE
MEETING MINUTES
September 15, 2017 @ 8:30am
Jefferson County Courthouse, Room 112

1. Call to Order: Meeting called to order by Human Resources Committee Vice Chair, Jim Mode, at 8:30 am.
2. Roll Call: Present:

Finance Committee: Jennifer Hanneman (Vice Chair), Richard Jones (Chair), George Jaeckel, Russell Kutz, and Amy Rinard.

Human Resources Committee: Jim Braughler (Chair), Greg David, Jim Mode (Vice Chair), and Michael Wineke. Lloyd Zastrow (Secretary), absent.

Others present: Marc DeVries (Finance Director), Terri Palm-Kostroski (Human Resources Director) and Benjamin Wehmeier (County Administrator).
3. Certification of compliance with the Open Meetings Law: Confirmed by B. Wehmeier, County Administrator.
4. Review of Agenda: No changes.
5. Public Comment: None.
6. Communications: None.
7. Update and discussion on the Wisconsin Public Employers Group Health Insurance Program and other health insurance options and possible recommendation regarding county-sponsored health insurance for 2018. B. Wehmeier and T. Palm provided the committees a quick update on the history of the Department of Employee Trust Fund (ETF) plan for the State Health Insurance since early 2017. This included plans to become self-funded, regionalization and significant plan design changes including the elimination of the no-deductible and the low-deductible plans. Currently, the County offers the low-deductible plan. However, through the state budget process, the self-funding option was not approved and therefore regionalization also did not occur. The County has no reason to believe that there will be plan design changes for 2018, but anticipate these changes will occur in near future years. Recently, at ETF Board meeting on August 30, 2017, the premium rates for the remaining HMOs were approved. These rates have not been released to the general public, but a press release stated that local rates would have an average increase of 3.3%. Human Resources has every reason to believe that the County's most utilized plan, Unity Community, will be a little more than the 3.3% but less than the 7% currently projected in the 2018 budget. Over the last six months, Jefferson County has also been looking at other health insurance option outside of the State plan. The County is working with a broker, M3, to look at options, including forming a consortium with Dodge County and other local municipalities. M3 was asked for proposals with an apple-to-apple comparison, including a low deductible plan that would have the least amount of disruption for employees. The potential consortium met with M3 mid-August to discuss a summary of findings that resulted in only Quartz (formerly Unity) submitting a proposal. The County would like to explore offering an *option* of a high deductible plan. The proposal includes a rate cap for 3 years. Based on the information the County has today, it is the recommendation to continue with the PO14, Low-deductible, No-Dental plan through the State, but to immediately continue to explore forming a consortium and/or other health insurance options. This would provide the County at least another year to obtain other health plan

design options and potentially more than one proposal. In addition, it provides the time to involve employees and provide education on other options. There is regulation that the County cannot pay more than 88% of the average of the plans available in the County. If the individual plan rates change drastically in Jefferson County, this regulation may force the County to charge a significant increase to employees for health insurance premiums. **Motion by M. Wineke, second by G. David, to support the recommendation to remain with the State Local Health Insurance Plan for 2018 while continuing to explore options under a consortium.** Motion carried 4:0 by the Human Resources Committee. **Motion by G. Jaeckel, second by A. Rinard, to support the recommendation to remain with the State Local Health Insurance Plan for 2018 while continuing to explore options under a consortium.** Motion carried 5:0 by the Finance Committee.

8. **Adjournment:** Motion by G. Jaeckel, second by J. Braugher, to adjourn. Motion Carried. Meeting adjourned at 8:55am.

Agenda - Human Resources Committee – Revised September 14, 2017

**Jefferson County Courthouse
311 S Center Ave, Room 112
Jefferson, WI 53549**

Tuesday, September 19, 2017 @ 8:30 a.m.

Committee Members: James Braughler, Chair; Greg David; Jim Mode, Vice Chair; Michael Wineke; Lloyd Zastrow, Secretary

1. Call to order
2. Roll call (establish a quorum)
3. Certification of compliance with the Open Meetings Law
4. Review of the Agenda
5. Public comment (Members of the Public who wish to address the Committee on specific agenda items must register their request at this time)
6. Approval of August 23, 2017, Human Resources Committee Minutes
7. Approval of September 15, 2017, Joint Finance and Human Resources Committee Minutes
8. Communications
9. Third quarter, 2017, Retirement Recognitions to be presented to County Board
10. Presentation by Highway Commissioner, Bill Kern, regarding Highway Equipment Operator differential and an equipment certification process update, in accordance with Personnel Ordinance HR0360(B)(8)(e)
11. Discussion of Resolution 2004-50 and possible amendment to insurance coverage for active military employees and their families
12. Discussion of Resolution 2004-51 and possible amendment to vacation accrual for employees on active military duty
13. Update on the selection of a Mass Notification and Alert Solution Services
14. Discussion and possible action on the Section 125b/Flexible Spending Plan (FSA) Administrator proposals
15. Update and discussion on the Wisconsin Public Employers' Group Health Insurance Program and other health insurance options and possible recommendation regarding county-sponsored health insurance for 2018
16. Discussion and possible recommendation to complete a Request for Proposal for a classification and compensation study for 2018-2019
17. Review of July, 2017, Monthly Financial Report for Human Resources and Safety
18. Report from Human Resources Director:
 - a. August, 2017, monthly accomplishments and goals
 - b. Vacant position requests
 - c. Emergency Help requests
 - d. Leave of Absence approvals
19. Convene into closed session pursuant to Wisconsin State Statutes Section 19.85 (1)(g), conferring with legal counsel regarding litigation, or possible litigation, regarding an alleged violation of the Wisconsin Fair Employment Act
20. Reconvene into open session for consideration and possible action regarding items discussed in closed session
21. Set next meeting date and agenda items
22. Adjournment

Next scheduled meeting: Tuesday, October 17, 2017 at 8:30 a.m.

A quorum of any Jefferson County Committee, Board, Commission or other body, including the Jefferson County Board of Supervisors, may be present at this meeting.

Individuals requiring special accommodations for attendance at this meeting should contact the County Administrator 24 hours prior to the meeting at 920-674-7101 so appropriate arrangements can be made.



JEFFERSON COUNTY HUMAN RESOURCES

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Fax (920) 675-0068

TERRI PALM KOSTROSKI
Human Resources Director

KAREN MUNDT
Benefits Administrator

CASEY RADTKE
Human Resources Specialist

KIM EGGERS
Safety Coordinator

TO: All Health Insurance Eligible Employees

FROM: Terri Palm, Human Resources

RE: Health Insurance and Flexible Spending Announcements for 2018

DATE: September 18, 2017

In February, 2017, the County shared a memo with all employees, and held several voluntary meetings throughout the County explaining *possible* changes to our current Health Insurance plan (State Plan) through the State Department of Employee Trust Fund (ETF). At that time, there were discussions that the State Plan would change in three ways: self-funded or self-insured, regionalization, and elimination of the 'no-deductible' and 'low-deductible' plans. When the County understood what this may mean for our employees and tax-payers, we began discussions with the larger municipalities in Jefferson County, as well as Dodge County. As a group, we agreed to work with M3 Insurance, a Wisconsin-based broker, who guided discussion of different options we had as a group and assisted the group with obtaining health insurance premium rates from outside vendors, which would mean leaving the State Plan. As was discussed earlier in the year, the County was exploring these options *in case there were significant changes to the State Plan that would cause a significant interruption to employees.*

Although it has been a long six months, on Friday, September 15, the Human Resources and Finance Committees approved to support the County Administrator's recommendation to remain with the State Plan for 2018 while continuing to explore other health insurance plan option for 2019 and beyond. Although the County knew that none of the three changes mentioned above were going to happen in 2018, the County did not know how this would affect the health insurance premium rates for Local governments. On the afternoon of Friday, September 15, those rates were officially released. Below is a summary of the changes adopted by the State Plan for 2018, as well as what is currently *being budgeted by the County, which is still subject to change:*

1. There were **six plans that left the State Plan** and therefore will NOT be available in 2018. There were two employees who were affected by this change and they were notified a few weeks ago. These plans include:
 - Anthem Blue Preferred Northeast
 - Arise Health Plan
 - Health Tradition Health Plan
 - Humana Eastern and Western, including Medicare Advantage

- UnitedHealthcare of Wisconsin
 - WPS contract terminates December 31, 2017. This is essentially the statewide PPO plan. These members will automatically be enrolled with WEA Trust, who was awarded the new contract, if they do not select a different plan during open enrollment.
2. The **health plans available in 2018** will be:
- Dean Health Insurance and Dean Health Insurance-Prevea360
 - Group Health Cooperative of Eau Claire
 - Group Health Cooperative of South Central Wisconsin
 - HealthPartners Health Plan
 - Medical Associates Health Plans
 - MercyCare Health Plans
 - Network Health
 - Security Health Plan – Central and Valley
 - Quartz – Community (formerly Gundersen, Physicians Plus and Unity Community)
 - Quart – UW (formerly Unity UW)
 - WEA Trust – East, Northwest Chippewa Valley and Mayo Clinic Health System (also IYC Access Plan, Medicare Plus and State Maintenance Plan)
3. Anyone currently enrolled in **Unity Community or Gundersen** will *automatically* be enrolled in Quartz – Community, unless a different plan is selected during open enrollment.
- Anyone currently enrolled in **Unity UW** will *automatically* be enrolled in Quartz – UW, unless a different plan is selected during open enrollment.
- Anyone currently enrolled in **Physicians Plus** will *automatically* be enrolled in either Quartz – Community or Quartz- UW, depending on where your physician is located (unless a different plan is selected during open enrollment).
4. **Pharmacy Benefits** – The Board approved some additional pharmacy benefit changes; other changes were approved in May, 2017. These include:
- a. CVS pharmacies, including Target pharmacies, will no longer be in-network
 - b. Certain over-the-counter medications for non-Medicare participants will no longer be covered
 - c. Non-Medicare participants must fill Level 4 prescriptions at mandatory specialty pharmacies – Lumericera or UW Specialty Pharmacies
 - d. New mail order pharmacy will be Serve You
 - e. New discount drug list will include drugs used for infertility, weight loss, cosmetic and lifestyle needs as prescribed
5. The It's Your Choice 2018 open enrollment period for the State and Local Group Health Insurance Program is October 2-27. The County's Benefits Fair is scheduled for **Thursday, October 12, 2017. Please watch for more information coming soon.** During this time, you can make changes for next year, including switching health plans, coverage levels, or adding/deleting dependents, for an effective date of January 1, 2018.

6. The County is planning to not only remain with the low-deductible plan with the State, but has also tentatively included in the budget a **\$125/\$250 contribution to employee's Flexible Spending Account**, for single/family plans accordingly.
7. Human Resources will be recommending to the Human Resources Committee on Tuesday, September 19, a **change of vendors to administer the County's Flexible Spending Account Program**. There will be more information forthcoming on this, but the only change employees should notice is where they send/receive their reimbursements to/from. There would also be the perk that everyone would receive the "Benny" card (debit card) at *no cost to the employee*.
8. **The County will be holding meetings on the following dates to discuss changes and answer questions regarding the County's Health Insurance and Flexible Spending Account.** The County needs to assure that the County premium contribution currently in the 2018 budget meets the obligations established by ETF and does not exceed 88% of the average of the rates in Jefferson County. Therefore, the budgeted county and employee contributions to the health insurance premium rates will not be available until later next week.
 - a. **Wednesday, September 27.** Highway shop at 7:00 a.m.
 - b. **Wednesday, September 27.** Human Services Lunch Room (downstairs) at 9:00 a.m.
 - c. **Wednesday, September 27.** Courthouse County Board Room, Room 205 at 11:00 a.m.
 - d. **Thursday, September 28.** Courthouse County Board Room, Room 205 at 1:00 p.m.
 - e. **Thursday, September 28.** Human Services Lunch Room (downstairs) at 3:00 p.m.

The County is apprehensive that the State Health Plan for local governments will continue status quo for very long. Therefore, the County will continue to have discussions with local municipalities and Dodge County on health insurance for the future. Once the 2018 budget process is complete, additional meetings and discussions will continue to explore other options, including but not limited to forming a consortium or cooperative. **If you are interested in participating in discussions for the future**, please contact Human Resources at terrip@jeffersoncountywi.gov or calling X7103.



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TERRI PALM KOSTROSKI
Human Resources Director

KAREN MUNDT
Benefits Administrator

CASEY RADTKE
Human Resources Specialist

KIM EGGERS
Safety Coordinator

TO: Human Resources Committee

FROM: Terri PalmKostroski, Human Resources

RE: Consideration to Authorize Human Resources to contract with Section 125B/Flexible Spending Account Provider

DATE: September 19, 2017

In July, 2017, Jefferson County partnered with Dodge County on a joint RFP for a Flexible Spending Account Third Party Administrator. M3 Insurance, which has offices in Madison, Milwaukee, Wausau, Green Bay and Eau Claire, assisted the Counties by preparing and submitting the RFPs on our behalf, as well as reviewing and summarizing the proposals. Although there were about 12 proposals received, M3 narrowed it down to six vendors based on cost and service. After a review of these six proposals with Karen Mundt, Benefits Administrator, we are recommending that the Human Resources Committee authorize Human Resources to contract with Employee Benefits Corporation (EBC), Middleton, Wisconsin.

Prior to making the final decision, we did a thorough comparison of the proposals, completed several reference checks from both public and private industry and requested a demonstration of the employer portal on the EBC website. EBC offers the "Benny" or Debit Card at no cost, has no annual renewal fee, offers SmartPhone Access and proposes a monthly rate of \$3.25 per participant, which includes a 5% commission Fee with a 3 year rate guarantee. Although EBC charges an additional fee for employee meetings, there are no monthly or administrative mailing fees as with our current provider. In an overall cost comparison, it is anticipated that working with EBC will provide Jefferson County a \$5,399 savings annually.

Therefore, I respectfully request approval to authorize Human Resources to contract with Employee Benefits Corporation, Middleton, Wisconsin, effective, January 1, 2018. Per Personnel Ordinance HR0695, Voluntary Benefits: *"The Human Resources Committee may approve vendor or plan changes when desirable, providing there is not a financial or negative impact to the County or employees, or the vendor/law requires full County Board approval."*



Proposal for **Administration Services**

July 17, 2017



Prepared for:

Jefferson County

Submitted by:

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Employee
Benefits
Corporation
We make it easy.

Give participants the convenience consumers expect

The Employee Benefits Corporation Benefits Card is a stored-value debit card participants use instead of cash to pay for their eligible, out-of-pocket expenses. The card makes the plan a more convenient and attractive benefit.



Informed participants have a true advantage, so we teach participants how to best use the Benefits Card. Participants are encouraged to call Participant Services for personal help.

***Smart, simple secure and mobile***

We make filing claims easy. Whether a participant chooses to fax us a claim form, submit a claim and attach documentation online or use their Android smartphone or Apple iPhone to send a claim and attach documentation, they're assured we'll process their claim within a day or two.

Participants can also choose to receive notification when a Benefits Card expense needs documentation then submit it using the app and receive email notification that their claim has been processed. They can review claims that have been paid, either online or on-the-go.

We make the web easy

We continue to develop and deploy product and service enhancements to help our clients and their participants make the most of their benefits, conveniently, online.

The Employer Web Portal:***My Account Administrator features***

- Online plan renewal, including plan design modification and materials ordering
- Online participant enrollment, mid-year enrollment and termination
- View Invoice and Payment Histories with Detail reports
- View and print Claims Registers and Fee Invoices
- View and print Invoice Details and Cash Receipts
- Plan features and details viewable by plan year
- View plan design, and participant usage
- Account snapshots
- Secure document upload
- For multiple products, view and print a single, consolidated invoice
- Convenient administration forms and documents downloads
- Account Summary, Registers, Invoices, Details and Participant List reports
- Reports available in XML, CSV, TIFF, PDF, Web Archive, Excel® or Word® formats

The Employee Web Portal:***My Account Assistant features***

- Snapshot view of the account
- Smart, simple and secure online claims submission
- View claims and payment history with details including exclusions
- Choose email notification for claims processed and reimbursements using email or U.S. mail
- View plan design details and plan usage
- Custom user name and password
- Add, update personal information
- Add, update direct deposit information
- View direct deposit history and details
- Online plan enrollment during open enrollment period
- Convenient download page for all administration forms and documents
- Account Summary Report
- Reports available in XML, CSV, TIFF, PDF, Web Archive, Excel® or Word® formats

We make *flex plans* easy.

First Year Fee:	\$0	
Renewal Fee:	\$0	
<i>First Year and Renewal Fees each include one nondiscrimination test at plan year's end; includes all 9 IRS-required tests.</i>		
Monthly Administration Fee:	\$3.25	per BESTflex Plan participant
Commission	5%	of monthly fee
Minimum Fee:	\$50	per month
Electronic Enrollment Materials:	No cost	
<i>All BESTflex Plan electronic information and enrollment materials are available at no additional cost.</i>		
Benefits Card Option:	\$0.00	per month per HCFA participant

Administration Services include:

- Plan design and client data entry
- Client payment and billing setup; participant data entry or upload
- Multiple claim funding options
- Administration documents and forms
- Group Premium, Health Care and Dependent Care Flexible Spending Accounts
- Health Savings Account compliance with a Limited Health Care Flexible Spending Account
- Individually Billed Insurance Premiums
- Internet Enrollment
- Secure employer and employee web portals
- Nondiscrimination Testing at the end of the plan year, including all 9 required tests
- Employer Contributions support
- Cash-in-lieu of insurance premiums support

- Annual Form 5500 filing if required
- Runout, Grace Period and/or Rollover Support for mid-year takeovers
- An Employee Benefits Corporation Benefits Card (if elected)

Flexible claims submission includes:

- Mobile app and web with receipt attachments, fax and U.S. Mail

Monthly Administration fees include:

- Fast claims turnaround, processing and payment
- Managing employee account information
- Administering plan year runout, Grace Period and/or Rollover
- Direct deposit of reimbursements
- Ongoing employer and participant toll-free support
- Ongoing compliance support

Optional Services

The optional services below are available. Please contact us for more information.

Printed Enrollment Materials:	\$3	per packet
<i>Uncollated BESTflex Plan Printed Enrollment Materials: A packet of printed materials is available and each packet includes (1) each: Summary Plan Description, Enrollment Form and materials applicable to your plan design.</i>		
Customized Group Employee Education Meeting:	Additional fees apply; please contact us	
Preliminary Nondiscrimination Test:	\$150	each (not required by IRS)



At Employee Benefits Corporation, we make it easy.

It's not guesswork. We do our homework.

We're experts in tax-advantaged plan design, support and compliance. Come to us with questions and you'll receive concrete answers.

It's more than just service. It's about your experience.

- A dedicated Client Service Consultant serves as a **single source** of information for employers
- Participant Services Representatives are plan experts who help participants fully utilize their plans
- In-house Compliance experts respond quickly to questions

It's not just business. It's personal.

We've been in business for over 25 years and 100 percent employee-owned since 2002. As owners, our team members are invested in the company's success and are committed to provide exceptional administration services.

It's more than software. It's about solutions.

We've engineered our administration software to help us meet businesses needs. It helps manage the more complex benefit plans employers demand, receives data directly from insurance carriers and provides a full-featured web experience for employers and their participants.

Our technology affords us room for growth and allows for a flexibility we use to continually enhance our products and our administration.

We appreciate the opportunity to provide you with this quotation.

Visit our web site at www.ebcflex.com.

The BESTflexSM Plan

The BESTflexSM Plan

The BESTflex Plan allows participants to deduct money from their pay on a pre-tax basis to pay for group insurance premiums and fund flexible spending accounts. We also offer the BESTflex Plan Premium Only and Self Administered Section 125 Plan.

The EBC HRASM

The EBC HRASM

Participants in the EBC HRA use employer contributions to pay for eligible, out-of-pocket health care expenses. Flexible plan designs, carrier data transfers and compatibility with Health Savings Accounts (HSAs), our teams are some of the most knowledgeable HRA professionals in the business. We also offer a Self Administered Section 105 Plan.

COBRA SecureSM

COBRASecureSM and State Continuation and Premium Billing Administration
COBRASecure helps to provide compliance with all COBRA regulations and, in turn, minimizes potential liability for employers. **State Continuation Administration** is available for employers in Wisconsin, Minnesota, Connecticut, New York and Texas. Each state has its own set of continuation regulations, for which we provide 100 percent compliant administration. We also offer COBRA **Premium Billing** services.

Simply HSASM

Simply HSA

When employers are simply looking for a benefit that's easy to set up and understand, allows tax-free contributions, offers compliant integration with other benefits and includes a prepaid debit card, think SimplyHSA from Employee Benefits Corporation.

CommutEase

CommutEase

CommutEase is a cutting-edge, compliant and customizable benefits program that lets employees take advantage of reimbursements and pre-tax dollars to lower the cost of their daily commute.

Benefits Card

Employee Benefits Corporation Benefits Card

The Employee Benefits Corporation Benefits Card is a stored-value debit card that participants use instead of cash to pay for their eligible, out-of-pocket expenses adding convenience to our tax-advantaged plans and SimplyHSA.

Balance

Work | Life | Nutrition | Fitness

Balance offers employers a participation-based program that rewards the achievement of healthy lifestyle goals. Innovative software helps participants meet nutritional, fitness or other healthy objectives and lets participants share their accomplishments and stay engaged online with co-workers, family and friends using built-in social tools. Rewards are deposited into a new or existing BESTflex Plan, EBC HRA or SimplyHSA, pre-tax.

Compliance Services

Compliance Services

Compliance Services leverages our expertise to provide Wrap Documents, Form 5500 preparation, and Nondiscrimination Testing for Insured and Cafeteria Plans.

Billing Services

Billing Services

Billing Services offers employers a solution for managing thousands of transactions a day and a billing and payment process designed to handle a wide variety of corporate and commercial billing needs. Our administration software is engineered to handle many complex combinations of billing and payment plan setups.