

**COMMITTEE:** HEALTH INSURANCE TRUSTEES COMMITTEE  
**CHAIRMAN:** James Jansen  
**MEMBERS PRESENT:** George Bornemann, Richard Hurlbert, James Jansen, Robin Stowe and Gary Olsen.  
**MEMBERS ABSENT:** None  
**OTHERS PRESENT:** Chet Haatvedt and Ann Meyer.

The meeting was called to order by Chairman Jim Jansen at 10:45 p.m., on May 17, 2011, in the County Board Room, Safety Building.

**Approve the minutes of the previous meeting on June 15, 2010:** Motion by Bornemann, second by Hurlbert to approve the minutes of the previous meeting held on June 15, 2010, all ayes, and motion carried.

**Reinsurance renewal and Consider changing PPO Network from HealthEOS to United Healthcare Options Network:** Three companies were asked to send quotes for the reinsurance for the County. Only one of the companies sent a proposal back for the reinsurance. The increase in cost would be 2% to stay with AIG/Nation Union with the cost of the reinsurance totaling \$291,414.36 annually. The administrative fees would stay the same. If the Committee decides to change the PPO to United Healthcare Options there would be an increase in administrative fees.

Kim Hurst had suggested that the County consider changing their PPO network from HealthEOS to United Healthcare Options network. By switching PPO networks, the County could potentially save \$293,631 annually on insurance claims. There would be an increase in administrative fees of \$22,044 for switching PPO networks, but the savings is still substantial. Most of the physicians and facilities that the County employees' use are covered in the proposed PPO network. Group Health Trust will help the County transition. Motion by Bornemann, second by Hurlbert, to approve AIG for the reinsurance renewal contract for June 2011 to May 2012, and to approve switching the County's PPO Network to United Healthcare Options Network, all ayes, and motion carried.

**Health Insurance premiums for 2012** An analysis of the Health Insurance fund balance was distributed to the Committee. Health insurance claims increased dramatically over the last year. The average monthly claim amounts were \$240,121 in 2010, but in 2011 the average monthly claim amount is \$278,755. The health insurance fund experienced a cash loss of \$200,121 in 2010. It is projected that the fund could lose an additional \$458,668 in 2011. Information was distributed to the Committee showing that a 13% increase in premiums would be needed in 2012 to keep the health insurance fund self sustaining. The Committee was concerned that the County tax levy could not afford that large of an increase. A 5% increase in premiums would require a tax levy increase of \$129,512. The Committee realizes that by increasing premiums by 5% will result in another year of lose for the insurance fund. It was suggested that employee meetings take place in the fall of 2011 to explain to the employees that usage from 2012 will be used to determine what changes need to be made in the health insurance plan to maintain a minimal or no increase to premiums. Motion by Bornemann, second by Hurlbert, to increase the health insurance premiums by approximately 5% for 2011, making the annual premiums for a family plan \$19,005, and for a single plan \$7,534, all ayes, and motion carried.

**Adopt plan verbiage making it mandatory for participants to have the County's health insurance plan as the primary plan and not secondary on a spouse's plan.** Motion by Bornemann, second by Hurlbert to add the following language to the County's health insurance plan, all ayes, motion carried:  
Section 3 Eligibility

Add: Eligibility Requirements

You are not eligible for coverage under the plan if at the time that you are eligible for enrollment, you are covered under your spouse's medical benefit plan. Coverage under a supplemental medical benefit plan does not affect eligibility for coverage under this plan.

At time of enrollment, you are required to file documentation that you are not covered under any medical benefit plan available to your spouse. By submitting claims under this plan, you are attesting that you are not covered under any medical benefit plan available to your spouse.

If it is determined that you are not eligible for coverage under the plan because you are covered under your spouse's medical benefit plan, then you may subsequently become eligible under the Special Enrollment Rights section of this plan.

Add to Termination of Coverage

13. The end of the month following your coverage as a dependent under your spouse's medical benefit plan.

**Discuss retiree health insurance coverage:** Gary Olsen and Robin Stowe are still researching the options available to make changes to the retiree health insurance coverage portion of the County Health Plan. This item was held in Committee, and will be brought back once more information has been obtained.

**Adjourn the meeting:** At 11:20 a.m. Hurlbert made a motion to adjourn the meeting, second by Bornemann, all ayes, and motion carried.

Respectfully submitted,  
Gary D. Olsen, Recording Secretary