RUTHERFORD COUNTY BENEFITS & INSURANCE COMMITTEE
SEPTEMBER 24, 2015 COURTHOUSE

MINUTES

MEMBERS PRESENT:	OTHERS PRESENT:
MAYOR BURGESS	MELISSA STREET
ALLEN MCADOO	KATHY MCMAHAN
RHONDA ALLEN	SHERRY DODD
JIM BOWLES	DAN GOODE
JEFF SANDVIG	KATHERINE LEE
SUSAN BONEY	WAYNE BLAIR
MERRY HICKERSON	PAUL HUFFMAN
REGINA HARVEY	KELLI PERRIEN
ELIZABETH CRACE	LISA NOLEN
PAULA BARNES	MARY ASHERBRANNER
	PAUL HUFFMAN

The meeting was opened by Mayor Burgess.

APPROVE MINUTES:
A motion was made by Merry Hickerson to approve the minutes from the last Benefits & Insurance Committee meeting on August 29, 2015. The motion was seconded by Susan Boney and passed unanimously.

FINANCIALS:

Risk Management Director, Melissa Street, beginning with Fund 264 for the month of August our Self-Funded claims PEPM was $1,037, compared to prior year of $907.00 YTD average $966.00 YTD average of $877.00. Comparing our On-Site Medical Clinics experience our PEPM increases to $1,094.00 compared to prior year of $944.00 for an YTD average of $1,012.00 compared to prior YTD of $899.00.

For fund 266, the month of August YTD ended $131,193.05 compared to prior year of $ 131,438.87. Also included is an actuarial results form, titled Comparison of Projected Ultimate Losses on the Job Injury. As referenced in the last meeting, annually we will have Select Actuarial Services do an evaluation of our OJI program and compare it to Workers Compensation Forecast for Comparison purposes and provide a summary of that comparison. Our current fiscal year is projected Ultimate Losses estimated at $385,000 last year was projected at $428,000. Also given is what Workers Compensation for the same period would have been $2,216,000 based on projections. We see a trend that our OJI program is assisting employees in their recovery of work related incidences and also provided physical responsibilities which is an advantage to the County.

Mr. Sandvig asked, since we have been on OJI program for several years now, is this something we could do away with, and indicated that it was initiated for comparison purposes with the changeover.

Melissa replied that based on the numbers she can't imagine making a decision to disband the OJI program. We will continue to have Worker's Compensation Claims to pay due to lifetime medical but will continue the OJI program as it is designed today. The analyses are beneficial in terms of financial evaluation and reporting. Mrs. Nolen is also part of the process that we go through. It is a responsible process for us to evaluate our claims, particularly the ongoing Workers Comp Claims that we have. Some of those claims result in very high dollar expenses with no Stop Loss attached.

Mr. Burgess, the Forecast for Workers Compensation is what it's projected reflects where our claims would be if we were still in the Workers Comp program as compared to the On the Job Injury program.
Melissa agreed.

Mr. Burgess also asked if Melissa was concerned that August is $150.00 pepm this year as compared to last year. Mrs. Street replied that we have a tendency to see a higher pattern at the beginning of the school year, utilization service increase that has been put off. We have our Biometrics that is being done as well. There are about 8,000 people that need to complete the screenings. There will also be an increased cost to those services as well.

WC/OJI STATS:

Dan Goode, Safety Coordinator, reported that for the month of August 2015 had a total of 18 injuries that required medical attention. The YTD injuries total 123, of the 123, 79 were OSHA recordable, 33 had restricted days, 25 had lost time days and 21 were all others. To compare YTD in 2013we had 115 injuries, 2014 had 146 and 2015 has 123. This report shows that we are running close on average. Total incurred dollars for each division was $35,483.65. The BOE incurred 9 injuries with a total of $11,450.00. County Highway Department had 2 total incurred with a total cost of $10,833.65. The remaining 7 were County General totaling $13,200.00. The breakdown of those injuries is 6 for the Sheriff's Department and 1 located at Solid Waste Department.

Mr. Burgess asked, out of 123 accidents only 79 were recordable, what is the process to determine this.

Mr. Goode, Federal OSHA has a standard they use to establish which injuries are recordable. Any injury that requires a prescription medicine becomes recordable. If the claim has restricted days, this is when an employee may have restrictions and maybe unable to work, such as, the employee could have lifting restrictions and the Employer is unable to accommodate or no light duty is available the employee with their restrictions is taken out of work and this injury becomes recordable. All information is compiled which enables us to determine the severity rate of the claims and evaluate progress as far as the injuries are concerned.

WELLNESS UPDATE:

Kelli Perrien, Wellness Coordinator, gave her report for August 2015. Wellness on Wheels visited 4 schools in August and saw 83 people. We have added an additional piece to the Wellness on Wheels program. We have created a Med Point Survey asking people their opinion on what they like the best or the least. We also asked if there are any other services that they would like to see. We have requested contact information and asked if they would like to be contacted by someone to help them lower their out of pocket expenses. We are excited to get feedback from people in order to improve our program.

We visited RCBOE for New Hire Orientations, gave 243 new hire welcome packs.

Our Touchdown to True Wellness Kick off was at the MTSU Pep rally on the square with 115 people signed up for the 6 week program.

Patricia Cox met with 37 people one on one for health coaching at Clinics in August.

Current and Upcoming Activities include:
Touchdown to True Wellness celebration, tailgating at an MTSU homecoming game on October 3rd. We have 175 people currently participating in this challenge.
RC Annual Wellness Fair will be October 16th at the Community Center Lane Agri Park. Flu Shot Clinics will open there.
LifeServices webinar: Heads up – Tips for better brain health online on October 20th at 11:00 am or 1:00 pm.
Know your numbers year 3: mycigna.com online health risk assessment & biometrics screening form submitted to Cigna no later than 11/30/2015.

Paula Barnes, wanted to make sure that notification or communication be given with information regarding the Wellness Fair.

Kelli replied that she would send a flyer to Mrs. Barnes within the next day.

BENEFITS SYSTEM BID: FINALIST PRESENTATIONS:

ADP (Incumbent)
BenfitFocus

Melissa Street said bids were taken for a Benefits Administration System. We have had our current system for many years. We are in an Evergreen contract with ADP, it is their second version of the system and they are on version seven currently. Bids were taken to enhance the Employee experience as well as Administrative functionality. There is a need to better address the Language barriers within our population. We have many employees that use English as their second language. Those employees come in our office with questions; it is very difficult for our staff to communicate. We need some type of system that will assist in that and improve the overall user experience, by ways the information is presented to them. We need tools that are available to them to make educated decisions regarding Benefit Options they should take. Also needed is a website that could be both English and Spanish. We are looking for a Telephonic Open Enrollment Support system to assist those employees not technically savvy that they could call in to get help with their enrollment process. We were also looking for a system that can handle multiple payrolls. For example, we have Community Care that receives benefits through Rutherford County Government's Health Plan. Everything for Community Care has to be entered is a manual process, their system does not feed into our system. With Local Governments System, County General, Board of Education and Highway Departments payroll feeds into our system. We wanted to better capture those transactions, both that were occurring in Local Gov, and were occurring through Community Care to best manage their health plans. Lastly, support and understanding more readily what type enrollment activity to communicate with employees that are both New Hires and during the Open Enrollment period to track it more easily.

ADP SYSTEM DEMONSTRATION:

Jerry Oehm, Client Strategy & Retention gave Financial Status and Background information for ADP. Mr. Oehm stated that ADP was an 11 Billion Dollar Company, and has 15 Million participants that they provide Benefits Administration throughout the country. ADP has been a major provider of benefits for quite a while. ADP has spent 750 million dollars on research and development in the last few years.

Demonstration included Open Enrollment screen shots of ADP's system and how it is structured for easy maneuvering and self explanatory. ADP has a Fully Integrated Benefits Solution. Screen shots included:

Open Enrollment Home page; that gave how many days remaining for Annual Enrollment

Benefits page; this screen list a benefits summary of all current enrollments of the employee and out of pocket premiums that are currently being paid.
Dependents & Beneficiaries; this page shows all Dependents along with Beneficiary information. This screen allows the employee to update or confirm.
Tobacco Usage; Screen to answer Yes or No
Spouse Coverage Elsewhere; Questions regarding Spouses current eligibility with a Group employer
Benefits; List all enrollment options along with premiums, if an employee doesn't want a specific it clearly gives the option to Decline
Medical Insurance; This screen shows the Medical Options available, cost estimator, how the plan works and premiums
Screens included were a Health Savings Account, Supplemental Life, Review of Benefits, Premiums, and Credits prior to confirming enrollment.

Rhonda Allen asked a question regarding Spousal Coverage Elsewhere, how would we handle the verification process other than the honor system.
Mr. Oehm replied that in order to provide a Standard Dependent Audit there would be an additional fee. The implementation fee to provide Dependent Audits would cost $10,000.
Melissa added that this service was not included in the Financials; the committee has authorized to send a bid out for Dependent Verification.

Merry Hickerson asked if the system would compare a Medical plan to the employee exclusively or is it compared to an average person. Does the data address each employee by pulling claims information?
Mr. Oehm replied they do not use data specific to each employee, it would all be based on a company that uses aggregated numbers.
Melissa added that the data is pulled from the Southeast States, Mr. Oehm agreed.

Mr. Bowles asked, in year 2 would the system allow employees that didn't want to make any changes use a default to continue the same benefits.
Mr. Oehm replied that he thought that was an option but didn't know for sure.

BenefitFocus:
Matt Swain, Account Executive and Andy Van Nortwick, Senior Solutions Engineer addressed the insurance committee; benefits are all we do, we have been in business for 15 years and have 1800 employees. We begin with 4 indentifying key elements to an Ideal Benefits Solution for Rutherford County.
An engaging, intuitive and robust user experience that leverage both online and mobile to empower and educate employees.
Ability to streamline numerous administrative processes that are being managed manually today
Flexibility to manage the complexity of your organizational structure (pay groups, departments)
Fantastic level of service and support
Benefit Technology with Unmatched Innovation. Communication and Mobility, Analytics, People-Centric Design and Customer at the Heart of everything to ensure their success.

Andy told the committee that BenefitFocus is already intergrated with Rutherford County's current payroll system Local Gov. They have the capability to help with Compliance issues that are necessary, information about Federal and State exchanges. They have the ability to provide compliance and reporting tools. BenefitFocus also has Telephonic capabilities with different languages, such as, English and Spanish. BenefitFocus will partner with the current FSA & Cobra Administration, Wage Works.

Mr. Burgess asked if an employee goes online to enroll and they hit submit, can they go back and make changes to that enrollment as long as they are within the enrollment timeframe.

Andy responded by saying that the employee can go into the system and make changes until the last day of the enrollment period.

Melissa asked that Andy explain how administration can view the employees enrollment if the employee gets stuck during Open Enrollment and needs to call our office or call the help center.

Andy said that BenefitFocus can mirror where the employee is in their enrollment process along with Rutherford County's administrative support team. It enables us to heighten the user experience by seeing what they see and to have the capability to change passwords.

Mr. Bowles had questions about the Acknowledgment page.
Mr. Van Nortwick expanded what the acknowledgement page detailed. Full outlay of all Benefits that would have been enrolled in, you can expand the search to review details, such as, benefits summary. The employee can print this off or it's available all year round.

Merry Hickerson asked a question about the Telephonic capability to text or e-mail employees with confirmations. What happens if an employee doesn't have access to text messages or e-mails? How will we get the information to those employees that have limited access?

Andy said that there is an option where BenefitFocus could print the acknowledgement and mail it to the employee. However, there is a buy-up solution that would be available, or Administration could print and mail as opposed to the buy-up plan.

Merry wanted to clarify that BenefitFocus does have the capability to pull information from Cigna specific to each employee. Can compare all 3 Medical options to determine which option may be better for them.

Andy agreed that BenefitFocus to pull information from Cigna specific to each employee. Using the Telephonic system we can help the employee with their enrollment.

Lisa Nolen, your platform already links into Cigna's system and who else can you link to.

Andy, BenefitFocus can integrate with as many providers as you need. Most look at bringing in data referencing Medical, pharmacy and eligibility as well. Some companies bring in Dental, Wellness and Vision.

Melissa added that it is a monthly upload from Cigna to BenefitFocus if we purchase the Analytics piece. Cigna has an effective date of 07/01, if we replace that relationship it would go through 06/30/2016. The new carrier would pick up 07/01/2016. Part of the implementation process would be to make sure the new carrier works with them to eliminate any gaps in service.

Lisa, when would the new system be implemented?

Melissa, it would be in place by February 1, 2016. This would enable us to close out this year's Open Enrollment.

Melissa asked BenefitFocus to talk about Verification for Dependent and Spouses, any other attestations, such as, Spousal attestations that are available through your product.

Mr. Van Nortwick replied that depending on your need for it. Assuming that you would want to take advantage of this product through BenefitFocus, you would use this product to eliminate ineligible dependents. Benefits are pended until the documentation is received. BenefitFocus can help facilitate this process.

Melissa added that they also have the capability to ask questions during the Open Enrollment process about Spousal eligibility.

Andy replied that this is part of the enrollment, such as, questions about tobacco use, spousal eligibility, whether they have coverage elsewhere.

Melissa presented bid comparisons for ADP and BenefitFocus:

Implementation:

ADP fees total: $51,500.00 BenefitFocus fees total: $64,625

Annual Cost:

ADP fees total: $414,200 BenefitFocus fees total: $293,945 (1st year)

ADP total: $362,700 (2nd and 3rd year) BenefitFocus total: $229,320 (2nd and 3rd years)

(Telephonic Enrollment during Annual Open Enrollment is not an option with ADP. Requires purchase entire Participant Service Center package, to have telephonic open enrollment. Rate increase will not exceed 3% for years beyond the initial 3 years)

(Telephonic enrollment during Annual Open Enrollment is included in the contract with BenefitFocus. Limited to Open Enrollment only)

Claim Analytics System:
Number of employees quoted: 6,500

ADP did not submit a cost for this option.
BenefitFocus quote submitted is $68,250/Core and $95,550/Advanced

Core: Budget comparison, enrollment counts, cost by benefit type, per employee cost, drug cost by category, In-Network utilization percentage, predicted risk index distribution, predicted cost amount (based on average risk score), and claimant cost distribution, top 5 episode categories, and preventative screening participation, chronic condition care compliance Members can shop for insurance plan based on actual claims experience, capture user activity data in real-time and deploy strategic communication materials

Advanced: Provides over 70 standard benefit analytic reports bringing together claims, wellness and financial data to drill down on expenditures, diagnoses, procedures, providers
Includes predictive modeling of plan and individual risk, and cost using the Johns Hopkins ACG System.

About the Johns Hopkins ACG System: The ACG System offers a widely used and rigorous health-based risk adjustment approach. Used by healthcare providers, health plans, and public-sector agencies the ACG System has a uniquely clinical perspective on person health that emphasizes the inter-relationship of multiple diseases to explain healthcare utilization both retrospectively and prospectively. The ACG System has withstood the financial and clinical pressures of the healthcare marketplace to become a statistically valid and industry standard risk adjustment and predictive modeling method.

Regina Harvey commented on the fact that ADP did not offer any discounts compared to BenefitFocus offering a 30% discount. Why would BenefitFocus do that?

Melissa, it is a multi-discount, they provided a 1 year rate and a multi-discount rate which includes the discount

Jeff, the Claim Analytics System, is the cost $5.00 pepm?

Melissa answered that it is the implementation cost.

Jeff Sandvig, if the Claim Analytics System is added would it better match employee with the correct plan that they should enroll in. Also, would we see a reduction in cost?

Melissa responded by saying that she would be surprised if it didn't. When I have counseled employees on their benefits most of the time they are in the wrong plan.

Mr. Sandvig made a motion to approve BenefitFocus with the Claim Analytics System. Merry Hickerson seconded the motion.

The motion passed unanimously.

Other Business:

Mr. McAdoo asked Lisa Nolen about Gasby 45.

Lisa, the Pension Audit will be provided in 2015, the Government wide financials will be provided in 2016.

Melissa commented that she would include that information as soon as it is available.

Paula Barnes asked for an update with Open Enrollment.

Melissa, we have completed the Video for employees to view, packets will be mailed the end of September or the first week in October. Webinars are available to show during the principals meetings. In the packets include is the 2016 Benefits Guide and a Mini-Guide where this is mentioned several times. Open Enrollment begins October 19th ends November 2 at Noon.

Paula had a concern regarding the Default during Open Enrollment and asked why we need to do that.

Melissa answered by saying that Rutherford County is required by the Affordable Care Act to capture all enrollment and declination benefit eligible employees are required to enroll or decline Medical insurance. Therefore, the IRS requires that everyone that is eligible for benefits must go online during Open Enrollment to actively participate. There are several questions that need to be answered if the employee declines the insurance.

Jeff, if employees do not go in during Open Enrollment, benefits end, correct?

Melissa, if the employee doesn't go online during Open Enrollment that employee is not in compliance. Certain pieces of the enrollment allow us to gather the data to report to the IRS.

Mr. Burgess, if there is no other business, we are adjourned.

The meeting was adjourned at 2:45

Ernest A Burgess

Ernest Burgess, Chairman
Rutherford County Benefits & Insurance Committee