

LYON COUNTY AUDITORS OFFICE
July 3, 2019

ROCK RAPIDS, IOWA

Chairman Mark Behrens convened the adjourned session with Feucht, Birkey, and Herman present. Motion carried assumes unanimous vote unless otherwise stated. Supervisor Koedam was absent.

Those in attendance at the meeting were: Gina Sypersma and Amy Jurich, health insurance consultants for the county from Innovative Business Consultants, Conservation Director Craig Van Otterloo, County Attorney Shayne Mayer, and Deputy Auditor LeAnn Krull.

Chairman Behrens explained that he has been approached by an outside agent for the opportunity to quote the county's health insurance. Behrens asked how the contract with IBC is set up. Sypersma explained that the county currently pays IBC to take the county's health plan to the health insurance market. Sypersma also explained that all agents would be using the same market as IBC. The County does have the ability to open the process up for quotes from other agents if they so choose. Behrens asked if the Board allowed one agent, wouldn't it be in the Board's best interest to open it up to any agent wanting the opportunity to quote the plan. Sypersma explained that the Board would need to formally approve opening up quotes to other agents. However, this process would then probably require a RFP (Request For Proposal) to be created and available for any agent wanting to quote the plan. The RFP would be a document explaining what types of plans the county wanted quoted along with all the details of copays, coinsurance, deductible and so on. This would be a large undertaking and the County would more than likely need to hire this process out to another company.

Sypersma and Jurich discussed that the County's health insurance fund will be fine through the end of 6-30-2020 but want to be watching the plan closely to make sure they are directing the county in plenty of time if a change needs to be made. It is the recommendation that a plan change will more than likely be needed to be in effect by 1-1-2020. Currently IBC has the county's plan out for quotes, but companies looking at it currently state they cannot be more competitive than the renewal quote received from Wellmark. The other companies wanting more claim history (April through possibly August). This data gives companies an idea as to what claims will look like moving forward. IBC is thinking that ISAC will still be the best option.

The ISAC plan uses a 3rd party consultant called Kingston. If the county would determine its best option is the ISAC plan, the county could either keep IBC for neutral 3rd party consultant or decide to move to Kingston. The fees for Kingston are paid through the ISAC association.

Attorney Mayer asked Sypersma and Jurich for their recommendations on how to best handle employee reactions and fears. It was discussed that by being as open as possible and relaying information when the Board has information to give is a great start. The Board hasn't determined yet how many plan options it will offer. There could be a higher deductible plan with a lower premium

cost, a richer plan option with a higher premium, and possibly having an option to allow employees to have an HSA account. The Board would like to see multiple deductible options as well. There are so many options available, it just depends on where the costs come in and what the Board will need to determine is necessary. It was also discussed that the Board doesn't want to have to raise the employee contributions drastically at once. There are many moving parts to this situation and until there are quoted premium amounts it is hard to give monetary estimates of cost to the employees. In the meantime, IBC will be putting together a Q&A sheet that the County can distribute to the employees to hopefully answer some of the questions. It was also decided that once there are possible options available, multiple employee session will be held to explain the options and give employees a chance to ask questions as to how the options differ from the current plan.

IBC explained that due to federal laws, the County has to offer a group health insurance option to its employees. Mayer and Birkey mentioned that there is concern about missing enrollment periods of spouses plans if some employees wish to move to their spouses plan due to the upcoming changes of the county's plan. Syperma explained that due to the county making changes to plan design and/or employee contributions creates a special enrollment. By making changes to an employee's current plan it creates a "qualifying event" for the employee per the ACA rules. This will allow county employees the opportunity under federal law to enroll in their spouses plan if the employee decides they no longer wish to participate in the county's health insurance. IBC stated they would be more than happy to work with those employees wishing to move to their spouses plan in order to make sure those employees gain coverage on their spouse's plan.

As determining the best options for the County is currently a week to week situation, IBC would like to be meeting with the Board at least once a month to give an update. It was decided that IBC will be attending the 4th Tuesday meeting of the board moving forward.

The Board decided to wait and see what the quotes look like for a 1-1-2020 change, and then will contemplate looking at opening up the plan for quotes from other agents for the next plan renewal. This would be 6-30-2020 or sometime in late 2020 if it is a 1-1-2021 renewal. The Board is comfortable working with IBC as IBC knows the history of the plan and have day to day contact with insurance companies waiting for more claim history. Chairman Behrens will contact the agent currently on the agenda for July 9th to inform them that the Board at this time will not be taking quotes from outside agents, but said agents are welcome to call and visit with IBC regarding the current plan.

The Board thanked Syperma and Jurich for coming and for working diligently on the county's behalf.

There being no further business there was a motion by Herman, seconded by Birkey to adjourn. Motion carried.

NOTE: These minutes are as recorded by the Clerk to the Board of Supervisors and are subject to Board approval at the next regular meeting.