

FINANCE COMMITTEE MEETING
MAY 13, 1991, 1:00 PM, ROOM 564

Present

Commissioner Johnnie Evans, Chairman
Commissioner Tom Bacote
Commissioner Sherrell Riddle

Staff

Cliff Strassenburg
John Nalepa
James Bowser, Sheriff's Dept.
Mary Ann Dolister

Press

This meeting was called to discuss the county's health insurance premiums and to review the county's investment policy and portfolio. Chairman Evans called the meeting to order. Mr. Strassenburg explained that each year we have to adjust our health insurance costs and are projecting a 25% increase for the budget. The Commissioners must set the rate to be charged to the employees. The current County benefit package was reviewed.

Mr. Nalepa summarized that the county is self-insured and the plan is administered by Blue Cross. The county pays \$144.25 per month towards the individual premium for both the Blue Cross health insurance preferred provider plan and the personal care plan. The costs of what the employee pays for the various options were outlined as well as the benefits under each plan.

Through March of this year Blue Cross/Blue Shield has paid \$235,000 in excesses for four people. Various factors for our high health care costs were reviewed. If we want to keep personal care we must be self funded just as we are in the other plan. Commissioner Evans suggested that we should look into bidding for a health care insurance administrator.

Mr. Nalepa outlined several different options for funding health care with varying amounts of deductibles. Commissioner Evans stated that it should be affordable one way or another to the employees so that they stay with the plan, especially for those on the low end of the pay scale. Mr. Nalepa presented a list of recommended premium costs as follows:

Summary Individual Premiums

	PPO Plan (5%)	PCP (7-1/2%)	PCP OVER PPO
Employee only	\$11.07	\$24.75	\$13.68
Employee child	82.27	91.53	9.26
Employee family	181.82	223.95	42.13
Employee spouse	150.65	253.47	102.82

For the Preferred Provider Option, the deductible will be \$200/600; out of pocket \$1,000/\$2,000 - Aggregate Stop Loss 15%. The County contribution will be \$185.

The enrollment period will soon be here and this needs to be taken to the full board for approval. Commissioner Bacote offered a motion to accept the recommendations of the County Manager and the Finance Director as outlined above. Commissioner Riddle seconded the motion and it passed unanimously.

Mr. Nalepa further informed the committee that Blue Cross/Blue Shield has recommended that the county establish a reserve for group medical insurance. Commissioner Evans inquired about establishing this reserve that the insurance carrier is recommending. Funds would be transferred to the insurance trust fund from the general fund, which would reduce the fund balance. No action was taken on this matter.

Commissioner Evans stated that in the future he wants to look into bidding and Mr. Nalepa stated that it would require a health care professional to write up the proposal.

Investment Policy and Portfolio: Mr. Nalepa outlined the County cash management and investment policy, which was approved in January, 1990, and the requirements for government funds. The investment portfolio ending March, 1991, was presented as to the type of investments and the banks holding the funds. Mr. Bacote commented that he would like to see the county call the banks that are headquartered here as a courtesy. Mr. Nalepa stated that he may solicit a quote from these banks stating that he will be placing \$100,000 on a particular day to get their response. Discussion was held on commercial paper, and how our checking account is bid. Wachovia currently has this account which is bid on every three years.

Meeting Adjourned 3:15 p.m.