

MILLE LACS COUNTY EMPLOYEE BENEFITS COMMITTEE
MEETING MINUTES
October 8, 2020

Members Present: Sue Koosman (MNA); Deb Heying-Viney & Sheri Renner (AFSCME-CVS); John Henderson (Teamsters); Jason LaSart (MPEA); Brad Barnes (LELS); Erica Madore (AFSCME-ACA); Karen Mathison, Michele McPherson, & Paul Prokosch (Non-Union)

Members Absent: Cmsr Peterson (Elected Officials); Dustin Naumann (Teamsters); Holly Wilson, Joni Windhauser, Kent Larson, Kevin Schultz, & Mellissa Griswold (Non-Union); William Hulsing (Local 49)

Ex-Officio Members
Present: Pat Oman, Karly Fetters, David Oberfeld

HR Manager Karly Fetters called the meeting to order at 1:02 p.m. Introductions were made around the table.

Insurance broker David Oberfeld reviewed the PEIP information released for the 2021 plan year, noting a 9.7% premium increase but no change to the plan setups. Oberfeld stated that PEIP has added about 200 groups in the last few years, and the new groups added have a claims ratio of 113%. This means that for every \$1.00 PEIP is collecting in premiums for these groups, PEIP is paying out \$1.13 in claims. As a result, these new groups have significantly increased claims projections for the 2021 plan year. Another contributing factor to the 2021 premium increase is the unforeseen impact of the claims from COVID-19. Claims saw a short-term drop from March-July when elective procedures were not available, but the claims are steadily increasing again at this time. As a result, PEIP is taking the position of being very cautious since it is uncertain how these claims may be impacted in the future, particularly with the recent spike of positive COVID-19 cases. Contrarily, health care providers are seeing a decrease in revenue due to claims activity. The trend increase for large groups (those with 50 or more employees) across the state are around 9-10%. This trend increase is determined by the anticipated amount insurance will be receiving for premiums vs. paying out in claim,s for the coming year vs. the previous year. Small groups (those with less than 50 employees) are only seeing an increase between 1-4%, but these are groups with age-banded premiums. Resource Training & Solutions (the insurance pool in which Mille Lacs County participated prior to 2018) is having major struggles, with only 2 large groups remaining in the pool and 1 of these 2 major groups looking for other options.

Oberfeld requested the claims data for Mille Lacs County from PEIP, and found that there is about a 93% loss ratio for Mille Lacs County. The claims for Mille Lacs County have improved but are still not meeting the guidelines desired by PEIP to reevaluate the tier placement for a group. Ideally, PEIP would like the claims data for groups to be under 90% in order to be considered for a tier reevaluation. Oberfeld reviewed the potential insurance options that will be explored for Mille Lacs County in 2022, including a self-funded option from Preferred One. Oberfeld also included a side-by-side plan comparison (which Fetters emailed out to the group

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prior to today's meeting). This comparison only included cost level 2 and 3 costs for simplicity's sake, since most of the clinics in this region are a cost level 2 and 3.

Oberfeld moved from health insurance to dental insurance. He noted that with the recent revisions to the plan by Mille Lacs County, this is a very benefit-rich dental plan for a very low cost. County Administrator Pat Oman said that administration is reviewing the formula used to determine following year premiums based on the claims from the current year, which will determine the 2021 dental rates. Oman said that from a budgetary standpoint, however, the plan is to keep the rates the same in 2021.

Oberfeld also noted he has reached out to the BCBS vision insurance representative Pam Lovaas to confirm the vision insurance rates for 2021, which he believes should be the same. Fetters added that the rates for ancillary benefits should also remain the same for 2021, unless individuals moved into the next age bracket in 2020 since these are age-based premiums.

AFSCME-CVS EBC representative Sheri Renner asked Oberfeld to confirm that nothing has changed for the PEIP plans (other than the premiums) for 2021, which Oberfeld confirmed is correct.

Oman added that PEIP is managed by Minnesota Management and Budget Office, which means that legislature plays a role in how the group operates. Pat has reached out to legislature (and encouraged other County Administrators to do this, as well) regarding any potential review or influence of the seemingly nonsensical logic of insurance projections for 2021.

Fetters reviewed the new employee platform for Open Enrollment this year, BenefitsConnect, which is used by several other counties who have provided very good feedback. Other counties using BenefitsConnect shared that it makes elections and the Open Enrollment process much easier for employees and seems to be very employee-friendly. Fetters noted that when the PEIP 2021 clinic list with cost level information is released on 10/15/2020, she will have it posted on the HRConnection site and email the link and information out to employees. Fetters said there will not be an in-person Benefits Fair this year as in years past, however, there will be pre-recorded informational sessions on all benefits and a live presentation/Q&A from PEIP on 10/14/2020. The PEIP presentation will be on 10/14/2020 and conducted via WebEx, and Fetters will be emailing this information and links out to employees with participation instructions. Open Enrollment will be conducted this year from 10/26/2020-11/6/2020, and Fetters will email Open Enrollment dates and instructions out to employees as usual.

MNA EBC representative Sue Koosman asked if the flu shot clinic will be hosted on-site this year, as in years past. Fetters said the clinic has been postponed (but not cancelled) since the majority of employees are teleworking at this point, and Mille Lacs County wants the benefit to be offered equally to employees as much as possible. Therefore, if an employee is looking to get their flu shot soon (rather than wait to see if/when the clinic is rescheduled), they should contact their insurance to see where they can get a flu shot covered through their insurance.

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Fettters added that she has been contacted by employees expressing an interest in the 1+1 option for health insurance, and that she redirected these individuals to their EBC representatives. Fettters said that administration cannot represent the employee interest for the EBC groups, so employees will be redirected to their appropriate EBC representative if they express this interest to administration. If an EBC representative receives inquiries or their group has an interest in the 1+1 that they'd like to bring forward, the EBC representative should contact Fettters.

The meeting adjourned at 1:39 p.m.