

Tuesday, September 17,

19

The Bainbridge Township Board of Trustees met in special session at the Bainbridge Town Hall on September 17, 2019. Those present were Trustees Mrs. Kristina O'Brien, Mr. Jeffrey Markley, and Mrs. Lorrie Benza and Fiscal Officer Janice Sugarman. Mrs. Benza presided and called the meeting to order at 1:03 P.M.

The Health Care Committee members in attendance were: Phil Anders, Chuck Bolt, Leighanna Cawrse, Lori Downes, Kurt Dreger, Lora Fletcher, Prudy MacKenzie, Greg Marous, Ted Seliga, Chris Smith, and Linda Zimmerman.

The purpose of this meeting was for a strategy session with the township's benefits provider on cost-saving suggestions for the future. Mr. Brian Feliciano and Mrs. Kim Klefman of Oswald Companies presented to the Board of Trustees and the Health Care Committee options for continuing to save money and keep the township's renewal low.

The complete presentation is attached to and becomes a permanent part of these minutes.

Mrs. Benza reminded the Health Care Committee of their purpose of helping the trustees get the best possible benefits plan at the most cost effective component. She then asked them to share the information with their departments and respond back to the trustees by December 1, 2019 with suggestions.

EXECUTIVE SESSION:

Mrs. Benza made a motion to go into executive session for the Discipline of Public Employees per Ohio Revised Code Section 121.22(G)(1).

Mrs. O'Brien seconded the motion. Vote followed: Mrs. Benza, aye; Mr. Markley, aye; Mrs. O'Brien, aye. Motion carried.

The trustees recessed their special meeting at 2:13 P.M. in order to go into executive session. They were joined by the chief of police, a township employee, and the Fraternal Order of Police designated union representative. The employee and union representative left at 2:35 p.m.

The trustees returned from executive session, after considering the discipline of public employees and reconvened their special meeting at 2:35 P.M.

Mrs. O'Brien made a motion to impose a five-day suspension for the police department employee pursuant to discussions held in executive session.

Mr. Markley seconded the motion that passed unanimously.

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Since there was no further business to come before this special meeting of the Bainbridge Township Board of Trustees, the meeting was adjourned at 2:36 P.M.

Respectfully Submitted,

Janice S. Sugarman,
Fiscal Officer, Bainbridge Township

Date

Date

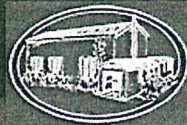
Date

Minutes Read: _____

Minutes Approved: _____

Bainbridge Township

Benefits Strategy Options



BAINBRIDGE TOWNSHIP
GEAUGA COUNTY, OHIO

September 17, 2019

oswald[®]

Today's Agenda

1.) Historical Review

- Renewal Overview

2.) ACA Update

3.) Renewal Strategy Considerations

4.) Open Discussion & Questions

Historical Review Benefits

Renewal History

Year	Renewal Increase	Final Outcome	Renewal Decision
2013	11.3% Requested	9.0%	Negotiated renewal to 9.0% Renewed with Medical Mutual
2014	15.0% Requested	15%	Renewed with 15.0% ACA options were 40% higher
2015	6.32% Requested	3.35%	Negotiated renewal to 3.35% Renewed with No Plan Changes
2016	15.55% Requested	6.9%	Negotiated renewal to 6.9% Renewed with No Plan Changes
2017	5.5 % Requested	2.9%	Negotiated renewal to 2.9% Increase
2018- 2020	9.9%	3.2%	MMO offer – 24 month rate guarantee at 9.9% with Premium Holiday in the 24 th month. Two year average, including move from under 50 contract to over 50 contract equals a 3.2% average increase.

***Average increase over 7 year period: 2013 – 2020: 6.22%
vs. Average Market Trend of 13%**

Renewal Overview

Medical Mutual

- Medical – rate guarantee until 4/1/2020
 - *Premium Holiday in 24th month (3/1/2020)*

HRA

- 2019: YTD (9/11/2019) Claims paid: \$112,205 = currently at 60%
 - *3 ½ months left*
- 2018: Total Claims paid: \$118,456 = 54.3%
- 2017: Total Claims paid: \$126,143 = 60%
- 2016: 70% Utilization

ACA Update

Tax Reform

- *Eliminated the individual health insurance penalty for the 2019 tax year*
- Did NOT change or eliminate the ACA employer coverage mandate OR any reporting requirements
- 2020 tax on high-value plans ('Cadillac Tax') is not impacted

Enforcement of ACA Employer Shared Responsibility Penalties

- The IRS is issuing assessment letters to employers that they believe owe a penalty based on 1095 reporting and Marketplace Exchange subsidies
- Employers have 30 days from the date on the letter to submit a response to the IRS

Tracking/Measuring/Reporting

- *Employer mandate still in place for groups over 50 employees*

Shared Responsibility Percentage (Safe Harbor Values)

- For plan years beginning in 2019, employer-sponsored coverage will be considered affordable if an employee's required contribution for self-only coverage does not exceed 9.86 percent of the employee's household income for the year. In 2020, this amount must not exceed 9.78%.

Renewal Strategy Considerations

HRA Structure Change

- Current:
 - Employer pays first \$2,250
 - Employee responsible for final \$250 of deductible
- Considerations:
 - *Employee pays first portion; employer pays second*
 - *Increase Employee responsibility*

4500 top.
#500 employee

Spousal Carveout/Surcharge

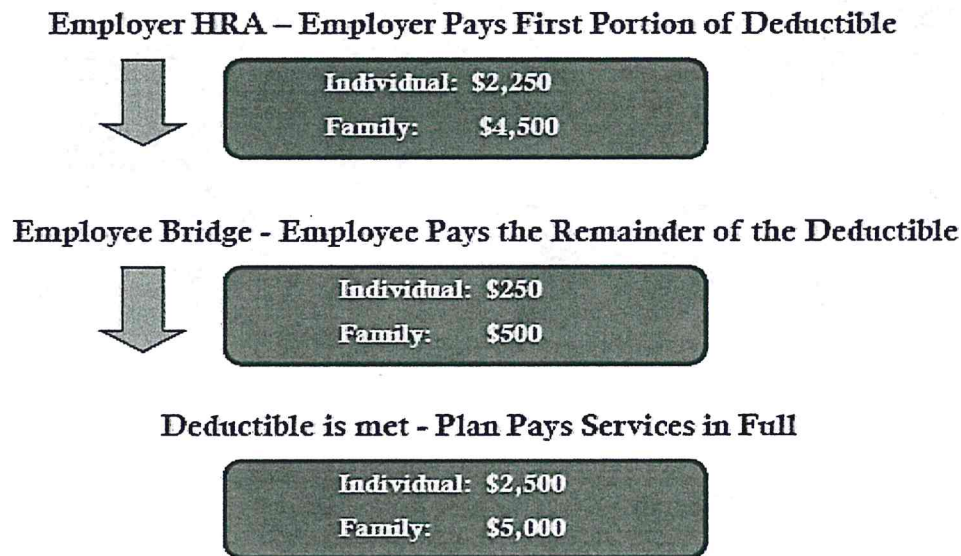
- Becoming more common
- Must be consistent across all demographics/employees
 - *Can grandfather based on hire date if desired*

Wellness

- Programs or Payroll Deduction Incentives
 - *Smoking Cessation, Preventative Care Sign off, Wellness Challenges*
 - » *Possible EEOC Hurdles—cannot incentivize more than 30% of gross premium for lowest cost plan (Taxability of Incentive/Reward required, including gift cards etc.)*
 - *Oswell Access: Payroll Stuffers, program ideas and information*

HRA Structure

Current Structure:



Switching to Employee Responsibility First:

- *Promotes Consumerism*
- *Creates awareness of Healthcare Costs*
- *Reduces Utilization*
- *Reduces Employer Expenses*

Employee Education & Consumerism

Medical Mutual and other Resources:

Cleveland Clinic Express Care® Online
Telemedicine



As a member of Medical Mutual's SuperMed® PPO Network, you'll have access to Cleveland Clinic's Express Care® Online. Express Care Online is a 24/7 care with no appointment needed for simple conditions like infections, cold symptoms, rashes, ear aches and stomach pain.

How do I access Express Care Online?
• From your smartphone or tablet: Visit clevelandclinic.org/eco or download the app.

Understand
Your Health with
Medical Mutual's
Health Assessment



Preventive Care Services
Guide for Employers and Members

GoodRx makes it
easy to find the
lowest price on
your prescriptions.
(And it's free!)

At www.goodrx.com you can instantly compare local pharmacy prices for any FDA-approved prescription drug. In under 15 seconds you'll know where to go for the lowest price. Visit www.goodrx.com to:

- Find discount coupons - Save up to 80% or more on cash prices at over 60,000 U.S. pharmacies.
- Reduce your out-of-pocket costs - Prices are often lower than insurance co-pays - great for those with high deductibles.
- Pay no fees - GoodRx is 100% free with no obligation or registration.

Saving up to 80% on all your prescription drugs is as simple as...

- 1 Click. Visit www.goodrx.com, enter the drug name and local zip code.
- 2 Compare. Instantly view and compare prices for the prescription at local pharmacies.
- 3 Save. Take the GoodRx coupon to the pharmacy with the lowest price and save up to 80%!

Put GoodRx in the palm of your hand. Download our award-winning mobile app. Instantly compare and save up to 80% on your prescriptions at over 60,000 U.S. pharmacies.

Over 2 million people use GoodRx to save on prescriptions each month. GoodRx will save consumers nearly \$100,000,000 this year.

GoodRx is recommended by **ON FORBES** Prevention.

Stop paying too much for your medications! Visit www.goodrx.com today and save up to 80%!

OneRx is a **free** solution that can save you money on your prescriptions

Download Now

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QuitLine
Enjoy life without
a cigarette.
Join the millions of tobacco users

Weight Watchers®
Take a Step toward a New You



Spousal Surcharge Estimate

Bainbridge Township

Spousal Surcharge Estimate

Enrollment		CURRENT	PROPOSED
Plan name	OptionD	OptionD	OptionD
Employee	23	26	
Employee + Spouse	9	6	
Employee + Child(ren)	4	11	
Family	21	14	
Sub-Total	57	57	
Total	57	57	

Rates		CURRENT	PROPOSED
Plan name	OptionD	OptionD	OptionD
Employee	\$643.49	\$643.49	
Employee + Spouse	\$1,413.27	\$1,413.27	
Employee + Child(ren)	\$1,156.67	\$1,156.67	
Family	\$1,926.45	\$1,926.45	
Annual Sub-Total	\$871,222	\$778,848	
Annual Total	\$871,222	\$778,848	

Contributions		CURRENT	PROPOSED
Plan name	OptionD	OptionD	OptionD
Employee	(\$64.15)	(\$64.15)	
Employee + Spouse	(\$141.35)	(\$141.35)	
Employee + Child(ren)	(\$115.70)	(\$115.70)	
Family	(\$192.66)	(\$192.66)	
Annual Sub-Total	(\$87,075)	(\$77,831)	
Annual Total	(\$87,075)	(\$77,831)	

Net Cost		CURRENT	PROPOSED
Plan name	OptionD	OptionD	OptionD
Employee	\$579.34	\$579.34	
Employee + Spouse	\$1,271.92	\$1,271.92	
Employee + Child(ren)	\$1,040.97	\$1,040.97	
Family	\$1,733.79	\$1,733.79	
Annual Sub-Total	\$784,147	\$701,017	
Annual Total	\$784,147	\$701,017	

Results	Current	New	Change
Changes in premium:	\$871,222	\$778,848	(\$92,374)
Change in contribution:	(\$87,075)	(\$77,831)	\$9,244
Additional Contributions (elect to pay surcharge):		(\$9,000)	(\$9,000)
Total Impact:	\$784,147	\$692,017	(\$92,130)

Assumptions and Settings

50%	Percentage of spouses that have access to other coverage?
30%	Percentage of spouses who will elect to pay spousal surcharge?
\$150.00	Spousal surcharge per month
	Assumes no one other than spouses leave the plan
	Assumes spouse without access to other coverage will not be charged the surcharge

The above cost projections are estimates. Actual rates may vary based upon plan performance.

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Incentives



Annual Health & Wellness
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Health & Behavior Change
Challenges



Health Education &
Awareness Materials

Questions?