



**BOARD OF COUNTY COMMISSIONERS
WARREN COUNTY, OHIO**

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***TOM GROSSMANN
SHANNON JONES
DAVID G. YOUNG***

BOARD OF COUNTY COMMISSIONERS
WARREN COUNTY, OHIO

MINUTES: Regular Session – October 31, 2017

The Board met in regular session pursuant to adjournment of the October 24, 2017, meeting.

Tom Grossmann – present

Shannon Jones – present

David G. Young – present

Tina Osborne, Clerk – present

Minutes of the October 24, 2017 meeting were read and approved.

- 17-1700 A resolution was adopted to accept resignation of Rebecca Parry, Lab Technician III, within the Warren County Water and Sewer Department, effective November 17, 2017. Vote: Unanimous
- 17-1701 A resolution was adopted to authorize the posting of the “Lab Technician I, within the Water and Sewer Department, in accordance with Warren County Personnel Policy Manual, Section 2.02 (a). Vote: Unanimous
- 17-1702 A resolution was adopted to designate extended illness leave to Christina Nethers, Emergency Communications Operator, within the Emergency Services Department. Vote: Unanimous
- 17-1703 A resolution was adopted to designate Family and Medical Leave of Absence to Samuel Roberts, Associate Architect, within the Department of Facilities Management. Vote: Unanimous
- 17-1704 A resolution was adopted to approve emergency repair to the Sanitary Sewer Main located on Leeshore Drive. Vote: Unanimous

- 17-1705 A resolution was adopted to approve a Memorandum of Understanding between the Warren County Commissioners on behalf of Warren County Department of Job and Family Services, Human Services Division and Warren County Children Services. Vote: Unanimous
- 17-1706 A resolution was adopted to approve and authorize the President of this Board to execute an Agreement with LexisNexis VitalChek Network Inc, for credit card processing payment services on behalf of the Warren County Probate Court. Vote: Unanimous
- 17-1707 A resolution was adopted to enter into an agreement with OARnet on behalf of Warren County Telecommunications. Vote: Unanimous
- 17-1708 A resolution was adopted to amend the contract between the Warren County Commissioners and Winton Transportation Incorporated, D.B.A. Universal Transportation Services (U.T.S), on behalf of the Warren County Department of Human Services. Vote: Unanimous
- 17-1709 A resolution was adopted to approve Amendment #2 to the Warren County agreement with Universal Transportation Systems, LLC and authorize the President and/or Vice President of this Board to sign documents relative thereto. Vote: Unanimous
- 17-1710 A resolution was adopted to approve and authorize the President and/or Vice President of this Board to enter into a Cooperation Agreement with the Interfaith Hospitality Network of Warren County relative to the FY 2017 Community Development Block Grant Entitlement Program. Vote: Unanimous
- 17-1711 A resolution was adopted to approve and authorize the President and/or Vice President of this Board to enter into a Cooperation Agreement with the Abuse and Rape Crisis Shelter of Warren County relative to the FY 2017 Community Development Block Grant Entitlement Program. Vote: Unanimous
- 17-1712 A resolution was adopted to approve and authorize the President of the Board of County Commissioners to enter into a Professional Service Agreement by and between Environmental Educators Inc. and the Board of Warren County Commissioners relevant to the Warren County Solid Waste Management District's Educational Program. Vote: Unanimous
- 17-1713 A resolution was adopted to authorize President of Board to sign the Task Completion Reports 44, 45, and 46 with TriTech Software Systems on behalf of Warren County Telecommunications. Vote: Unanimous
- 17-1714 A resolution was adopted to set public hearing for rezoning application of Joseph Carter (Case #2017-05), to rezone approximately 4.3 acres from Community Commercial Business "B2" to Rural Residential Zone "RU". Vote: Unanimous

- 17-1715 A resolution was adopted to accept the policy schedule and endorsements pertaining to Excess Loss Insurance with United Healthcare Insurance Company. Vote: Unanimous
- 17-1716 A resolution was adopted to terminate contract with Time Warner Telecom on behalf of Warren County Telecommunications. Vote: Unanimous
- 17-1717 A resolution was adopted to affirm “Then and Now” requests pursuant to Ohio Revised Code 5705.41(D) (1). Vote: Unanimous
- 17-1718 A resolution was adopted to approve various refunds. Vote: Unanimous
- 17-1719 A resolution was adopted to acknowledge payment of bills. Vote: Unanimous
- 17-1720 A resolution was adopted to approve Hampton Glen Lane in Hampton Glen Subdivision for public maintenance by Hamilton Township. Vote: Unanimous
- 17-1721 A resolution was adopted to approve various record plats. Vote: Unanimous
- 17-1722 A resolution was adopted to approve appropriation decreases within various funds. Vote: Unanimous
- 17-1723 A resolution was adopted to approve supplemental appropriation into Human Services Fund #203. Vote: Unanimous
- 17-1724 A resolution was adopted to approve supplemental appropriation into Common Pleas Court Community Based Corrections SMART Ohio Pilot Program Fund #289. Vote: Unanimous
- 17-1725 A resolution was adopted to approve appropriation adjustment within Juvenile Court Fund #101-1240. Vote: Unanimous
- 17-1726 A resolution was adopted to approve appropriation adjustment from Juvenile Detention Fund #101-2600 into Juvenile Court Fund #101-1240. Vote: Unanimous
- 17-1727 A resolution was adopted to approve appropriation adjustment within Common Pleas Court, Domestic Relations Division Fund #101-1230. Vote: Unanimous
- 17-1728 A resolution was adopted to approve appropriation adjustments within Telecommunications Department Funds #101-2810 and #92. Vote: Unanimous
- 17-1729 A resolution was adopted to approve appropriation adjustments within Dog and Kennel Fund #206. Vote: Unanimous

- 17-1730 A resolution was adopted to approve appropriation adjustments within Common Pleas Court Mental Health Grant Fund #228. Vote: Unanimous
- 17-1731 A resolution was adopted to approve appropriation adjustment within the Clerk of Courts Computer 2302.201 Fund #282-1410. Vote: Unanimous
- 17-1732 A resolution was adopted to approve appropriation adjustment within the Office of Grants Administration Fund #298. Vote: Unanimous
- 17-1733 A resolution was adopted to authorize payment of bills. Vote: Unanimous
- 17-1734 A resolution was adopted to rescind Resolution #17-1660 which authorized the hiring of Kimberly Evers as Custodial Worker I within the Facilities Management Department. Vote: Unanimous
- 17-1735 A resolution was adopted to accept resignation and approve appointment of Warren County Members to the Area 12 Workforce Development Board. Vote: Unanimous

DISCUSSIONS

On motion, upon unanimous call of the roll, the Board accepted and approved the consent agenda.

Tammy Whitaker, Benefits Administrator, was present for a work session along with Steve Ashe, Horan Associates, to discuss the 2018 benefit renewal and stop loss insurance.

Mr. Ashe presented the attached PowerPoint which included the review of the quotes received relative to stop loss insurance.

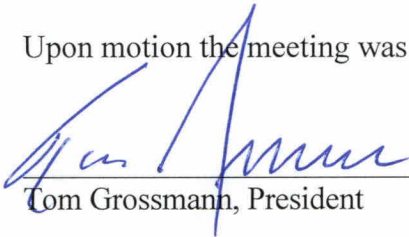
Mr. Ashe stated his recommendation to go with moving to AIG which included an additional aggregate deductible due to Warren County's favorable claim history.

Upon discussion, the Board requested additional information relative to the recommended prescription drug policy changes and stated their desire to render a decision at a later date.

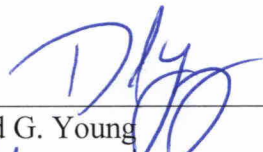
Neil Tunison, County Engineer, was present for the Board to proclaim November 4, 2017, as “Shake Your Mailbox Day” in Warren County.

The Board convened into the Commissioners’ Conference Room for a work session to discuss the 2018 budget.

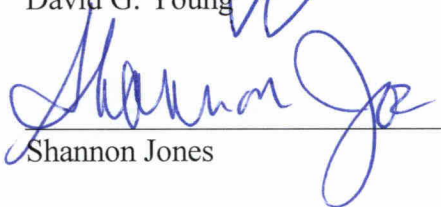
Upon motion the meeting was adjourned.



Tom Grossmann, President




David G. Young



Shannon Jones

I hereby certify that the foregoing is a true and correct copy of the minutes of the meeting of the Board of County Commissioners held on October 31, 2017, in compliance with Section 121.22 O.R.C.



Tina Osborne, Clerk
Board of County Commissioners
Warren County, Ohio



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Warren County
Work Session
October 31, 2017
Steve Ashe, CEBS
Director, Employee Benefits

Agenda



- 1. 2018 Rx Program Recommendations**
- 2. Final UHC/Optum Stop Loss Renewal**
- 3. Stop Loss History**
- 4. Prior/Current Risk vs Benchmarks**
- 5. Stop Loss RFP and Strategies**
- 6. Stop Loss Recommendation**
- 7. Next Steps**

Plan Design Changes



UHC / Optum Rx Plan Change Recommendations:

1. *Assigning BriovaRx Warren County's Exclusive Specialty Provider (no cost)*

- Specialty spend is expected to increase significantly in the coming years and this will help streamline filling and monitoring these types of medications
- 7 members currently filled a script outside of BriovaRx in the past 12 months

2. *Copay Card Accumulator Adjustment Program (no cost)*

- Copay card dollars are currently being counted towards member's deductible/out of pocket maximums and does not reflect what the member is actually paying
- This change will accurately reflect what the member is actually paying (no credit towards deductible/out of pocket maximums for the portion being covered by the copay card)

Stop Loss Renewal UHC/Optum



UHC/Optum Stop Loss Renewal Recap from 9-26

- Specific Stop Loss increase of 9.9%, \$57k
- Aggregate Stop Loss increase of 8.6%, \$4k
- HORAN was conducting a full market bid

Stop Loss RFP and Final Renewal

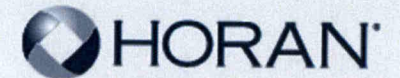
HORAN received several competitive quotes. We negotiated an additional \$61k reduction.

	2017 Current	2018 Renewal	% Change	\$ Change
Specific	\$575,372	\$591,374	2.8%	\$16,002
Aggregate	\$45,880	\$30,587	-33.3%	-\$15,293
Total	\$621,252	\$621,961	0%	\$709

UHC – Administration: UHC is offering a 1.7% increase, \$9,824

HORAN negotiated an increase to the wellness budget from \$10k to \$15k (used to fund Benefits Fair, Amazing Race and IH blood draw)

Stop Loss History



2011 was a catastrophic year resulting in \$1.6MM in stop loss reimbursement. Since WC has had a low frequency and severity of large claimants.

Stop Loss Premiums vs Reimbursements						
Year - Carrier	Included Coverage	Specific Ded. Level	Specific Stop Loss Premium	Specific Reimbursment	Loss Ratio	# of Claims Over Specific
2011 - CDB/HM Life	Medical Only	\$150,000	\$695,732	\$1,616,076	232.3%	8
2012 - UHC	Medical Only	\$200,000	\$393,026	\$95,268	24.2%	2
2013 - UHC	Medical Only	\$200,000	\$456,825	\$202,178	44.3%	3
2014 - UHC	Medical Only	\$200,000	\$527,478	\$47,015	8.9%	1
2015 - UHC	Medical Only	\$200,000	\$620,814	\$163,855	26.4%	3
2016 - Optum	Medical & Rx	\$200,000	\$639,644	\$172,227	26.9%	4
2017 (July) - Optum	Medical & Rx	\$250,000	\$312,853	\$252,571	80.7%	1
Total/Avg	-	-	\$3,646,372	\$2,549,190	69.9%	22

Prior/Current Risk vs Benchmarks



WC has historically performed under benchmarks at most claims intervals.

Claim Level	Prior Period: 09/01/2015 - 08/31/2016	Current Period: 09/01/2016 - 08/31/2017	Benchmark Expected
\$25,000	52	63	66.6
\$50,000	21	31	26.1
\$75,000	11	15	15.5
\$100,000	9	9	9.8
\$125,000	5	4	7.0
\$150,000	4	2	5.0
\$175,000	4	2	3.9
\$200,000	3	1	3.1
\$250,000	0	1	2.0
\$300,000	0	1	1.5
\$500,000	0	1	0.4
\$600,000	0	1	0.3
\$700,000	0	1	0.2
\$800,000	0	0	0.2
\$900,000	0	0	0.1
\$1,000,000	0	0	0.1

Please note: Risk shown is based on the most recent 12 months while stop loss reimbursement is based on calendar year

Stop Loss RFP – Matching Current



AIG was the most competitive quoting carrier. The following illustrates their costs vs UHC/Optum matching the current \$250k specific deductible:

	Current	Renewal	AIG
Stop Loss Carve Out	N/A	N/A	\$1.00
Total Annual Administration Costs	\$0	\$0	\$10,128
Specific Stop Loss Deductible	\$250,000	\$250,000	\$250,000
Aggregating Specific Deductible	\$0	\$0	\$0
Specific Stop-Loss Maximum	Unlimited	Unlimited	Unlimited
Specific Contract Type	PAID	PAID	PAID
Coverage Includes	Medical and RX	Medical and RX	Medical and Rx
Reimbursement Basis	Per Member	Per Member	Per Member
Lasers	None	None	None
Specific Premium			
Composite 844	\$56.81	\$58.39	\$50.46
Annual Specific Premium	\$575,372	\$591,374	\$511,041
Aggregate Premium			
Composite 844	\$4.53	\$3.02	\$4.14
Annual Aggregate Premium	\$45,880	\$30,587	\$41,930
Total Annual Stop Loss Costs	\$621,252	\$621,960	\$552,971
Total Annual Fixed Costs	\$621,252	\$621,960	\$563,099
\$ Difference from Current		\$709	(\$58,152)

Aggregating Specific Deductible



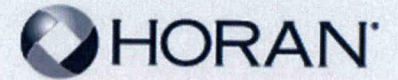
Specific Deductible:

Amount of claims liability per covered member before receiving stop loss reimbursement

Aggregating Specific Deductible (Agg Spec):

Amount of additional claim liability after one or multiple members exceed the specific deductible, capped at specified amount. Either one or multiple members can meet the total Aggregating Specific Deductible amount before receiving stop loss reimbursement

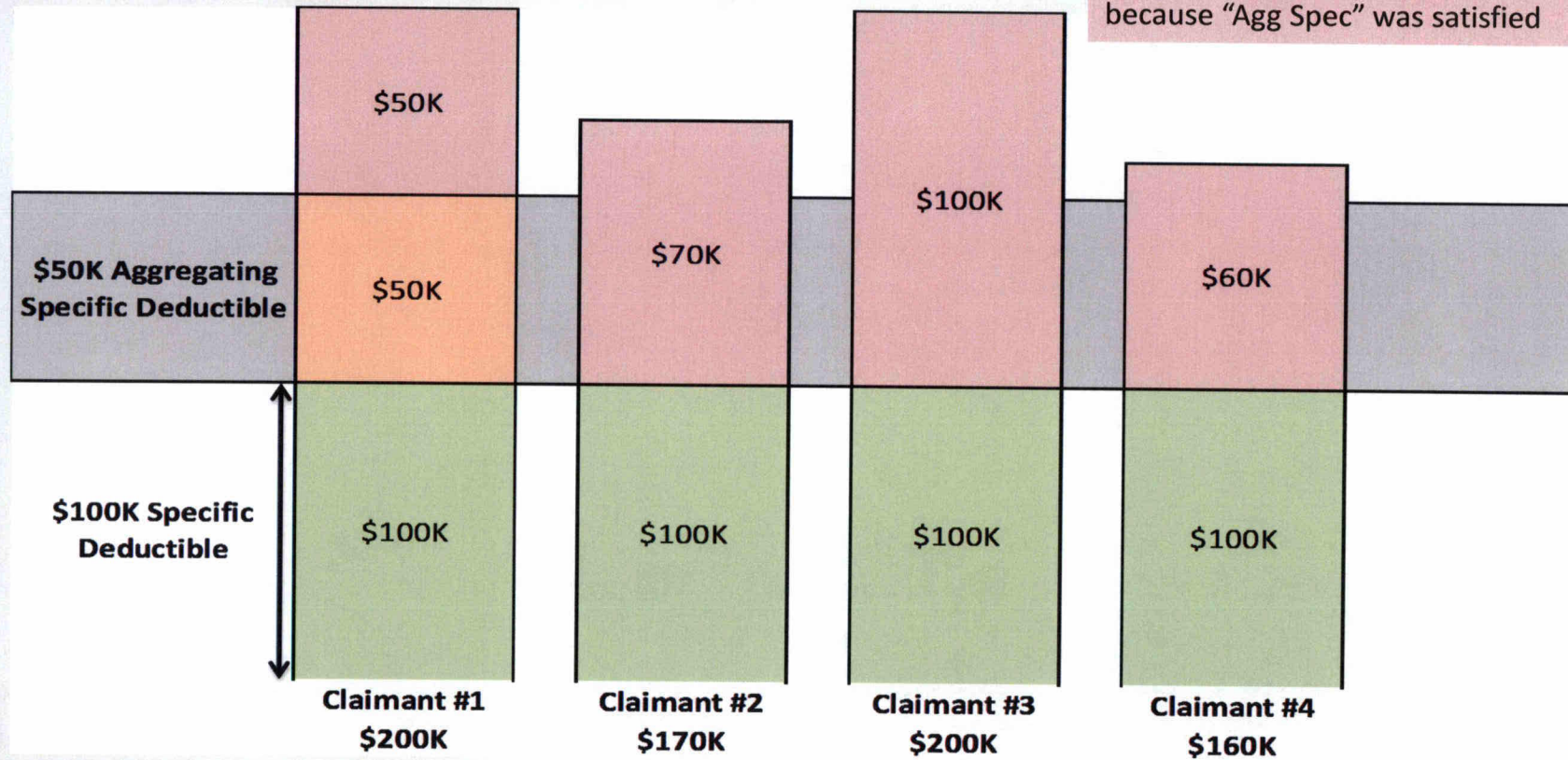
Agg Spec – Met by One Claim



Claimant #1 satisfied \$50K "Agg Spec"

- #1: \$50K (\$0K remaining)

All Claims receive Stop-Loss reimbursements because "Agg Spec" was satisfied

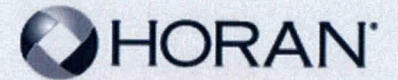


Amount accumulating to *per occurrence* Specific Deductible

Amount accumulating to Aggregating Specific Deductible

Amount Reimbursed by Stop-Loss Protection

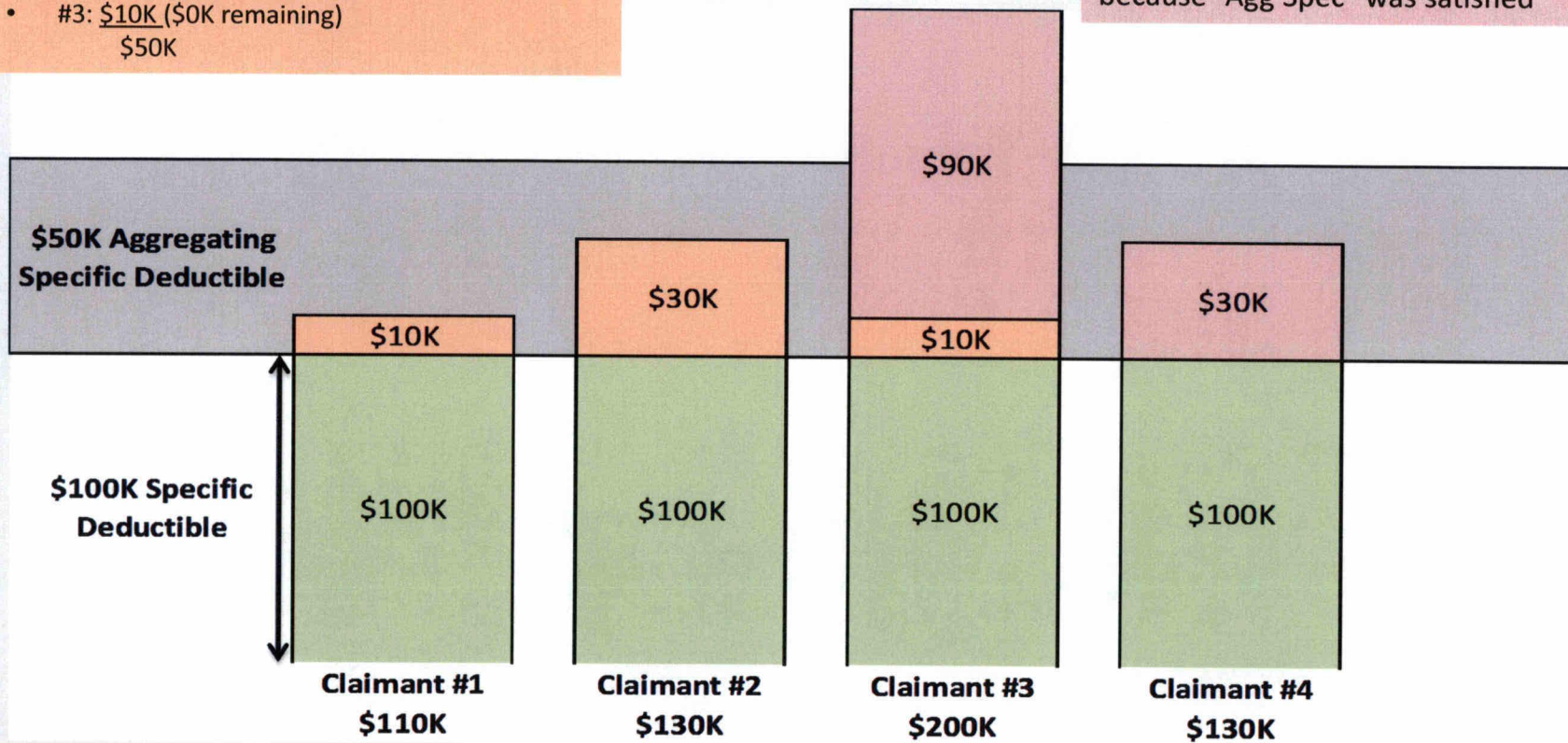
Agg Spec – Met by Multiple Claims



Claimants #1,#2,#3 satisfied \$50K "Agg Spec"

- #1: \$10K (\$40K remaining)
- #2: \$30K (\$10K remaining)
- #3: ~~\$10K~~ (\$0K remaining)
\$50K

Claimants #3 & #4 receive Stop-Loss reimbursements because "Agg Spec" was satisfied



Amount accumulating to *per occurrence* Specific Deductible

Amount accumulating to Aggregating Specific Deductible

Amount Reimbursed by Stop-Loss Protection

Stop Loss RFP – Agg Spec



An aggregating specific deductible would protect WC from multiple high cost catastrophic claimants and also reduce premiums. Following summarizes the competitive quotes:

	Renewal	UHC Option #3	Symetra	AIG
Stop Loss Carve Out	N/A	N/A	\$1.00	\$1.00
Total Annual Administration Costs	\$0	\$0	\$10,128	\$10,128
Specific Stop Loss Deductible	\$250,000	\$250,000	\$250,000	\$250,000
Aggregating Specific Deductible	\$0	\$50,000	\$300,000	\$300,000
Specific Stop-Loss Maximum	Unlimited	Unlimited	Unlimited	Unlimited
Specific Contract Type	PAID	PAID	PAID	PAID
Coverage Includes	Medical and RX	Medical and Rx	Medical and Rx	Medical and Rx
Reimbursement Basis	Per Member	Per Member	Per Member	Per Member
Lasers	None	None	1 @ \$500K	None
Specific Premium				
Composite 844	\$58.39	\$54.70	\$33.75	\$22.62
Annual Specific Premium	\$591,374	\$554,002	\$341,786	\$229,121
Aggregate Premium				
Composite 844	\$3.02	\$3.04	\$3.74	\$4.14
Annual Aggregate Premium	\$30,587	\$30,789	\$37,879	\$41,930
Total Annual Stop Loss Costs	\$621,960	\$584,791	\$379,665	\$271,051
Total Annual Fixed Costs	\$621,960	\$584,791	\$389,793	\$281,179
\$ Difference From Current	\$709	(\$36,461)	(\$231,458)	(\$340,072)
Add'l Claims Liability	\$0	\$50k Total Potential	\$300k Total Potential	\$300k Total Potential
Current Large Claim Win/Loss	N/A	Loss	Loss	Win
Prior Large Claim Win/Loss	N/A	Win	Win	Win

Stop Loss RFP – Max Specific Deductible



HORAN requested the highest specific deductible from each carrier and below summarizes the most competitive quotes.

	Renewal	UHC (\$300k)	AIG (\$450K)	AIG (\$600K)	Symetra (\$750K)	Symetra (\$1 Mil)
Stop Loss Carve Out	N/A		\$1.00	\$1.00	\$1.00	\$1.00
Total Annual Administration:	\$0		\$10,128	\$10,128	\$10,128	\$10,128
Specific Stop Loss Deductible	\$250,000	\$300,000	\$450,000	\$600,000	\$750,000	\$1,000,000
Aggregating Specific Deductible	\$0	\$0	\$0	\$0	\$0	\$0
Specific Stop-Loss Maximum	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited
Specific Contract Type	PAID	PAID	PAID	PAID	PAID	PAID
Coverage Includes	Medical and RX	Medical and Rx	Medical and Rx	Medical and Rx	Medical and Rx	Medical and Rx
Reimbursement Basis	Per Member	Per Member	Per Member	Per Member	Per Member	Per Member
Lasers	None	None	None	None	None	None
Specific Premium						
Composite 844	\$58.39	\$46.35	\$24.90	\$17.86	\$15.11	\$9.69
Annual Specific Premium	\$591,374	\$469,433	\$252,216	\$180,909	\$153,071	\$98,189
Aggregate Premium						
Composite 844	\$3.02	N/A	\$4.22	\$4.23	\$7.86	\$7.86
Annual Aggregate Premium	\$30,587	\$0	\$42,740	\$42,841	\$79,606	\$79,606
Total Annual Stop Loss Costs	\$621,960	\$469,433	\$294,957	\$223,751	\$232,677	\$177,795
Total Annual Fixed Costs	\$621,960	\$469,433	\$305,085	\$233,879	\$242,805	\$187,923
\$ Difference From Current	\$709	(\$151,819)	(\$316,167)	(\$387,373)	(\$378,446)	(\$433,328)
Add'l Claims Liability	\$0	\$50k Per Member	\$200k Per Member	\$350k Per Member	\$500k Per Member	\$750k Per Member
Number of Claims to Eliminate Savings	N/A	3.0	1.7	1.2	0.8	0.6
Current Large Claim Win/Loss	N/A	Win	Win	Win	Loss	Loss
Prior Large Claim Win/Loss	N/A	Win	Win	Win	Win	Win

Stop Loss Recommendation



Recommendation:

- Change stop loss carriers from UHC/Optum to AIG
- Add a \$300k aggregating specific deductible

Rationale:

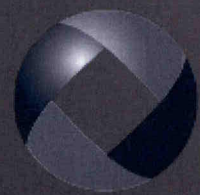
- Premium savings of \$340k with variable claims risk of \$300k
- Worst case scenario WC saves \$40k
- Both current and prior large claimant utilization scenarios would have saved WC
- Mitigate risk if there are multiple catastrophic claimants

Please note: AIG quote is not firm. HORAN sent data for their Underwriter to provide a firm quote.

Next Steps



- Final decisions on benefits and stop loss
- Complete necessary renewal paperwork
- Open Enrollment / Communications to employees
- Benefits Fair on November 3



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Questions