

## **SPECIAL CALLED MEETING MINUTES**

**The Spalding County Board of Commissioners held their Special Called Meeting in Room 108 in the Courthouse Annex, Monday, April 25, 2012, beginning at 9:00 a.m. with Commissioner Samuel Gardner presiding. Commissioners Bob Gilreath, Raymond Ray and Eddie Freeman were present. Also present were County Manager William P. Wilson Jr., Administrative Services Director Jinna Garrison, Human Resources Director Bill Gay, Attorney Jim Fortune and Ex Officio, County Clerk, Ricky L. Clark Jr. to record the minutes.**

**Also present were Matt Bidwell of MSI Benefits Group, Inc. and the following members of the Budget Review Committee: Jamie Clark, Laurie Littlejohn, T.J. Imberger, Terry Tardy, Chad Jacobs, Kenny West and Wendy Law.**

### **I. Call to Order**

### **II. New Business**

#### **A. Consider proposals for employee health & dental benefits for FY 2013.**

Mr. Wilson introduced Matt Bidwell of MSI Benefits Group to make the presentation on insurance proposals.

Mr. Bidwell advised that on April 20<sup>th</sup> Blue Cross Blue Shield turned in a bid at a -4.6% decrease in current premiums for an HMO and PPO plan. Cigna turned in a proposal indicating of a 3.8% increase in current premiums for both HMO and POS plans. Mr. Bidwell explained that Cigna was notified that their account was in jeopardy due to the increase in premiums and Blue Cross Blue Shield submitting a much better proposal. Blue Cross also stated that they would match everything currently in the County's wellness plan with Cigna.

Mr. Bidwell explained that on April 24<sup>th</sup> Cigna submitted a much lower bid around 3:00 p.m. Mr. Bidwell explained to the Board that he wanted all bids in by April 1<sup>st</sup>. At this point, Blue Cross was notified of Cigna's lower proposal and remitted claims from the month of March to show the amount of claims being paid verse the premium which was originally 78%. This new submission of claims reflected 68%. Mr. Bidwell explained that Blue Cross after receiving this documentation, dropped their numbers another 2%. Mr. Bidwell explained the handout in which the commissioners were disseminated, which reflected a zero percent increase from Cigna. The handout explained the cost savings with Blue Cross Blue Shield. Mr. Bidwell explained that the recommendation is to let the dental plan follow medical plans.

Mr. Bidwell noted that for the past three years, County staff has put forward an extreme effort with wellness. Mr. Bidwell further noted that initially Blue Cross Blue Shield did not put forth a good effort with wellness at a special meeting held with the Budget Review Committee. After this meeting, Mr. Bidwell sent an email to Blue Cross Blue Shield regarding several unanswered questions. Blue Cross Blue Shield responded that they did in fact rethink their position with wellness. One of the questions asked at the meeting with the Budget Review Committee, was if Blue Cross Blue Shield could provide information of those who successfully completed coaching programs. Another question referenced different coaching programs offered by Blue Cross Blue Shield. Blue Cross initially responded that their coaching programs were

geared to major catastrophic diseases. Mr. Bidwell explained that Blue Cross has now presented a wellness program that includes lifestyle coaching. Mr. Bidwell explained that Cigna provided lunch and learns on a monthly basis; Blue Cross has stated that they will provide them every other month. Blue Cross has also advised that they would remit to the County funds totaling \$40,000.00 to assist with wellness. Mr. Bidwell noted that should the County choose Blue Cross Blue Shield and wishes to continue monthly lunch and learns, the funding could be drawn off the \$40,000.00.

Additionally, Mr. Bidwell explained that Blue Cross Blue Shield HMO base plan does not contract with physicians in the Upson County area at the current time. Mr. Bidwell advised that currently there are 140 members that could utilize these physicians; 25 in Upson County. There are also members that live in Barnesville & Pike County. About 40-45% of these employees that live below Spalding County go south to the doctor. Mr. Bidwell noted that Cigna covers Spalding County and Upson County. The only way these employees within the Upson County service area could utilize their doctors should the County switch to Blue Cross Blue Shield, would be to switch to their PPO plan at a higher cost.

Commissioner Freeman stated that historically any employee that didn't want to give up their local doctors would have to travel anyway. Mr. Freeman also stated that Cigna always presents new proposals at the last minute.

Mr. Wilson advised that the Budget Review Committee met with Blue Cross Blue Shield with the initial proposed rates. Many of the Budget Review Committee members felt that Cigna's Health & Wellness initiative was better than the Blue Cross Blue Shield. Mr. Wilson advised that the Budget Review Committee recommendation, at that time, was to stay with Cigna. Mr. Wilson also advised that another concern of the Budget Review Committee was that roughly 30% of Spalding County employees are in the Upson County medical service area and those utilizing the PPO plan would be at a higher cost than current.

After questioning from Commissioner Freeman, Mr. Bidwell stated that Blue Cross Blue Shield has been in conversation with Upson County about them joining the HMO plan. Mr. Bidwell further added that Pike County has an account with Blue Cross and they have advised that there is currently an offer on the table with Upson Regional and they are hoping to have an answer within 2 weeks; however, Spalding County cannot bank on this happening. Mr. Bidwell added that Blue Cross has agreed that when the contract is signed with Upson Regional to accept the HMO, Spalding County members that chose the PPO plan would be allowed to switch back to HMO. Mr. Wilson stated that our cafeteria plan allows for this change should it happen.

Jamie Clark- 2637 West Ellis Road- Griffin, Georgia- Mr. Clark, Budget Review Committee Member, noted that he was speaking on behalf of Spalding County employees. Mr. Clark advised that he has received a lot of feedback from employees and they like the current plan with Cigna and the progress of the health and wellness initiative. Mr. Clark advised that employees will have to pay more to go to the PPO plan as proposed by Blue Cross Blue Shield. Mr. Clark also noted that he understands that the County will save \$300,000 by choosing Blue Cross Blue Shield. Mr. Clark added that the money the County would save this year with Blue Cross Blue Shield would probably be added back next year in increased premiums.

Mr. Wilson advised that he has been asked several times what the \$300,000 could mean towards the current digest situation. Mr. Wilson

advised that a furlough day totals roughly \$90,000. Should the County not chose to change insurance carriers, this would total roughly 3.5 furlough days. Mr. Wilson noted that the budget is not finished and digest values would not be available until August. Mr. Wilson advised all that there is no easy decision to be made.

Commissioner Ray presented the Board with several numbers as provided in the cost analysis of both Cigna & Blue Cross Blue Shield. Mr. Ray added that Blue Cross definitely offers a better financial proposal and they would just need to get better with their wellness program. Commissioner Ray added that he wants to make sure that tax payers' dollars are used in the most efficient way possible.

After questioning from Commissioner Gardner, Wendy Law, Assistant to Human Resources Director advised that roughly 10% of our employees take advantage of the wellness initiative; however, this number is gradually increasing. Commissioner Gardner also questioned if Blue Cross Blue Shield or Cigna offered any other incentives. Human Resources Director Bill Gay advised that no other incentives have been presented at this time.

After questioning from Commissioner Ray, Mr. Wilson advised that his recommendation is to switch to Blue Cross Blue Shield.

Commissioner Gilreath questioned if furlough days were going to be initiated for FY 2013. Mr. Wilson advised that at this time no decision has been rendered. Mr. Wilson further commented that a furlough day is an average of \$125.00 in cost savings per day, per employee.

Commissioner Freeman questioned if furlough days were being considered based on cost savings measures. Mr. Wilson answered yes, \$300,000 is vital to the budget.

Commissioner Ray would like further conversation with Blue Cross Blue Shield to make sure the wellness program is fully initiated. Mr. Ray also would like to discuss with Mr. Wilson other possible saving options and/or alternatives for employees.

***Motion/Second by Freeman/Gilreath to approve Blue Cross Blue Shield as the County's insurance provider for FY 2013, a total cost savings of \$304,557 beginning July 2012. Motion carried by a vote of 4-0.***

**III. Adjournment**

***Motion/Second by Freeman/Gilreath to adjourn at 9:41. Motion carried by a vote of 4-0.***

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County Manager  
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