

RUTHERFORD COUNTY BENEFITS & INSURANCE COMMITTEE
JANUARY 27, 2011 COURTHOUSE

MINUTES

MEMBERS PRESENT:

MAYOR BURGESS
MERRY HICKERSON
PAULA BARNES
ALLEN MCADOO
JEFF SANDVIG
JOYCE EALY
WILL JORDAN
BILL SELLERS
GREG HALL
REGINA HARVEY
ELIZABETH CRACE
DONNIE HESTER
SUSAN BONEY

OTHERS PRESENT:

EVELYN ANDERSON
SONJA STEPHENSON
MELISSA STINSON
PAUL HUFFMAN
LISA NOLEN
DAN GOODE
KELLIE PERRIEN
KED MARSH
OTHER AUDIENCE MEMBERS

APPROVE MINUTES:

A motion was made by Merry Hickerson to approve the minutes from the last Benefits & Insurance Committee meeting on December 9, 2010. The motion was seconded by Mr. Sellers and passed unanimously.

Mayor Burgess introduced Susan Boney as the newest member of the Committee. Mrs. Boney retired from Rutherford County as Insurance Director and is a familiar face to many.

FINANCIALS:

Mrs. Stinson reviewed the December insurance fund report. The PEPM for medical/dental is \$584.62 compared to \$696.44 for the same period during prior year. The average PEPM is \$658.52 compared to \$686.70 for prior year. The combination of plan performance with the CareHere results, make the PEPM cost at \$613.99 compared to \$645.20 for prior year. Through December, YTD averages were \$685.47 compared to the year end average of \$718.92 for prior year. The plan is trending at -4.7% below prior year.

WELLNESS UPDATE:

Kellie Perrien, Wellness Coordinator, reviewed January wellness events. The introduction to couponing class had 48 participants and the advanced coupon class had 65. Weight Watchers during lunch kicked off on January 25th with 17 in attendance, while CareHere also started the Weigh Kick Off program. February webinar's include Heart Healthy Nutrition, What's the Key to a Healthy Heart, Progressive Relaxation, and Self-Nurturing. There are several upcoming events for February; American Heart Association, Wear Red Day on February 4th, Financial Wellness, Building a Better Budget, CareHere HRA Clinic, Annual Physical, Stress Management, A Cause for Wellness, and CPR Training , Friends and Family.

WORKER'S COMP/OJI STATS:

Dan Goode, Safety Coordinator, reviewed the OSHA Report for December 2010. Sixteen accidents occurred, making the year to date 210. The total recordable on the OSHA log is 141. The Board of Education had 10 claims making the total incurred \$24,400, and the County General had 6 claims with a total of \$4,200. In 2007 234 claims were incurred totaling \$1,490,043, and in 2008 240 claims at \$1,148,410. The County was covered under worker's comp during those years. In 2009, the County changed to OJI, and total incurred dropped. 243 claims were incurred in 2009 at \$461,353, while in 2010 210 claims were incurred at \$423,139. Mr. Goode explained that a lot of safety training is now being done, along with safety recognition awards.

CHANGE TO CIGNA SPD:

When CIGNA became the new administrator, they were given the plan document developed by the former TPA, and claim payments have been based off this document. The County assumed the responsibility for the development of their document, even though CIGNA is paid for this service through ASO fees. Since that time, changes have been made either through federal legislation or resolution's made by the County. The current RCG (Rutherford County Government) SPD does not reflect all benefits available to employees, is difficult to read, and some language has not been categorized correctly. In the absence of a benefit description in the current SPD, CIGNA defaults to the language in place at the time CIGNA began as the administrator for the County. The current SPD does not completely describe all legal requirements of the plan but rather addresses legislation in general terms. The CIGNA SPD is current and specific.

Cigna employs legal and compliance staff who are responsible for knowing and interpreting current regulations and ensuring that the plan documents are compliant in this regard. Mrs. Stinson remarked that

this is increasingly important as we venture into Health Care Reform (HCR). Adopting CIGNA SPD would make benefits easier to read and understand, and allow the County to benefit from a service it is paying for; it ensures we are meeting all legislation requirements. Examples of the Table of Contents were provided from the current RCG and the CIGNA SPD to show that CIGNA's is easier to understand and find information.

Mrs. Stinson explained that adoption of the SPD will not modify the existing benefits; all benefits will remain the same but will be defined in more detail for employees. The only exception to this statement is the current benefits being paid to two participants due to a clerical error in the RCG and current SPD. Enteral feedings are not covered by medical plans as a general rule. Enteral feedings are used as supplements when an individual needs a higher caloric intake than can be achieved through eating. Enteral feedings are excluded in the RCG SPD in the section labeled Hospice. Appropriate placement of the exclusion would have been in the general exclusion section. The cost of the enteral feedings to both participants is approximately \$400.00. If the CIGNA SPD is adopted, RCG would continue to pay for this service until it is no longer needed by the two individuals. All new claims would follow the guidelines of the Plan and would not receive benefits for Enteral feedings.

After discussion, it was determined that there are no distinctions between the BOE and County General benefits, and that employee's will continue to access the SPD online. Mrs. Hickerson explained that the change is to update the online SPD.

A motion was made by Paula Barnes to adopt the CIGNA plan document with the two exceptions on the feeding tube (Enteral feeding). These two individuals would be grandfathered in for their benefit to continue. The motion was seconded by Donnie Hester and passed unanimously.

ADJOURNMENT:

The meeting was adjourned at 1:30 p.m.

Mayor Ernest Burgess, Chairman
Rutherford County Benefits & Insurance Committee