

REGULAR SESSION

TUESDAY

JANUARY 8, 2013

The Board of Huron County Commissioners met this date in Regular Session. Roll being called found the following members present: Gary W. Bauer, Tom Dunlap, Joe Hintz.

Pursuant to Ohio Revised Code Section 305.14 the Record of the Proceedings of the December 27, 2012 meeting(s) were presented to the Board. Gary W. Bauer made the motion to waive the reading of the minutes of the December 27, 2012 meeting(s) and approve as presented. Joe Hintz seconded the motion. Voting was as follows:

Aye – Gary W. Bauer
Abstain – Tom Dunlap
Aye – Joe Hintz

Pursuant to Ohio Revised Code Section 305.14 the Record of the Proceedings of the January 3, 2013 meeting(s) were presented to the Board. Tom Dunlap made the motion to waive the reading of the minutes of the January 3, 2013 meeting(s) and amend to read that Gary W. Bauer was absent and did not vote aye then approve as presented. Joe Hintz seconded the motion. Voting was as follows:

Abstain – Gary W. Bauer
Aye – Tom Dunlap
Aye – Joe Hintz

13-03

IN THE MATTER OF APPROVING REQUESTS FOR EXPENDITURE OF OVER \$500.00 SUBMITTED TO THE BOARD JANUARY 8, 2013

Tom Dunlap moved the adoption of the following resolution:

WHEREAS, requests for expenditures of over \$500.00 have been submitted for approval by the Board of Huron County Commissioners as follows:

Huron County Job & Family Services

Maximus Maintenance Agreement PET system \$2,150.00 now therefore

BE IT RESOLVED, that the Board of Huron County Commissioners hereby approves of the requests for expenditure of over \$500.00 as listed above; and further

BE IT RESOLVED, that the foregoing resolution was adopted and all actions and deliberations of the Board of Commissioners of the County of Huron, Ohio relating thereto were conducted in meetings open to the public, in compliance with all applicable legal requirements, including Section 121.22 of the Ohio Revised Code.

Gary W. Bauer seconded the motion. The roll being called upon its adoption, the vote resulted as follows:

Aye – Gary W. Bauer
Aye – Tom Dunlap
Aye – Joe Hintz

13-04

IN THE MATTER OF APPROVING A HOUSING REVOLVING LOAN FUND ADMINISTRATION AGREEMENT BY AND BETWEEN THE OHIO DEPARTMENT OF DEVELOPMENT (GRANTOR) AND HURON COUNTY COMMISSIONERS (GRANTEE)

Gary W. Bauer moved the adoption of the following resolution:

WHEREAS, the Grantee has been determined to be an eligible recipient of CDBG and/or HOME funds; and Grantee has been awarded CDBG and/or HOME funds from the Grantor for use to finance eligible activities that may generate Program Income as defined herein; and

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WHEREAS, the Grantor has recognized the positive impact on community development initiatives when the use of Program Income is locally determined, and Grantor has permitted the establishment of Revolving Loan Funds within local political subdivisions to meet the primary development goals;
now therefore

BE IT RESOLVED, that the Board of Huron County Commissioners hereby agrees to execute the necessary "Revolving Loan Fund Administration Agreement" for the period beginning January 1, 2013 through December 31, 2015, and submit two executed copies to the Ohio Department of Development, as required by the Department of Development; and

BE IT RESOLVED, that the foregoing Resolution was adopted and all actions and deliberations of the Board of Commissioners of the County of Huron, Ohio, relating thereto were conducted in meetings open to the public, in compliance with all applicable legal requirements, including Section 121.22 of the Ohio Revised Code.

Tom Dunlap seconded the motion. The roll being called upon its adoption, the vote resulted as follows:

Aye – Gary W. Bauer
Aye – Tom Dunlap
Aye – Joe Hintz

IN THE MATTER OF REQUEST FOR LEAVE

Peter Welch/SWM/sick/11:00 a.m. -3:30 p.m. January 8, 2013.

Vickie Ziemba/Commissioners/sick/8:00 a.m. December 26, 2012 – 4:30 p.m. December 28, 2012 (worked 10:00 a.m. – 3:00 p.m. December 28, 2012)/1:00 p.m. -4:30 p.m. January 2, 2013.

Darwin Pesnell/Buildings & Grounds/sick/8:00 a.m. – 4:30 p.m. January 3, 2013.

Discussion was had in regards to the reappointment that was requested by the ADAMS/hs Board. It was decided that since this appointment was requested by the ADAMS/hs Board and that it was a reappointment that this would be put on the agenda to approve.

At 9:30 a.m. Public Comment

Dennis Sokol, questioned the airport appointments and asked how is his reappointment different from the one just discussed in regards to the ADAMS/hs Board that his was also a reappointment. Mr. Bauer stated that this appointment had been submitted by the ADAMS/hs Board but in the case of the Airport Board the Board of Commissioners makes the recommendation and the appointment. Mr. Bauer stated that he is not in favor of taking any action until the discrepancies in regards to the number of members that serve on the board and the terms are worked out and we have an opinion from Daivia Kasper, Assistant Prosecutor. Further discussion was had in regards to the terms and making the airport board appointments. The board agreed to wait for the Assistant Prosecutor's opinion before making appointments.

Jonathan Goble came before the board in regards to expressing concerns about the future of Shady Lane BMX track. Mr. Goble stated that they are aware that Fisher Titus has placed a bid on the property and would like to ask if Fisher Titus has another use for that property if there is any other county property that could be used for the BMX track to be relocated. Mr. Bauer stated that this has been discussed and there is a potential for this but did not want to disclose such site at this time. Mr. Bauer stated that there are two separate issues here. One being Fisher Titus placing a bid and buying the land which would enable them to expand and serve the needs of the county residents medically. The second issue is the renewal of the BMX and Soccer leases it is hard to track down the people to renew their contracts and also getting proof of insurance. The Board of Commissioners never received a request to renew the lease this year plus the weeds were high this year and a water bill from August was not paid which has now been paid. Mr. Bauer stated so there seems to be a lack of interest by the BMX track personnel to keep the track in operation. Mr. Goble stated not to use this as an excuse but the track president did not know what all was to be done and there are going to be some changes made to correct this. Jason Holmer also spoke in regards to the schedule for the BMX track.

Questions were asked and answered in regards to the bidding process for the Shady Lane land and also in regards to the appraisal that was acquired. Mr. Bauer answered such questions along with comments from Assistant Prosecutor, Daivia Kasper.

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At 9: 51 a.m. Gary W. Bauer moved to enter into **Executive Sessions ORC 121.22 (G) (3)** a conference with an attorney for the public body concerning disputes involving the public body that are the subject of pending or imminent court action and **ORC 121.22 (G) (4)** preparation for, conducting, or reviewing negotiations or bargaining sessions for public employees, concerning employee compensation or other terms and conditions of employment. Tom Dunlap seconded the motion. The roll being called upon its adoption, the vote resulted as follows:

Aye – Gary W. Bauer
Aye – Tom Dunlap
Aye – Joe Hintz

At 10:16 a.m. Tom Dunlap moved to end Executive Sessions ORC 121.22 (G) (3) and ORC 121.22 (G) (4). Gary W. Bauer seconded the motion. The roll being called upon the vote resulted as follows:

Aye – Gary W. Bauer
Aye – Tom Dunlap
Aye – Joe Hintz

Action taken:

13-05

IN THE MATTER OF APPROVING THE NEGOTIATED COLLECTIVE BARGAINING AGREEMENT BETWEEN THE HURON COUNTY BOARD OF COMMISSIONERS AND AFSCME, OHIO COUNCIL 8, LOCAL 3764, TRANSFER STATION/RECYCLING FACILITY

Gary W. Bauer moved the adoption of the following resolution:

WHEREAS, a three-year collective bargaining agreement (CBA) between the Huron County Board of Commissioners and the Huron County Transfer Station/Recycling Facility, Solid Waste District (AFSCME, Ohio Council 8, Local 3764) has been negotiated, and

WHEREAS, the Huron County Board of Commissioners approved in Executive Session the terms of the above agreement as follows:

- A three-year agreement beginning December 1, 2012 and ending November 30, 2015;
- A three percent (3%) wage increase for year one of the agreement retroactive to December 1, 2012;
- Wage reopeners for years two and three of the agreement;
- A change in Article 5, Seniority, requiring that the Employer receive written authorization from the union prior to deduction of fees from employees' pay;
- Non-economic changes to the body of the agreement to clarify language and change dates.

and

WHEREAS, a memorandum of understanding was negotiated and signed by representatives of both parties and approved by members of the same bargaining unit and such memorandum stipulated the following:

The above named parties agree to a three percent (3%) wage increase for year one of the collective bargaining agreement retroactive to December 1, 2012. There will be wage reopeners for years two and three of the agreement. The parties agree to begin to negotiate the matter of these wage increases no later than October 31, 2013 and October 31, 2014 respectively.

now therefore

BE IT RESOLVED, that the Board of Huron County Commissioners hereby approves the terms of the above Memorandum of Understanding, as well as the language changes stipulated above; and further

BE IT RESOLVED, that the foregoing resolution was adopted and all actions and deliberations of the Board of Commissioners of the County of Huron, Ohio relating thereto were conducted in meetings open to the public in compliance with all applicable legal requirements, including Section 121.22 of the Ohio Revised Code.

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Tom Dunlap seconded the motion. The roll being called upon its adoption, the vote resulted as follows:

Aye – Gary W. Bauer
Aye – Tom Dunlap
Aye – Joe Hintz

At 10:19 a.m. the board recessed.

At 10:31 a.m. regular session resumed.

Pete Welch came before the board to present his facilities report. Mr. Welch discussed the window projects. Mr. Welch discussed the specifications in detail. Gary Bauer stated that we need to get the fifth floor work done before doing the windows. Mr. Welch discussed the 22 East Main Street building and stated that he has a hearing with the Norwalk review board coming up and explained that he had two designs to present for replacement of the window. The board agreed to present the insulating panels design to the review board.

Mr. Bauer asked about the county building roofs in regards to which ones need replacing or repairing within the next 5 years. Further discussion was had in this regard and it was decided that Mr. Bauer would set a meeting with Dan Frederick, Architect to discuss the projects such as the fifth floor at the Huron County Office Building and the window project at the Administration Building, Huron County Office Building, Courthouse and 22 East Main Street.

Cheryl Nolan stated that she had been informed by Amber Burke, RBC Capital Markets, 255 East Fifth Street, Suite 1000, Cincinnati, Ohio 45202(the former Seasongood and Meyer) that the county had \$48,000.00 left in the bond that was used for the energy project at the courthouse. Mr. Bauer stated that he had inquired about the county building roofs because he would like to put these funds towards repairing roofs.

At 10:58 a.m. Gary W. Bauer moved to enter into **Executive Session ORC 121.22 (G) (1)** to consider the appointment, **employment**, dismissal, discipline, promotion, demotion, or compensation of a public employee or official, or the investigation of charges or complaints against a public employee, official, licensee, or regulated individual. Tom Dunlap seconded the motion. The roll being called upon its adoption, the vote resulted as follows:

Aye – Gary W. Bauer
Aye – Tom Dunlap
Aye – Joe Hintz

At 11:24 a.m. Gary W. Bauer moved to end Executive Session ORC 121.22 (G) (1). Tom Dunlap seconded the motion. The roll being called upon its adoption, the vote resulted as follows:

Aye – Gary W. Bauer
Aye – Tom Dunlap
Aye – Joe Hintz

At 11:25 a.m. Tom Dunlap asked about the airport board appointments and the four year and five year term differences. Gary Bauer stated that Dennis Sokol stated that he had had discussions with Daivia Kasper in this regard. Mr. Bauer stated that he did not care what the terms are as long as we do what is right. Ms. Kasper stated that if Mr. Sokol had been appointed to a four year term then that is what he should serve but the board needs to put on the record what they want to do in the case of the term length. Ms. Kasper stated that the four year terms could have been an error but it does make sense that if there is a five person board then their terms would be five year with one expiring every year and further explained. Ms. Kasper stated that if you want to go back to a five year term then you could reestablish that the two that are existing when does their term end then appoint one person to a four year term and after that it will be a five year term, you appoint someone to a one year term and you set current appointments to fill out so that you have a five year term and it rolls over. After discussion Ms. Kasper stated that the Board of Commissioners set up the board of trustees and that is not addressed in the Airport By Laws and it was further stated that the commissioners are in charge of deciding how many people are on the board of trustees of the Airport Authority and the length of their terms and there is about five elements that the board of commissioners determines. Ms. Kasper stated that she would draft something that states that the

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board is moving back to the five year staggered appointment system and to do so we will have to have shortened terms. Mr. Dunlap stated that this will take away the controversy of stacking the board as well. The board agreed that this should be done.

At 11:46 a.m. the board recessed.

At 1:40 p.m. regular session resumed.

Doug Brown and John Kovach, Willis came before the board. Mr. Brown presented some background information and explained the health insurance plan that the county currently has for the benefit of newly elected commissioner Tom Dunlap.

Mr. Kovach reviewed and explained the following health care providers and compared the plans, A. Medical Mutual of Ohio (MMO). B. CEBCO and C. OMERESA. The following report was reviewed and discussed.

Willis

HURON COUNTY HEALTH PLAN
Summary of Marketing Results
January 8, 2013

A. Medical Mutual of Ohio (MMO) Renewal Results

	Current Year	Initial Renewal	Difference	%
Administration	\$ 126,384	\$ 130,197	\$ 3,813	3.0%
Stop Loss	\$ 389,484	\$ 435,954	\$ 46,470	11.9%
Total Fixed Cost	\$ 515,868	\$ 566,151	\$ 50,283	9.7%
Expected Claims	\$4,150,541	\$4,594,539	\$443,998	10.7%
Total Expected Cost	\$4,666,409	\$5,160,690	\$494,281	10.6%
Maximum Claims	\$4,980,650	\$5,513,447	\$532,797	10.7%
Total Maximum Liab.	\$5,486,518	\$6,078,598	\$592,080	10.6%

- Administration fees are part of an agreement for the period 8/1/12 – 2/28/15.
- Huron County is currently paying discounted administration fees to Medical Mutual of Ohio. If Huron County were to leave MMO prior to 2/28/15, the non-discounted fees would be owed for the period of time between 8/1/12 and the month Huron County leaves MMO.
- The stop loss insurance rates are increasing by \$46,470 on an annual basis based on your current population of 333 employees. This represents an increase of 11.9%. This level of increase for the stop loss insurance is reasonable in today's marketplace.
- The maximum claims liability (expected claims multiplied by 1.20) is increasing by 10.7%.
- Expected claims per MMO (based on your current population) are \$4,600,000. Willis estimates your expected claims for 3/13 – 2/14 to be \$4,300,000.
- The stop loss levels proposed by MMO are as follows:

Stop Loss Level	Spec. & Agg. Premium	Savings vs \$135,000
\$135,000	\$435,954	
\$140,000	\$416,274	\$19,380
\$150,000	\$379,750	\$56,204

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- Based on recent claims experience, the number of claimants > \$135,000 are as follows:

Period	Count
3/12 – 10/12	2
1/11 – 10/12	5
3/11 – 2/12	5

- Therefore, based on recent experience consideration should be given to staying at the current \$135,000 level.
- The specific stop loss covers claims to an annual maximum of \$2,000,000, but your medical plans as of 5/1/12 covers claims to unlimited annual maximum benefits for each participant. We suggest having MMO provide us with specific stop loss to an unlimited annual maximum to match up with the benefit plan. The additional cost for this should not be very expensive.
- Based on the MMO renewal, the funding rates for 2013/14 would increase by +10.3%. Included in this calculation are two items associated with healthcare reform: \$53 per member for a reinsurance stabilization fund (beginning in 1/14), and \$2 for a comparative effective research fee (in place for all of 2013).
- To get each of the plans more in line with MMO's rates and factors, the HSA plan funding rates were increased by an additional 3% while the Standard and Basic plans were decreased by 0.5%.

B. Medical/Rx Marketing Results

- If we examine fixed cost, net of Rx rebates, the marketing results are as follows:

	Fixed	Estimated Rx Rebates	MMO Run-Out \$ Discount Limit	Total
MMO	\$ 566,150	(\$21,591)	\$ 0	\$ 544,559
Aetna/EHC	\$ 619,425	(\$4,396)	\$72,000	\$ 607,029
Anthem/CEBCO	\$ 101,508	\$ 0	\$72,000	\$ 173,508
Cigna	\$ 690,426	(\$30,610)	\$72,000	\$ 731,816
OMERESA	\$4,909,573	Did Not Provide	\$72,000	\$4,981,573
Paramount	\$ 461,972	Did Not Provide	\$72,000	\$ 533,972
UHC	\$ 532,170	(\$51,387)	\$72,000	\$ 552,783

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- We had each quoting carrier re-price all Huron County paid claims. The results were as follows:

Carrier	Discount %	Guarantee
MMO	41.2% (actual)	None Provided
Aetna/EHC	49.5%	None Provided
Anthem/CEBCO	N/A	N/A
CIGNA	39.2%/47.2%	39.2% - 3% = 36.2%
Paramount	28.5%	None Provided
SFP/OMERESA	Did not provide	N/A
UMR (UHC)	37.3%	40.2% - 3% = 37.2%

- All carriers provided a disruption analysis to determine how many providers utilized by Huron County members are in each carrier's network. The results were as follows:

	MMO	Aetna	Anthem	CIGNA	Paramount	UHC
Dollars In Network	95.2%	97.1%	DNP	93.3%	34.5%	99.2%
Claimants In Network	91.3%	94.8%	DNP	95.5%	67.0%	95.8%

- Based on the results above, although Paramount is slightly least expensive in fixed cost (although we did not receive the drug analysis data to estimate Rx rebates), their stop loss quote only covers claims on a 15/12 basis (three months of run-in protection). Their disruption results included the Paramount network, but not the Ohio Health Choice network which would be used outside of the Paramount service area.
- From a claims standpoint, Aetna provided the highest claims discounts. However, their re-pricing was based on a combination of fee schedules, place of service utilization, provider specific results and network average to generate their result. It is not an exact actual re-pricing of every claim.
- Aetna will not provide a discount guarantee.
- Therefore, Medical Mutual of Ohio appears to be the lowest option in terms of fixed cost and estimated claims discounts.
- Willis approached our stop loss panel of five independent carriers and obtained the following results:

	Premiums	Aggregate Attachment
MMO Renewal	\$435,954	\$5,513,447
HM Life	\$388,100	\$6,085,246
ING	\$714,525	Did Not Provide
Munich Re	\$660,152	\$5,655,478
Sun Life	Declined, uncompetitive	
Symetra	\$476,614	\$5,548,764

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- HM Life has provided the lowest fixed cost. However, they included a higher maximum claim liability margin and their quote is subject to updated claims experience and a completed disclosure form.
- CEBCO provides an opportunity to become fully insured. Plans of benefits do not match the current plans. Updated claims and large claimant data is required to bind CEBCO.
- Run-out claims, administration and lost administration discount fees totaling \$72,000 would need to be paid to MMO. If we add administration run-out fees and lost MMO discounted administration fees to CEBCO's premiums, the amount is \$5,174,000. This compares to MMO total expected cost of \$5,161,000.
- Estimated run-out claims of \$661,000 would also need to be paid. This would affect cash flow.
- OMERESA is a self-funded product in which you pay fully insured equivalent "funding rates." Based on your actual claims experience, should your claims run better than expected, you would run in a surplus and this would factor into your future rates. Should your claims run worse than expected, the deficit would need to be paid back over time, and this would be calculated in your future rates. If Huron County were to leave OMERESA, after six months of run-out claims and administration, it is possible that extra monies would be owed if claims ran worse than expected. If claims ran better than expected, any remaining monies would be refunded to Huron County.
- The network utilized by OMERESA is Aetna. The third party administrator (TPA) is Self-Funded Plans, Inc.
- First year funding rates under OMERESA plus MMO run-out administration/lost administration discounts equals \$4,982,000. MMO expected cost is \$5,161,000. If we use Willis expected claims with MMO fixed cost, the amount is \$4,861,000.
- The OMERESA rates are good for 16 months. Subsequent renewals would be on July 1.

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17. In examining the Rx carriers, including the separate carve-out Rx carriers, the results were as follows:

	Aetna				
	MMO	EHC/CVS	Cigna	UHC	Rx Ohio
Retail Brand	-15.7%	-16.25%	DNP	-16.80%	-17.73%
Retail Generic	-78.0%	-77.00%	DNP	-77.40%	-76.00%
Mail Brand	-26.0%	-26.20%	DNP	-25.60%	-26.00%
Mail Generic	-78.0%	-80.00%	DNP	-65.00%	-79.00%

	Aetna				
	MMO	EHC/CVS	Cigna	UHC	Rx Ohio
Dispensing Fees					
Retail Brand	\$1.05	\$1.30	\$1.16	\$1.28	\$1.00
Retail Generic	\$1.05	\$1.30	\$1.16	\$1.28	\$1.00
Mail Brand	\$0.20	\$0	\$1.16	\$0.00	\$ 0
Mail Generic	\$0.20	\$0	\$1.16	\$0.00	\$ 0

Administrative Fees					
On-Line Retail Claims	\$0	\$0	\$0	\$1.10	\$0.40
Mail Order Claims	\$0	\$0	\$0	\$1.45	\$0.40
Specialty Claims	\$0	\$0	\$0	\$1.35	\$0.40

Rebates					
Retail Brand	\$6.47	\$24.75	\$10.00	\$20.62	\$23.00
Retail Generic	\$0	\$0	\$0	\$0	\$0
Mail Brand	\$21.84	\$86.00	\$30.00	\$45.90	\$57.00
Mail Generic	\$0	\$0	\$ 0	\$0	\$0

18. Re-pricing of the top Rx claims for Huron County resulted in the following:

	Aetna		
	MMO	EHC/CVS	Cigna
PBM Administration	0	0	0
PBM Dispensing	\$ 3,251	\$ 4,025	\$ 5,169
Ingredient Cost	\$638,937	\$712,697	\$786,449
Subtotal	\$642,188	716,722	791,618
Estimated Rebate	\$ 21,591	\$ 84,398	\$ 30,510
Estimated Net	\$620,597	\$632,326	\$761,008

	UHC	Rx Ohio
PBM Administration	0	Will not provide
PBM Dispensing	\$ 3,907	
Ingredient Cost	\$729,856	
Subtotal	\$733,763	
Estimated Rebate	\$ 51,387	
Estimated Net are	\$682,376	\$ 81,583

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- Viverae also is offering a lower cost alternative that includes only HRA, biometric screenings, a web portal and coaching. It would exclude any continuous activities, challenges, rewards tracking, etc. The estimated annual cost of this is \$38,063.
- Trotter can offer HRA, internet portal and a single telephonic coaching session in year 1 for \$49 per employee, or \$16,317 based on your current population. Year 2 would then add more services at the cost shown above of \$129 per participant plus the cost of biometric screenings, or \$62,804.
- With all of the various options/capabilities of the wellness vendors, we suggest you interview the carrier(s) of interest to custom design the program that is desired.

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OTHER BUSINESS

Gary Bauer discussed the request of \$25,000.00 that Lucinda Smith made for the Huron County Transit. After further discussion the board agreed to voucher this amount to Huron County Transit.

Administrator/Clerk's Report

Cheryl Nolan reported on a phone call received from a lady that stated that the tree harvesters were running through her yard. Ms. Nolan stated that she had called Mark Suhanic in this regard and is expecting a return call on this situation.

At 3:30 p.m. Tom Dunlap moved to adjourn. Gary W. Bauer seconded the motion. The meeting stood adjourned.

IN THE MATTER OF OPEN SESSION

The Huron County Commissioners hereby attest that all actions and deliberations of the Board legally required to be public were conducted in an open session on this date and that the foregoing minutes represent the official action of the Board.

**REGULAR SESSION
IN THE MATTER OF CERTIFICATION**

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JANUARY 8, 2013

The Clerk to the Board does hereby attest that the foregoing is a true and correct record of all actions taken by the Board of Huron County Commissioners on January 8, 2013.

IN THE MATTER OF ADJOURNING

The meeting was called to order at 9:00 a.m. With no further business to come before the Board, the meeting was adjourned at 3:30 p.m.

Signatures on File