

**REGULAR SESSION**

**THURSDAY**

**JANUARY 28, 2010**

The Board of The Board of Huron County Commissioners met this date in Regular Session. Roll being called found the following members present: Mike Adelman, Gary W. Bauer, Larry J. Silcox.

Pursuant to Ohio Revised Code Section 305.14 the Record of the Proceedings of the January 26, 2010 meeting(s) were presented to the Board. Larry J. Silcox made the motion to waive the reading of the minutes of the January 26, 2010 meeting(s) and approve as presented. Gary W. Bauer seconded the motion. Voting was as follows:

Aye – Mike Adelman  
Aye – Gary W. Bauer  
Aye –Larry J. Silcox

10-043

Signature only

**IN THE MATTER OF APPROVING OF THE AGREEMENT BY AND BETWEEN THE BOARD OF HURON COUNTY COMMISSIONERS AND THE VERDIN COMPANY, AN OHIO CORPORATION LOCATED AT 444 READING ROAD, CINCINNATI, OHIO 45202**

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

**WHEREAS**, the “Fix the Clock” committee raised funds to fix the Huron County courthouse clock and bell; and

**WHEREAS**, the Board of Huron County Commissioners received and reviewed three proposal for such work; and

**WHEREAS**, the Board of Huron County Commissioners desires to enter into agreement with The Verdin Company to restore the clock and using funds raised by the “Fix the Clock” committee chaired by Jim Ewell; now therefore

**BE IT RESOLVED**, that the Board of Huron County Commissioners hereby approves of the agreement with The Verdin Company to restore the clock and bell using funds raised by the “Fix the Clock” committee in the amount of \$23,980.00 as attached hereto and incorporated herein; 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.

Larry J. Silcox seconded the motion. The roll being called upon its adoption, the vote resulted as follows:

Aye – Mike Adelman  
Aye – Gary W. Bauer  
Aye –Larry J. Silcox

- Proposal on file commissioners’ office.

The Board of County Commissioners of Huron County, Ohio, met in Regular Session at 9:00 a.m. o'clock a.m. on the 26th day of January, 2010, at the office of said board of county commissioners located at 180 Milan Avenue, Norwalk, Ohio, with the following members present:

Mike Adelman  
Gary W. Bauer  
Larry J. Silcox

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

COUNTY OF HURON, OHIO

RESOLUTION NO. 10-044

**REGULAR SESSION**

**THURSDAY**

**JANUARY 28, 2010**

**DESIGNATING THE HURON COUNTY RECOVERY ZONE FOR PURPOSES OF SECTIONS 1400U-1, 1400U-2 AND 1400U-3 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED**  
WHEREAS, Section 1400U-1 of the Internal Revenue Code of 1986, as amended (the "Code") authorizes the County of Huron (the "County") to designate a "recovery zone" for purposes of issuing (a) Recovery Zone Economic Development Bonds under Section 1400U-2 of the Code and (b) Recovery Zone Facility Bonds under Section 1400U-3 of the Code; and

WHEREAS, the term "recovery zone" means (a) any area designated by the County as having significant poverty, unemployment, rate of home foreclosures or general distress, (b) any area designated by the County as economically distressed by reason of the closure or realignment of a military installation pursuant to the Defense Base Closure and Realignment Act of 1990, and (c) any area for which a designation as an empowerment zone or a renewal community is in effect; and

WHEREAS, the Ohio Department of Job and Family Services reports that as of November, 2009, the national unemployment rate was 9.4%, the State of Ohio unemployment rate was 10.2% and the County's unemployment rate was 13.7%; and

WHEREAS, the entirety of Huron County qualifies for such designation by reason of, among other things, its high unemployment rate and general distress;

NOW, THEREFORE, be it resolved by the Board of County Commissioners of the County of Huron that:

Section 1. The County's "recovery zone" for purposes of Section 1400U-1, 1400U-2 and 1400U-3 of the Code is hereby designated to be the entire area within the corporate boundaries of Huron County.

Section 2. This Board hereby finds that the "recovery zone" described in Section 1 hereof meets the requirements of Section 1400U-1 of the Code, in that the area therein is an area having significant poverty, unemployment, rate of home foreclosures or general distress.

Section 3. It is found and determined that all formal actions of this board of county commissioners concerning and relating to the adoption of this resolution were adopted in an open meeting of this board of county commissioners and that all deliberations of this board of county commissioners resulting in such formal action, were in meetings open to the public, in compliance with all legal requirements, including Section 121.22 of the Ohio Revised Code.

Larry J. Silcox seconded the resolution, and the roll being called upon the question of its adoption, the vote resulted as follows:

Aye – Mike Adelman  
Aye – Gary W. Bauer  
Aye –Larry J. Silcox

\* Discussion: Mike Adelman stated that he had spoken with the CEO at Mercy Hospital in regards to using the facility bonds for there building project. After further review he was told that these bonds would not work for this project.

\* Spreadsheets on file Commissioners' office.

10-045

**IN THE MATTER OF APPROVING REQUESTS FOR EXPENDITURE OF OVER \$500.00  
SUBMITTED TO THE BOARD JANUARY 28, 2010**

Larry J. Silcox 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**

Loris Printing                  Business reply envelopes                  \$1,152.75                  now therefore

**BE IT RESOLVED**, that the Board of Huron County Commissioners hereby approves of the requests for

**REGULAR SESSION**

**THURSDAY**

**JANUARY 28, 2010**

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 – Mike Adelman  
Aye – Gary W. Bauer  
Aye –Larry J. Silcox

10-046

**IN THE MATTER OF ESTABLISHMENT OF A NEW FUND TO BE KNOWN AS 9-1-1 DISPATCH FUND #147**

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

**WHEREAS**, a new fund needs to be established;

now therefore

**BE IT RESOLVED**, that the Huron County Auditor is directed to create a new fund to be known as the 9-1-1 Dispatch Fund #147

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.

Larry J. Silcox seconded the motion. The roll being called upon its adoption, the vote resulted as follows:

Aye – Mike Adelman  
Aye – Gary W. Bauer  
Aye –Larry J. Silcox

**IN THE MATTER OF REQUEST FOR LEAVE**

**Peter Welch/SWMD/sick/7:00 a.m. – 9:30 a.m. January 27, 2010.**

**Sue Bommer/Human Resource/bereavement leave/8:00 a.m. – 12:00 noon January 27, 2010.**

**At 9:15 a.m.** Susan Hazel came before the board in regards to her title fund budget. Ms. Hazel explained her budget worksheet and also mentioned reduced staffing by two members since January 2007 was a 30% reduction, the staff member who retired in August of 2009 was not replaced. In addition to the clerk's voluntary wage reduction, the clerk's OCCA committee stipends shall be endorsed to the title fund.

2010 HURON COUNTY BUDGET  
HURON COUNTY, OHIO  
JANUARY 28, 2010  
2010 HURON COUNTY BUDGET

Salaries	\$2,380,000.00	
Supplies	\$1,700.00	\$1,700.00
Equipment	\$1,000.00	\$1,000.00
Contract Printing	\$0.00	\$0.00
Travel	\$1,000.00	\$1,000.00
Postage	\$1,200.00	\$1,200.00
Utilities	\$1,200.00	\$1,200.00
Workshop	\$0.00	\$0.00
Unemployment	\$0.00	\$0.00
Medical	\$0.00	\$0.00
Office Expenses	\$1,000.00	\$1,000.00
Telephone	\$1,000.00	\$1,000.00
Subsistence	\$1,000.00	\$1,000.00
General Fund	\$250,000.00	\$250,000.00
Total	\$6,780,000.00	\$6,780,000.00

2010 HURON COUNTY BUDGET  
The above information is based on the information provided by the County Auditor's Office. It is subject to change without notice. The County Auditor's Office is not responsible for the accuracy of the information provided. The County Auditor's Office is not responsible for the accuracy of the information provided. The County Auditor's Office is not responsible for the accuracy of the information provided.

Clerk office and title office generated more revenue in 2009 than what they did in 2008 so that is a positive. Ms. Hazel also discussed the Title IV contract as well which has produced \$82,000.00 since she started this contract. Ms. Hazel also requested funds from the Permanent Improvement fund for additional shelving in the Treasurer's basement area. Explained the costs and how she had this quoted. The

**REGULAR SESSION**  
combined quote is the best cost price.

**THURSDAY**

**JANUARY 28, 2010**



*Susan S. Hazel*  
**Huron County Clerk of Courts**  
Courthouse - 2 East Main Street, Norwalk, Ohio 44857  
File Office - 130 Shady Lane, Norwalk  
419-668-5113 FAX 419-663-4048  
File Office 419-668-5117  
web site: huroncountyclerk.com

January 28, 2009

RE: Shelving Request

Attention Huron County Commissioners:

I am requesting that the commissioners consider the use of county improvement funds for the purchase of additional shelving for the expansion of file storage in the basement of the Treasurer's office for the clerk's files. As you will see from the attached quote, I am recommending that we add shelves to our current units. (quote "B") Our existing units were originally designed to store journals. I now intend to keep our large journals in the specialized rack located in the courthouse basement. I would therefore like to add shelves to the units in the Treasurer's basement so that we can best accommodate the volume our case files.

I have also obtained a separate price for 2 new shelving units which would be used for storage of appeals case files. (quote "C")

If funds are available, the most cost-effective quote is the combined quote of the additional shelves and the 2 units. (quote "A") The cost of \$4,959.83 includes delivery and installation. (It does not include the ball-blocks needed for the base of the 2 new units.)

If you have any questions regarding this project, I will be happy to discuss the details of this necessary storage.

Respectfully,

*Susan S. Hazel*  
Susan S. Hazel



01/28/2010 13:08 FAX 216 661 6670

PROFESSIONAL BUSINESS SY

001

**FAX COVER SHEET**

**Professional Business Systems**  
5109 Brookpark Rd. Cleveland, OH 44134  
(216) 661-9000 Fax (216) 661-6670  
www.pbssys.com



"Equal Opportunity Employer"

Date: January 26, 2010 Fax: (419) 663-4048  
Attn: Ms. Susan Hazel  
From: Austin Georgio, Jr.  
Re: Shelving Quote  
Pgs: 3 4

Susan,

The freight quote numbers were combined on separate quotes. A mistake on my part. They should be estimated \$305 each. They difference being less handling at warehouse. I also adjusted my service time to do at on time.

Here are numbers from start to finish on the needed shelving in basement Please note they are two separate quotes. Total for all shelving needed \$4959.83 this would be from start to finish 2-3 days. Please call office or my cell with any questions.

I am enclosing all quotes with correct numbers. Sorry for the error.

Thank you,

Respectfully,

Austin Georgio Jr.

Professional Business Systems  
216-403-1241 Cell

*Please advise they mistake on my part. Austin*

Received Time Jan. 26. 2010 1:02PM No. 0007

01/28/2010 13:08 FAX 216 661 6670

PROFESSIONAL BUSINESS SY

002

**PROFESSIONAL BUSINESS SYSTEMS**  
Information & Materials Management Solutions  
Since 1973  
"If something is worth doing...it's worth doing right!"  
"Equal Opportunity Employer"

**PROPOSAL**  
DATE: 01/26/10 NO.: 10000

CUSTOMER ADDRESS: Huron County Clerk of Courts, 2 East Main St, Norwalk, OH, 44857  
ATTN: Ms. Susan Hazel, Office 419-668-5113, Fax 419-663-4048

REP: Austin  
TERMS: 30Days

QTY	ITEM	DESCRIPTION	RATE	PER	PRICE
1		Reconfigure existing shelving w/ added shelving Deliver and install 2 ranges to existing shelving 10 Ranges total Shelving to be unboxed prior to job			\$ 2,697.83
1		Delivery and installation Trash Removal			\$ 1,438.00
1		Freight			\$ 816.00
TOTAL:					\$ 4,951.83

\*Quoted pricing valid for 60 days from date of Proposal  
Plus Applicable Taxes

PROPOSED BY: \_\_\_\_\_ DATE: \_\_\_\_\_  
ACCEPTED BY: \_\_\_\_\_ DATE: \_\_\_\_\_  
Proposal/Orders are subject to the Conditions on the reverse side of this sheet.  
5109 Brookpark Rd. Cleveland, OH 44134 (216) 661-9000 (216) 661-6670 Fax

Received Time Jan. 26. 2010 1:02PM No. 0007

01/28/2010 13:08 FAX 216 661 6670

PROFESSIONAL BUSINESS SY

004

**PROFESSIONAL BUSINESS SYSTEMS**  
Information & Materials Management Solutions  
Since 1973  
"If something is worth doing...it's worth doing right!"  
"Equal Opportunity Employer"

**PROPOSAL**  
DATE: 01/26/10 NO.: 10000

CUSTOMER ADDRESS: Huron County Clerk of Courts, 2 East Main St, Norwalk, OH, 44857  
ATTN: Ms. Susan Hazel, Office 419-668-5113, Fax 419-663-4048

REP: Austin  
TERMS: 30Days

QTY	ITEM	DESCRIPTION	RATE	PER	PRICE
1		Install two new ranges of shelving One 8 openings One 6 openings			\$ 688.00
1		Delivery and installation			\$ 608.00
1		Freight and Shipping			\$ 305.00
TOTAL:					\$ 2,601.00

\*Quoted pricing valid for 60 days from date of Proposal  
Plus Applicable Taxes

PROPOSED BY: \_\_\_\_\_ DATE: \_\_\_\_\_  
ACCEPTED BY: \_\_\_\_\_ DATE: \_\_\_\_\_  
Proposal/Orders are subject to the Conditions on the reverse side of this sheet.  
5109 Brookpark Rd. Cleveland, OH 44134 (216) 661-9000 (216) 661-6670 Fax

Received Time Jan. 26. 2010 1:02PM No. 0007

01/28/2010 13:08 FAX 216 661 6670

PROFESSIONAL BUSINESS SY

003

**PROFESSIONAL BUSINESS SYSTEMS**  
Information & Materials Management Solutions  
Since 1973  
"If something is worth doing...it's worth doing right!"  
"Equal Opportunity Employer"

**PROPOSAL**  
DATE: 01/26/10 NO.: 10000

CUSTOMER ADDRESS: Huron County Clerk of Courts, 2 East Main St, Norwalk, OH, 44857  
ATTN: Ms. Susan Hazel, Office 419-668-5113, Fax 419-663-4048

REP: Austin  
TERMS: 30Days

QTY	ITEM	DESCRIPTION	RATE	PER	PRICE
1		Reconfigure existing shelving w/ added shelving 6 Ranges total Shelving to be unboxed prior to job			\$ 2,008.80
1		Delivery and installation Trash Removal			\$ 1,120.00
1		Freight			\$ 305.00
TOTAL:					\$ 3,433.80

\*Quoted pricing valid for 60 days from date of Proposal  
Plus Applicable Taxes

PROPOSED BY: \_\_\_\_\_ DATE: \_\_\_\_\_  
ACCEPTED BY: \_\_\_\_\_ DATE: \_\_\_\_\_  
Proposal/Orders are subject to the Conditions on the reverse side of this sheet.  
5109 Brookpark Rd. Cleveland, OH 44134 (216) 661-9000 (216) 661-6670 Fax

Received Time Jan. 26. 2010 1:02PM No. 0007

**At 9:30 a.m.** Harry Brady came before the board in regards to receiving information for the Opt Out Aggregation program. Mr. Adelman explained this program and that it is available for townships. Mr. Brady was given the information that the commissioners are taking to the townships that are involved.


**OTHER BUSINESS**

Gary Bauer reported on the 9-1-1 system and discussed the equipment needs. The rough quote from Verizon is \$43,000.00. At the next meeting they are planning to go ahead and start this process.

Larry Silcox stated that he had a conversation with a representative from FTMC in regards to the payments for the inmates at the jail in the amount of \$80,000.00. FTMC has asked that these payments be made on more timely bases. Mr. Silcox will look into this situation.

**At 9:41 a.m.** the board recessed

**At 9:55 a.m.** Doug Brown and John Kovach, Willis came before the board to discuss the Board of Huron County Commissioners summary of Medical Mutual of Ohio renewal. Mr. Brown stated that the earlier estimate dated December 8, 2009 that projected based on claims experience from 11/01/08 to 10/31/09 an increase to the funding rates of 9.0%. MMO feels at this time that the funding rates need to be increased 9% to 12% which amounts to about \$120,000.00 increase and this is without making any changes to the plan. Plan changes could take this percentage down. Page 1 tab 1 reviews how the county plan works. Mr. Brown discussed the options. John Kovach discussed the snapshot of initial renewal based on 358 employees. Stop loss is going up 24.5% Mr. Kovach stated that they would like to see this lower and are working with MMO which is not working out at this point. Discussed other stop loss levels and how they would work. This is something that Willis thinks that you should look at. This is information to process starting point somewhere between 9 and 12 percent. The 12 percent would allow a holiday if the year is good. Mr. Brown stated that he would like for them to take the stop loss to 125 from 120. The 9% to 12% represents no plan change but a plan change would allow a lower percentage. Sue Bommer asked about the double coverage and what savings there would be if this was not allowed. This savings is hard to predict, but you have eliminated the potential risk of claims from the spouses. Mr. Bauer asked about the 0.3% and what you would have done to get there. Mr. Brown stated that you would do changes to the plan to get to this. Further discussion was had in this regard.



**HURON COUNTY HEALTH PLAN**  
Summary of Medical Mutual of Ohio (MMO) Renewal  
January 28, 2010

**I. Background**


- The renewal date for MMO stop loss is 3/1/10.
- Specific Stop Loss** cap (individual claims) is set at \$110,000. The specific stop loss has an annual maximum reimbursement of \$2,000,000.
- For the current year and the renewal year, everyone on your plan will be subject to the specific stop loss deductible (no one is being set at a higher specific stop loss deductible).
- Aggregate Stop Loss** cap (total group) is currently set at 125% of expected paid claims. The aggregate has a maximum reimbursement of \$1,000,000.
- MMO considers actual claims experience in setting both the stop loss premium requirements and also the total claim liability under aggregate stop loss.
- The County is currently (for 09/10) setting funding rates at 80% of the aggregate stop loss liability.
- Back in the 08/09 year, funding rates were set at 85% of the aggregate stop loss liability.

**II. Snapshot of Initial Renewal Based On 358 Employees**

	Current Year	Renewal	Difference	%
Administration	\$ 126,650	\$ 126,650	\$ 0	0.0%
Stop Loss	\$ 343,932	\$ 427,870	\$ 84,238	24.5%
Total Fixed Cost	\$ 470,282	\$ 554,520	\$ 84,238	17.9%
Expected Claims	\$4,089,227	\$4,370,863	\$ 271,636	6.6%
Total Expected Cost	\$4,589,509	\$4,925,383	\$ 335,874	7.3%
Maximum Claims	\$5,124,034	\$5,463,576	\$ 339,544	6.6%
Total Maximum Liability	\$5,594,316	\$6,018,098	\$ 423,782	7.6%

**III. Comments on the Initial Renewal**

- The initial renewal from MMO includes no increase to the administrative costs. Huron County entered into a deal whereby a discounted administrative fee is being paid until 7/31/11.
- The administrative fee will remain the same until August 1, 2011.



- In today's marketplace, increases in administrative fees are typically in the 4%-5% range.
- In last year's 3/1/09 renewal, the administrative cost increase from MMO was 2.5%.
- In the renewal presentation from MMO, stop loss rates are different for each plan. The above amounts are based on the current population breakout per information received from MMO.
- The initial renewal from MMO includes a stop loss premium increase of 24.5%.
- Willis had expected an overall stop loss premium increase of 20%-25% made up of primarily of leveraged trend.
- For overall total fixed cost, the increase is \$84,238, or 17.9%.
- Willis has requested and received quotes for higher stop loss levels. The results are as follows:

Stop Loss Level	Spec. & Agg. Premium	Savings vs \$110,000
\$110,000	\$427,870	
\$120,000	\$395,352	\$ 32,478
\$125,000	\$379,020	\$ 48,850

- Based on the above, at the \$120,000 specific stop loss level, if Huron County would have three or less claimants that exceed \$120,000, the County would still be slightly ahead financially.
- At the \$125,000 level, if Huron County would have three or less claimants that exceed the \$125,000 stop loss level, the County would still be slightly ahead financially.
- If a change in stop loss levels is being considered, the County should consider the \$120,000 specific stop loss level.
- Based on the last two underwriting periods, the number of claimants that have exceeded \$110,000 in claims are as follows:

	08/10	09/09
	1	3

- However, MMO would increase the maximum claims liability for the higher specific stop loss levels. Please see the attached quotes.
- For the attachment point (maximum claims liability), MMO used claims experience from 11/1/08 through 10/31/09.

1

Willis  
1-28-10

2

Willis  
1-28-10

Willis

16. Paid claims for the period 11/1/07 through 10/31/08 compare to 11/1/08 to 10/31/09 as follows:

	11/07 - 10/08	11/08 - 10/09
Total Paid Med/ Rx Claims	\$3,833,705	\$3,774,359
Est. Mail Order Claims Zaidow*	\$ 503,465	\$ 312,814
Claims Over Specific Limit	(\$ -23,291)	(\$ -12,728)
Net Paid Claims	\$4,111,379	\$4,074,445
Average Employees	387	373
Cost Per Employee Per Year	\$ 10,624	\$ 10,923
Increase Over Prior Year		+2.8%

\* Mail order Rx began to be administered by MMO on 5/1/09

17. MMO then adds a reserve adjustment for claims incurred but not paid to the paid claims amount. In the renewal calculation, this amount was \$136,795.

18. Willis would calculate the increase in claims reserve as follows:

Claims 09/10	\$3,774,359
Claims 07/08	\$3,833,702
Increase in Claims	\$ 140,657
Claims Lag of 2 Months	-1,957
Increase in Claims Reserve	\$ 23,448

19. MMO then added an amount to annualize mail order claims since mail order started on 5/1/09, during the middle of the underwriting period. This amount was \$189,255.

20. MMO then subtracted \$189,330 to account for the plan changes that were made effective 5/1/09.

21. MMO also added a credibility and risk adjustment amount of \$122,799 to the claims amount. This amount is being added since your experience does not get 100% credibility in the renewal calculation for determining your maximum claim liability.

22. MMO uses a "manual" claims amount based on their pool of business. Assuming your experience was given 70% credibility, the remaining 30% of the pooled amount would be \$4,304,683, or \$11,388 claims per employee per year.

23. This compares to \$3,726,600, or \$9,629 per employee per year in the prior year. Therefore, the increase is 18.3%.

24. This is higher than what we would expect (about 12%).

25. MMO then assumes annual trend of 12.09% (11.7% medical and 14.1% Rx).

3

Willis  
1-28-10

Willis

26. The Rx trend amount is slightly high in today's marketplace.

27. The trend amounts used in last year's renewal by MMO were 10.7% medical and 12.5% Rx.

28. The 12.09% annual trend, when applied to the midpoint of the experience period compared to the midpoint of the renewal period, equals 16.17%.

29. Per MMO's renewal calculation, projected net paid claims for the 10/11 plan year (based on your current population) equals \$4,370,863, with the maximum claims liability (at 125% of expected claims) of \$5,463,578.

30. If we use the Willis calculation, we arrive at an increase to the claims liability of about +3.2%.

31. All of the estimated amounts above are based on the population per Huron County of 368 current employees.

32. Upon presenting our underwriting arguments, MMO responded with no reduction to the fixed cost. However, the aggregate stop loss corridor was reduced from 125% to 120%.

33. This reduction in the aggregate corridor does not change the MMO calculated expected claims cost, but it does reduce the maximum claims liability as follows:

Corridor	Expected Claims	Maximum Claims Liability
125%	\$4,370,863	\$5,463,578
120%	\$4,370,863	\$5,245,011

34. Normally, when reducing the aggregate corridor from 125% to 120%, the stop loss premium would increase. However, MMO is willing to keep the stop loss premiums the same at the 120% aggregate corridor.

35. MMO will determine a minimum attachment point (maximum claim liability).

36. If there were to be a loss of employees throughout the year, although each month's attachment point is calculated based on that month's enrollment, at the end of the year, MMO will only give partial credit for a decrease in employees.

37. We are in the process of obtaining this minimum attachment point from MMO.

IV. Adjustment to Funding Rates

1. Based on the initial renewal, the adjustment to the funding rates ranges from:

Percentage of Aggregate Stop Loss	Adjustment to Rates for 10/11 Plan Year
80% (current level and MMO expected claims)	+528,357 +12.1%
82.6%	+684,046 +15.2%
85%	+801,535 +18.3%

4

Willis  
1-28-10

Willis

2. Based on the revised renewal (at the 120% aggregate), the adjustment to the funding rates ranges from:

Percentage of Aggregate Stop Loss	Adjustment to Rates for 10/11 Plan Year
80% (current level)	+363,503 +8.1%
83.3% (MMO expected claims)	+528,357 +12.1%
85%	+615,753 +14.1%

3. The funding rates in this presentation assume a slightly higher rate increase for HSA plan participants and a slightly lower increase for Standard and Basic Plan participants.

4. The reason for this adjustment to funding rates is because when plan changes were made on the Standard and Basic plans last year, the decrease in overall expected claims was applied to all three remaining plans (including the HSA plan), when in fact the HSA plan did not make any plan changes.

5. The funding rates above do not include drug rebates to be received from MMO at \$5.60 per retail script and \$18.90 per mail script for 2010.

6. Currently, Huron County sets its funding rates at 80% of the aggregate stop loss level. In the past, the County has used 85%.

7. With the initial renewal (at the 125% aggregate stop loss corridor), setting the funding rates at 80% would represent using expected claims per MMO.

8. With the revised renewal (at the 120% aggregate stop loss corridor), setting the funding rates at 83.3% would represent the expected claims cost per MMO.

9. Willis calculated expected paid claims (based on 358 employees) to be about \$4,250,000. This compares to the claims based on MMO's renewal calculation as follows:

80% of aggregate	\$4,196,009	+8.1%
Willis calculated expected claims	\$4,250,000	+9.3%
83.33% of aggregate (MMO expected)	\$4,370,863	+12.1%
85% of aggregate	\$4,458,259	+14.1%

10. In the revised renewal, if the 83.33% of aggregate stop loss is used, the difference between expected claims used in the calculation (\$4,370,863) and maximum claims liability (\$5,245,011) is \$874,148. If claims run extremely bad during 10/11, Huron County would be responsible for this excess in claims.

11. The above amounts assume no change in IBNR reserve (Incurred but Not Reported).

12. The fund balance as of 12/31/09 was about \$1,242,000.

13. You may want to consider having an actuarial study completed to more accurately determine the IBNR reserve.

5

Willis  
1-28-10

**At 10:15 a.m.** Larry Silcox left the meeting.

**At 10:46 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. Mike Adelman seconded the motion. The roll being called upon its adoption, the vote resulted as follows:

Aye – Mike Adelman  
Aye – Gary W. Bauer  
Absent – Larry J. Silcox

**At 10:47 a.m.** Larry Silcox returned.

**At 11:03 a.m.** Gary W. Bauer moved to end Executive Session ORC 121.22 (G) (1). Mike Adelman seconded the motion. The roll being called upon its adoption, the vote resulted as follows:

Aye – Mike Adelman  
Aye – Gary W. Bauer  
Aye – Larry J. Silcox

- **No action taken.**

**REGULAR SESSION**

**THURSDAY**

**JANUARY 28, 2010**

At 11:05 a.m. Gary W. Bauer moved to adjourn. Larry J. Silcox 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.

**IN THE MATTER OF CERTIFICATION**

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 28, 2010.

**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 11:05 a.m.

Signatures on File.