

## HEALTH INSURANCE ADHOC COMMITTEE

DATE: Tuesday, April 28, 2020  
TIME: 11:00 AM  
LOCATION: Courthouse  
Room 114  
400 Market St.  
Wisconsin Rapids, WI

1. Call meeting to order
2. Declaration of quorum
3. Public comments
4. Approval of the minutes from February 18<sup>th</sup> and March 12<sup>th</sup> meetings.
5. Vacant Position Policy presentation from Human Services
6. Discuss timeline for recommendations
7. Review previous recommendations made for the Operations Committee
8. Future agenda items
9. Set date for next meeting
10. Adjourn

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### *Join by phone*

+1-408-418-9388 United States Toll

Meeting number (access code): 265 443 356

### *Join by Webex App or Web*

<https://woodcountywi.webex.com/woodcountywi/j.php?MTID=mb3271b57ea2280fee39cb65921f60cb5>

Meeting number (access code): 265 443 356

Meeting password: AHHIC0228

**HEALTH INSURANCE ADHOC COMMITTEE  
MEETING MINUTES**

**DATE:** Tuesday, February 18, 2020

**TIME:** 1:00 PM

**LOCATION:** Courthouse – Room 114

**PRESENT:** Bill Clendenning, Ken Curry, Adam Fischer, Lance Pliml, Donna Rozar

**OTHERS PRESENT** (for all or part of the meeting): Kim McGrath, Kelli Quinnell, Jordon Bruce, Brandon Vruwink, Ed Newton, Heather Gehrt

The meeting was called to order by Supervisor Rozar.

Public Comments: None.

Supervisor Rozar opened nominations for chairperson of the Health Insurance Adhoc Committee. Supervisor Pliml nominated Supervisor Rozar.

**Moved by Clendenning to close nominations. The Committee unanimously elected Rozar chairperson.**

The Committee discussed the vision, goals, and objectives of the committee. Discussion ensued at length. The Committee decided on the following:

Vision

Provide quality, cost-effective, and sustainable health insurance for our employees.

Goals

Be sensitive to the needs of employees.

Reimburse the general fund \$1.5 million from the health fund.

Objectives

Examine the current plan, evaluate the effectiveness of the current plan, and provide recommendations to the Operations Committee.

The timeline for the project was also discussed. The general consensus is that the timeline will coincide with the budget timeline as this directly impacts department budgets, however, there would be room to ask for an extension if needed.

Chair Rozar will reach out to additional Department Heads throughout the County to invite them to participate in the meetings to provide their feedback both from a budgeting standpoint as well as the view of a participant in the health insurance plan.

Agenda items for next meeting: Health Insurance Presentation from Human Resources  
Discuss timeline for recommendations

The next meeting is on Thursday, March 12, 2020 at 10:30 a.m. in Conference Room 114 of the Courthouse. The following meeting is scheduled for Wednesday, March 25, 2020 at 10:00 a.m. in Conference Room 114 of the Courthouse.

Chair Rozar declared the meeting adjourned at 2:06 p.m.

Minutes recorded and prepared by Kelli Quinnell. Minutes in draft form until approved at the next meeting.

## **HEALTH INSURANCE ADHOC COMMITTEE MEETING MINUTES**

**DATE:** Thursday, March 12, 2020

**TIME:** 10:30 a.m.

**LOCATION:** Courthouse – Room 114

**PRESENT:** Bill Clendenning, Ken Curry, Adam Fischer, Lance Pliml, Donna Rozar

**OTHERS PRESENT** (for all or part of the meeting): Kim McGrath, Kelli Quinnell, Jodi Pingel, Brandon Vruwink, Heather Gehrt, Roland Hawk, Chad Schooley, Tiffany Ringer, Peter Kastenholz, Amy Kaup, Randy Dorshorst, Shawn Becker, Brent Vruwink, Ed Newton

The meeting was called to order by Supervisor Rozar.

Public Comments: None.

Human Resources Director McGrath gave the Committee an overview of the history of the health insurance and current budgeting model. McGrath further presented the Committee with an overview of the 2020 health insurance budget as well as a health fund balance sheet for December-January 2019 and January 2020. Discussion ensued at length.

Committee members questioned the status of the balance owed from the health fund to the general fund of \$1.5 million. McGrath explained that she would be meeting with the Interim Finance Director and the Treasurer on Friday, March 13<sup>th</sup> to discuss a repayment strategy.

Human Services Director Vruwink distributed a summary of the financial impact that a previously proposed vacant positions policy would have on Edgewater and Norwood, as well as the health fund. Supervisor Rozar requested that Vruwink provide the proposed policy to all Department Heads throughout the County so that they could make similar summaries of financial impacts and report them back to the Committee.

The Committee heard input from various Department Heads that were present at the meeting.

Allowing retirees to remain on the plan longer than the 18 months allowed under COBRA was discussed as well as offering a payment incentive to employees who do not enroll in the County health insurance plan.

The consensus of the Committee was to have their timeline for recommendations coincide with budget timelines.

**Motion (Pliml/Fischer) to recommend the following four items to the Executive Committee:**

- 1) Pay back the general fund**
- 2) Eliminate the Retiree Health Insurance Plan option and only offer COBRA**
- 3) Look into a PEHP buy-out**
- 4) Consider paying employees to not take County health insurance**

**Motion carried unanimously.**

Agenda items for next meeting: Approval of minutes from previous meetings  
Presentation from Human Services Director on proposed vacant positions policy

The next meeting is on Wednesday, March 25, 2020 at 10:00 a.m. in Conference Room 114 of the Courthouse.

Chair Rozar declared the meeting adjourned at 11:50 a.m.

Minutes recorded and prepared by Kelli Quinnell. Minutes in draft form until approved at the next meeting.

### **Vacant Position Policy Proposal-DRAFT ONLY**

With the recent struggle to recruit staff, it has become common to have positions open for longer than six months, with some positions open for much longer. This has become particularly problematic for the county's nursing homes. Nursing Homes are required to meet certain staffing levels to provide quality care to residents. When positions are open it requires management to mandate overtime to ensure adequate staffing levels. Further, staffing agencies are used to reduce overtime and prevent burnout. While these two options are effective in maintaining quality care they are very expensive. The savings from having open positions partially offsets the cost, however, it does not come close to covering the full expense. When positions are open, all county departments are required to continue paying the employer's portion of the health insurance cost. This makes good sense for most vacancies as they are usually filled within two months. However, this becomes problematic when positions cannot be filled for six months or longer. This is particularly difficult for departments who need to mandate overtime or hire contract agency staff. For example, if a department consistently has 10 open CNA positions it will cost them over \$14,000 a month which is paid to the health plan. Over the course of one year, the total cost is over \$170,000. This money could have been used to cover overtime costs, agency staffing or increase shift differentials, which may improve recruitment and retention efforts.

### **Draft Policy**

After 90 days of a position being vacant, departmental health insurance charges will be put on hold until the position is filled. The Department will work with Human Resources and the Finance Department to track when it is appropriate to place a hold on health insurance charges.

If there are four or more budgeted FTE's with the same job description, the first two vacant positions will not be considered eligible for the health insurance payment termination. If there are less than four FTE's with the same job description they are subject to only the 90-day policy to be eligible for payment termination.

When a replacement is hired, the person will replace the vacant position that was open the longest. For example, a department has the following open positions:

1. CNA, open since 1-4-2019
2. CNA, open since 1-9-2019
3. CNA, open since 2-2-2019
4. CNA, open since 2-10-2019
5. CNA, open since 2-14-2019
6. CNA, open since 2-28-2019
7. CNA, open since 4-18-2019
8. CNA, open since 11-4-2019

The next hired person would replace the 1-4-2019 vacancy. Using the vacancy dates listed above the first two positions would not be eligible for payment termination. They are not eligible because the policy exempts the first two openings from payment termination when a department has four or more positions with the same job description. Positions three through seven would be eligible for payment termination as they meet the 90-day threshold. Position eight would not be eligible for payment termination as it does not meet the 90-day threshold.

The policy also requires the FTE to match. For example, if a (.6) FTE is the longest open position and a (.97) FTE is hired the hire would replace the longest open (.97) FTE position on the list.

If the department is not actively recruiting for a position or is only holding it open for budgetary purposes the payment termination policy does not apply. The policy is only intended to provide relief to positions the department is actively recruiting for. If a department no longer needs a position they should request it be eliminated.

This policy proposal is aimed at providing relief to departments who experience long-term vacancies. It provides budgetary flexibility to hire temporary staff or pay overtime if necessary to meet workload demands.

## Edgewater

Paid into Health Fund in 2019 for vacant positions	\$172,072
Cost Savings if policy in effect	\$34,335
Amount paid into Health Fund if policy in effect	\$137,737

## Norwood

Paid into Health Fund in 2019 for vacant positions	\$198,335
Cost Savings if policy in effect	\$63,454
Amount paid into Health Fund if policy in effect	\$134,881

## Combined 2019 Data for Edgewater and Norwood

Total paid into Health Fund for 2019 vacant positions	\$370,407
Total combined cost savings to Edgewater and Norwood if policy was in effect	\$97,789
Total amount that will continue to be paid into Health Fund if policy is in effect	\$272,618