

October 15, 2002

The regularly scheduled meeting of the Cleveland County Budget Board was called to order this 15<sup>th</sup> day of October, 2002, in the conference room of the County Office Building by Chairman George Skinner. Roll was called by Dorinda Harvey, County Clerk/Secretary and those present were:

George Skinner, Chairman  
DeWayne Beggs, Vice-Chairman  
Dorinda Harvey, Secretary  
Saundra DeSelms, Member  
Bill Graves, Member  
Rhonda Hall, Member  
Denise Heavner, Member

Member Leroy Krohmer, was absent at roll call.

Others present were: Tammy Howard, Paula Roberts, Donna Roberts, Jack Clinton, Jim McBride and Vickie Johnson.

After the reading of the minutes of the regular meeting of September 23, 2002, and there being no additions or corrections, Bill Graves moved that the minutes be approved. Saundra DeSelms seconded the motion.

The vote was: George Skinner, yes; DeWayne Beggs, yes; Dorinda Harvey, yes; Saundra DeSelms, yes; Bill Graves, yes; Rhonda Hall, yes; Denise Heavner, yes.  
Motion carried.

Chairman Skinner called for miscellaneous discussion and stated that there would be a presentation on insurance. Jim McBride, Vickie Johnson and Jack Clinton with Physician Mutual Insurance Company stated that they would speak about Long-Term Care Insurance and that it was by far the new employee benefit. Today they will educate the Board on what long-term care insurance is, and what it doesn't do.

Vickie Johnson did an overhead presentation and stated that this insurance would be used after someone is out of the hospital and needed care. Ms. Johnson gave statistics and stated how this could affect individuals and stated that the big myth is that long-term care insurance is only for old people, but that 40% of all people who need long-term care are working-age adults, ages 18-64. Ms. Johnson stated that 64% of caregivers are women and with the long-term care the latest statistics are showing that 50% of the population is going to need it. Long-term care is very expensive, very likely to happen, and not covered until most assets are exhausted. This is also available to spouses and parents; it protects retirement savings and avoids nursing homes.

Jim McBride stated that today they want to discuss with the Board individual policies, so if anyone with the county quits, retires, etc, they can take their benefits with them. Mr. McBride stated that long term is not just nursing home, it is home health care, assisted living center, hospice, and all those other things. It pretty much covers any type of extended health care and simply put the hospitals don't let people stay as long as they used to. Mr. McBride

handed out a brochure explaining what long-term care is. He stated that there are a number of options that the county can choose from and there are no guidelines because these are individual policies. Mr. McBride stated that if there were one hundred individuals or more that participate with requirements then they might be able to guarantee issue some benefits. In some other counties the county is coming in and providing the very base benefit at a very low dollar premium and then allowing the employees to buy up or purchase up if they want to. Mr. McBride went over some of the benefits and stated that there is a two, three, four, five year or lifetime plan. He stated that there is inflation protection involved and the reason for that is that you want the benefits to increase and long-term care is expected to double in the next ten years and triple in the next twenty years.

Guarantee renewable as long as the premium is paid.

Chairman Skinner asked if there are people that Physician Mutual does not accept.

Mr. McBride stated that if the county was going to do a base benefit for all employees and it participate in the premiums they would guarantee issue a base benefit. This is also available to spouses and parents but those would be on an underwritten basis. There is a 10% franchise discount for large groups so that discount not only goes to the employees but also to parents, spouses, and children. It is an age-based premium so a 30 year old is going to be much less than a 60 year old and the premium would be based accordingly. But if the County wanted to do this, the average cost would be per average employee depending on their medium age. More discussion took place as to county participation, cost, etc.

(Leroy Krohmer entered the meeting at this time.)

Mr. McBride stated what they are wanting to do is to get with the County Clerk and get a census of all the ages of county employees and put together a formal proposal.

The Board discussed as to when this could take effect if this was something it wanted to do and the time frame involved as far as the budget procedure.

There being no further business to come before the Board Bill Graves moved that the meeting be adjourned. Denise Heavner seconded the motion.

The vote was: George Skinner, yes; DeWayne Beggs, yes; Dorinda Harvey, yes; Sandra DeSelms, yes; Bill Graves, yes; Rhonda Hall, yes; Denise Heavner, yes; Leroy Krohmer, yes. Motion carried.