



CLEVELAND COUNTY BUDGET BOARD

MINUTES

TUESDAY, NOVEMBER 13, 2018

The regularly scheduled meeting of the Cleveland County Budget Board was called to order at 10:30 a.m. this 13th day of November 2018 in the conference room located at 122 E. Eufaula, Norman, OK by Chairman Rod Cleveland. Tammy Belinson, County Clerk/Secretary, called roll and those present were:

Rod Cleveland, Chairman

Jim Reynolds, Vice-Chairman

Tammy Belinson, County Clerk/Secretary

Todd Gibson, Member

Harold Haralson, Member

Darry Stacy, Member

Marilyn Williams, Member, was absent at roll call but entered the meeting shortly thereafter.

Douglas Warr, Member, was absent.

Others present were: Assistant District Attorney Jim Robertson, Linda Atkins, Daniel Thatcher, Susan Burr, Denise Ellison, Melissa Nies, Joy Hampton, Melinda Duke, Alison Vinson, Sarita Scott, Bryan Jenkins, Brenda Hill, Shannon Largent, Tony Terrell, Undersheriff Blake Green, Billijo Ragland and Kathy Singer.

After the reading of the minutes of the regular meeting of the **Regular meeting of October 09, 2018 and the Special meeting of October 15, 2018** and there being no additions or corrections, Darry Stacy moved that the minutes be **approved**.

Todd Gibson seconded the motion.

The vote was: Rod Cleveland, yes; Jim Reynolds, yes; Tammy Belinson, yes; Todd Gibson, yes; Harold Haralson, yes; Darry Stacy, yes.

Motion carried.

A. Items of Business:

1. Harold Haralson moved to **approve the Meeting dates and time for Calendar Year 2019**. Darry Stacy seconded the motion.

The vote was: Rod Cleveland, yes; Jim Reynolds, yes; Tammy Belinson, yes; Sheriff Todd Gibson, yes; Harold Haralson, yes; Darry Stacy, yes; Marilyn Williams, yes.

Motion carried.


**CLEVELAND COUNTY BUDGET BOARD
NOTICE OF SCHEDULE OF REGULAR MEETINGS FOR 2019**


As required by Title 25, §311 of the Oklahoma Statutes, Notice is hereby given that the Cleveland County Budget Board will hold regularly scheduled meetings during the Calendar Year 2019 at 122 E Eufaula Street, Norman, Oklahoma, 73069 at 10:30 A.M. on the following dates:


Monday	January	14, 2019
Monday	February	11, 2019
Monday	March	11, 2019
Monday	April	08, 2019
Monday	May	13, 2019
Monday	June	10, 2019
Monday	July	08, 2019
Monday	August	12, 2019
Monday	September	09, 2019
Tuesday	October	15, 2019
Tuesday	November	12, 2019
Monday	December	09, 2019


Approved on this 13th day of November 2018 by the Cleveland County Budget Board.

ATTEST:


County Clerk




Chairman


Vice-Chairman



- Chairman Cleveland called for discussion on the **Insurance plan** with Frank Roby, Gallagher Consulting. He said that Mr. Roby may have thought the Budget Board Meeting was not known since the Courthouse was closed for a Holiday. He said the report that Mr. Roby gave him this morning through email has much to do with what was discussed previously. The cost per employee cost is looking at \$649.96 maximum.

(Clerk's Note: This information is copied and forwarded to the Board.)

Cleveland County Annual Summary Review Medical & Pharmacy ONLY	2015	2016	2017	3 YR Summary	2019 Forecast Based On 3 YR Summary & 7% Medical Trend	2018	Blue Cross OK 2019 Expected	Blue Cross OK 2019 Maximum
Total Premium Paid	\$ 2,258,350	\$ 2,319,768	\$ 2,797,330	\$ 2,461,823	\$ 2,806,478	?	\$ 422,184	\$ 422,184
Total Claims Paid	\$ 2,234,772	\$ 2,854,500	\$ 1,958,087	\$ 2,352,453	\$ 2,681,795	?	\$ 2,043,457	\$ 2,554,321
Total Employee count (12 months)	4170	4066	3917	4051	4051	?	4308	4308
Gross cost PEPM (per employee per month)	\$ 543.97	\$ 570.53	\$ 714.35	\$ 607.71	\$ 652.79	Estimate \$650	\$ 572.34	\$ 690.93
Loss Ratio	99%	123%	70%	96%	NOTE: NOT actual rates	?		

NOTES:
 This represents Cleveland County History and a forecast for how that compares to the Blue Cross proposal. Remember that the Blue Cross rates listed are for the January 1st renewal. They are now adjusting for an April 1st renewal. The key line to track is the bolded line Gross Cost Per Employee Per Month (PEPM) because that is the gross cost prior to employee contributions. The employee count is actual for each month in the year - then totaled for a full year count.

Cleveland County Health Plan

Gallagher
 Insurance | Risk Management | Consulting

October 2018 Enrollment and Plan Cost

Enrollment	Global HMO	HC Basic	HC High	HDHP	Waived Coverage	Grand Total
IE	1	26	273	6		306
IE + Child		2	16			17
IE + Children		6	12	1		19
IE + S		6	6			11
IE + S + Child		2	1			3
IE + S + Children			2	1		3
IA					25	25
Grand Total	1	41	309	8	25	384

Premium	Global HMO	HC Basic	HC High	HDHP	Waived Coverage	Grand Total
IE	\$ 593.30	\$ 12,126.92	\$ 162,407.70	\$ 2,410.68		\$ 177,538.60
IE + Child		\$ 1,413.92	\$ 13,412.10			\$ 14,826.02
IE + Children		\$ 6,239.80	\$ 13,232.40	\$ 752.10		\$ 19,224.30
IE + S		\$ 5,069.00	\$ 7,754.40			\$ 12,823.40
IE + S + Child		\$ 2,508.68	\$ 1,591.64			\$ 4,100.32
IE + S + Children			\$ 3,600.40	\$ 1,223.90		\$ 4,824.30
IA					\$ -	\$ -
Grand Total	\$ 593.30	\$ 26,358.32	\$ 201,998.64	\$ 4,386.68	\$ -	\$ 233,336.94

Average Premium Per Employee Per Month: \$649.96

*For Illustration purposes only, average premium calculation does not include employees who waive coverage

Current Premium Contributions



October 2018 Premium	Global HMO	HC Basic	HC High	HDHP	Waived Coverage	Grand Total
Employee Only Monthly Premiums	\$ 593.36	\$ 465.42	\$ 694.90	\$ 401.78		
Employer Monthly Contributions	\$ 593.36	\$ 10,123.22	\$ 183,824.10	\$ 3,214.24		\$ 208,754.92
Employee Monthly Contributions	\$ -	\$ 7,235.10	\$ 10,174.54	\$ 1,172.44		\$ 26,582.08
Total Monthly Premiums	\$ 593.36	\$ 28,358.32	\$ 201,998.64	\$ 4,386.68		\$ 233,337.00
Total Annual Premiums	\$ 7,120.32	\$ 310,289.84	\$ 2,423,883.68	\$ 52,640.16	\$ -	\$ 2,800,044.00
Cleveland County Health Plan - Monthly Cost	\$ 693.36	\$ 10,123.22	\$ 183,824.10	\$ 3,214.24		\$ 208,754.92
Cleveland County Health Plan - Annual Cost	\$ 7,120.32	\$ 229,478.64	\$ 2,205,889.20	\$ 38,570.88	\$ -	\$ 2,481,059.04
Employee Monthly Contributions	\$ -	\$ 7,235.10	\$ 10,174.54	\$ 1,172.44		\$ 26,582.08
Employee Annual Contributions	\$ -	\$ 86,821.20	\$ 210,094.48	\$ 14,069.28	\$ -	\$ 318,984.96

Employee Contributions (Dependent Premiums) represent 11.4% of Total Premium
Cleveland County Average Health Plan Cost Per Employee Per Month: \$575.92



BCBSOK Initial Quote



PPO Network:	Blue Preferred		Blue Choice	
	Per Employee Per Month	Annual	Per Employee Per Month	Annual
Enrollment	359	4,308	359	4,308
Projected Net Paid Claims	\$444.52	\$1,914,992	\$474	\$2,043,457
Stop Loss Premiums:				
Individual Stop Loss (\$100,000 Level)	\$68	\$294,786	\$68	\$294,786
Aggregate Stop Loss 125% Attachment Point	\$7	\$29,596	\$7	\$29,596
Administration Fee	\$43	\$187,095	\$43	\$187,095
Prescription Drug Rebate Credit	(\$21)	(\$91,200)	(\$21)	(\$91,200)
Net Administration Fee	\$22	\$95,896	\$22	\$95,896
Total Projected Cost	\$542	\$2,335,281	\$572	\$2,463,745
Maximum Claims Liability	\$558	\$2,393,740	\$593	\$2,554,321
Fixed Costs	\$98	\$420,288	\$98	\$420,288
Maximum Plan Liability	\$653	\$2,814,029	\$690	\$2,974,609

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Overall Plan Cost BCBSOK vs Current Plan



PPO Network	Blue Preferred		Blue Choice	
	Per Employee Per Month Cost	Annual Cost	Per Employee Per Month Cost	Annual Cost
Enrollment	359	4,308	359	4,308
Projected Net Paid Claims	\$444.52	\$1,914,992	\$474	\$2,043,457
Fixed Costs	\$98	\$420,288	\$98	\$420,288
*Self-Funded Projected Plan Cost	\$542	\$2,335,281	\$572	\$2,463,745
Maximum Claims Liability	\$558	\$2,393,740	\$593	\$2,554,321
Fixed Costs	\$98	\$420,288	\$98	\$420,288
*Self-Funded Maximum Plan Liability	\$653	\$2,814,029	\$690	\$2,974,609
Current Plan Premiums				
Employer Annual Cost	\$576	\$2,481,059	\$576	\$2,481,059
Employee Annual Contributions	\$74	\$318,985	\$74	\$318,985
Total Plan Cost at Current Premiums	\$650	\$2,800,044	\$650	\$2,800,044

**For Illustration Purposes Only
Plan Cost and projections are based on Annualized October 2018 Enrollment
Self-Funded Projected Costs and Maximum Liability figures are based on BCBSOK proposal for a January 1st effective date and are subject to change for a 4/1 effective date – pending updated quote from carrier*

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Next Steps



Where do we go from here?

- Medical Plans: BCBSOK is updating quote for an April 1st effective Date
- Benefit Administration System Discussion:
 - Needs Assessment, Marketing, Vendor Selection
 - Implementation - 90 to 120 day implementation timeline to set up all lines of coverage
- Retiree Benefit Plans – Census and Claims Information Request to market
- Voluntary Plans - Discussion

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Commissioner Haralson expressed his concern that the Insurance Committee is not taking recommendations to the Board of Cleveland County Commissioners. The BOCC needs to take action to appoint HR as the point of contact from this date on to keep the BOCC involved in the process of disseminating any and all information to the rest of the elected officials.

Chairman Cleveland said the information submitted today is self-explanatory when reading through it. Mr. Roby is outlining a 90 day implementation of the plan and a start up on April 1, 2019. There is a confirmed concrete quote from Blue Cross/Blue Shield and he will provide more information as it comes in.

Commissioner Haralson said his main concern is that he has not seen the new plan and the employees have not had a chance to take a look at the plan. He is not sure the April 1st date is a realistic time frame. He said there needs to be a time-line in order to open up communication for a clearer understanding especially for the employees.

Sheriff Gibson said that the insurance consultant was directed to provide a fact sheet for the employees.

Commissioner Haralson said, "I'm not sure that has happened."

Tammy Belinson added that there are things she will have to change in the financial system. She did have a conference call with Mr. Roby and Alison Vinson was included in the discussions. Mr. Roby was reminded of this meeting as well as the date of the next Budget Board Meeting in December. She agreed that the Board needs a time-line.

Jim Reynolds said that the Board needs to know the action plan immediately and the time-line would speak to most of the concerns expressed here today.

Chairman Cleveland said that the plan is the same as the county's current plan after adjustments were made.

Following a brief discussion, Tammy Belinson said in order to expedite this for the April 1st deadline, they will have to use the current employee enrollment information and have them stick to what they enrolled into at this time with the State. That way, they could just take those enrollment forms and input those into the new insurance and if the Board would like to open that up to others this would be an option period to add the spouse. That would need to be in the Board's motion and everybody's budget needs to be prepared for that unless they are going to take the 50% out of some other account. Right now, nobody built in their budget for the 50% toward the spousal pay.

Commissioner Haralson said, "From my point of view, that is where our long range goal needs to be. I think it is important to get self-insured and maintain the stability for employees where they are currently at then see what our actual costs are and then we can really make decisions in the future about where we want to move to."

3. Alison Vinson **said** nothing new to report on the HR Department at this time.
4. Melinda Duke updated on the **Purchasing Department**. She said that on Friday, November 16, 2018, the Purchasing Department will be out of the office from 10:00 a.m. to 2:00 p.m. to attend an OKAPP Meeting.

Ms. Duke said she discussed with Commissioner Cleveland about doing a public auction and an on-line auction. She will send out an email on this item.

B. There was no **new business** to come before the Board.

C. During **Budget Board Members discussions**, Jim Reynolds expressed his need for more storage.

Darry Stacy said that he has found that if you build it, we will fill it. He said that Rod Cleveland has a building in Moore full of junk.

Chairman Cleveland said the solution is to have an area to store stuff and then hold the Auction at that facility when it needs to go on the auction block.

Darry Stacy said, "I think we have that in Moore."

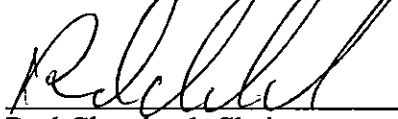
Rod Cleveland told Jim Reynolds that he has some space if he needs to store something for a limited time and added that it is restricted on people going in and out of the building.

D. No comments were made from the public at this time.

E. There being no further business to come before the Board, Tammy Belinson moved that the meeting be **adjourned** at 11:10 am. The motion was seconded by Harold Haralson. The vote was: Rod Cleveland, yes; Jim Reynolds, yes; Tammy Belinson, yes; Todd Gibson, yes; Harold Haralson, yes; Darry Stacy, yes; Marilyn Williams, yes. Motion carried.

(Clerk's Note: The agenda was posted Thursday, November 8, 2018 @ 4:20 P.M.)

**BUDGET BOARD
CLEVELAND COUNTY, OKLAHOMA**



Rod Cleveland, Chairman

ATTEST:



Tammy Belinson, County Clerk and Secretary to the Board

Minutes Prepared by:


Deputy County Clerk