



**BOARD OF COUNTY COMMISSIONERS
WARREN COUNTY, OHIO**

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***TOM GROSSMANN
PAT ARNOLD SOUTH
DAVID G. YOUNG***

**BOARD OF COUNTY COMMISSIONERS
WARREN COUNTY, OHIO**

MINUTES: Regular Session – October 6, 2015

The Board met in regular session pursuant to adjournment of the September 29, 2015, meeting.

David G. Young – present

Pat Arnold South – present

Tom Grossmann – present

Tina Osborne, Clerk – present

Minutes of the September 22, 2015 and September 29, 2015 meetings were read and approved.

- 15-1529 A resolution was adopted to accept Resignation of Michael Shadoan, Director, within the Warren County Facilities Management Department, effective October 23, 2015. Vote: Unanimous
- 15-1530 A resolution was adopted to approve end of 180-day Probationary Period and approve a Pay Increase for Michael Beers, Lab Technician I, within the Warren County Water and Sewer Department. Vote: Unanimous
- 15-1531 A resolution was adopted to approve end of 240-day Probationary Period and approve a Pay Increase for Olivia Taylor, Protective Services Caseworker I within the Department of Job and Family Services, Children Services Division. Vote: Unanimous
- 15-1532 A resolution was adopted to accept Resignation of Kyle Crowder, Eligibility Referral Specialist II, within the Warren County Job and Family Services, Human Services Division, effective October 14, 2015. Vote: Unanimous
- 15-1533 A resolution was adopted to authorize the posting of the “Eligibility Referral Specialist II” position within the Department of Job and Family Services, Human Services Division, in accordance with Warren County Personnel Policy Manual, Section 2.02(A). Vote: Unanimous

- 15-1534 A resolution was adopted to approve Reappointments of Don R. Juszczyk and Ann Munafo to the Warren County Elderly Services Board. Vote: Unanimous
- 15-1535 A resolution was adopted to approve Notice of Intent to Award Bid to W.E. Smith Construction for the Mason-Morrow-Millgrove Road Drilled Pier Wall Project. Vote: Unanimous
- 15-1536 A resolution was adopted to enter into an Exclusive and Permanent Drainage Easement with Michael J. & Linda S. Zerwick for the Fields Ertel Road Columbia Road/Lebanon Road Intersection Roundabout Improvement Project. Vote: Unanimous
- 15-1537 A resolution was adopted to authorize the President of this Board to sign a Satisfaction of Mortgage for Harry William Applegate III and Amanda Marie Applegate, Husband and Wife. Vote: Unanimous
- 15-1538 A resolution was adopted to enter into an Order Acknowledge Agreement with New Horizons Computer Learning Centers on behalf of Warren County Telecommunications. Vote: Unanimous
- 15-1539 A resolution was adopted to acknowledge payment of Bills. Vote: Unanimous
- 15-1540 A resolution was adopted to acknowledge receipt of September 2015 Financial Statement. Vote: Unanimous
- 15-1541 A resolution was adopted to approve various Refunds. Vote: Unanimous
- 15-1542 A resolution was adopted to approve a Subdivision Public Improvement Performance and Maintenance Security Agreement Release for Trails of Shaker Run Holdings LLC for Trails of Shaker Run, Section Ten A in Turtlecreek Township. Vote: Unanimous
- 15-1543 A resolution was adopted to approve a Subdivision Public Improvement Performance and Maintenance security Agreement Release for Trails of Shaker Run Holdings LLC for Trails of Shaker Run, Section Four A in Turtlecreek Township. Vote: Unanimous
- 15-1544 A resolution was adopted to approve Bond Release for Walnut Meadows Development LLC for completion of improvements in Walnut Meadows situated in Deerfield Township. Vote: Unanimous
- 15-1545 A resolution was adopted to approve Bond Release for Summit Properties for completion of improvements in Summit Deerfield situated in Deerfield Township. Vote: Unanimous

- 15-1546 A resolution was adopted to approve Bond Release for Shoppes at Grandin LLC for completion of improvements in Shoppes at Grandin situated in Hamilton Township. Vote: Unanimous
- 15-1547 A resolution was adopted to approve Bond Release for Major League Development for completion of improvements in Shadow Lake situated in Clearcreek Township. Vote: Unanimous
- 15-1548 A resolution was adopted to approve Bond Release for Fischer Development Company for completion of improvements in Miami Bluffs, section 14, situated in Hamilton Township. Vote: Unanimous
- 15-1549 A resolution was adopted to approve Appropriation Decreases within various Funds. Vote: Unanimous
- 15-1550 A resolution was adopted to approve Operational Transfer from Commissioners Fund #101-1112 into Child Support Enforcement Agency Fund #263. Vote: Unanimous
- 15-1551 A resolution was adopted to approve Operational Transfer from County Commissioners' Fund #101-1112 into Mary Haven Youth Treatment Center Fund #270. Vote: Unanimous
- 15-1552 A resolution was adopted to approve an Operational Transfer from Juvenile Probation Fund #101-2500 into Juvenile Grant Fund #243 and a supplemental Appropriation into Juvenile Grant #243. Vote: Unanimous
- 15-1553 A resolution was adopted to approve a Cash Advance from County Motor Vehicle Fund #202 into the Fields Ertel and Columbia Road Roundabout Improvement Project Fund #463. Vote: Unanimous
- 15-1554 A resolution was adopted to approve Repayment of Cash Advances from Fund #216 Recorder's Technology Fund into General Fund #101. Vote: Unanimous
- 15-1555 A resolution was adopted to approve a Supplemental Appropriation into Fund #484 (P& G TIF). Vote: Unanimous
- 15-1556 A resolution was adopted to approve a Supplemental Appropriation into Fund #449 various Sewer Assessment Projects. Vote: Unanimous
- 15-1557 A resolution was adopted to approve Appropriation Adjustments from Commissioners Fund #101-1110 into Economic Development Fund #101-1116. Vote: Unanimous

- 15-1558 A resolution was adopted to approve Appropriation Adjustments from Commissioners' General Fund #101-1110 into Telecommunications Fund #101-2810. Vote: Unanimous
- 15-1559 A resolution was adopted to approve Appropriation Adjustment within Commissioners Fund #101-1110 and OMB Fund #101-1115. Vote: Unanimous
- 15-1560 A resolution was adopted to approve Appropriation Adjustments within Juvenile Court Fund #101-1240 and Juvenile Detention Fund #101-2600. Vote: Unanimous
- 15-1561 A resolution was adopted to approve Appropriation Adjustments within Telecommunications Department Funds #101-2810 & #101-2812. Vote: Unanimous
- 15-1562 A resolution was adopted to approve an Appropriation Adjustment within Motor Vehicle Fund #202. Vote: Unanimous
- 15-1563 A resolution was adopted to approve Appropriation Adjustments within Developmental Disabilities Fund #205. Vote: Unanimous
- 15-1564 A resolution was adopted to authorize payment of Bills. Vote: Unanimous
- 15-1565 A resolution was adopted to authorize Pat South to sign, as a Collaborative Partner, the City of Lebanon's Amended Phase I Grant Application to the state of Ohio relative to Redevelopment Funds made available due to the relocation of the Harness Racing from the Warren County Fairgrounds. Vote: Unanimous
- 15-1566 A resolution was adopted to approve Leave Donation for Lauren Cavanaugh, Director of Warren County Job and Family Services, Human Services Division. Vote: Unanimous
- 15-1567 A resolution was adopted to approve Appropriation Adjustment within Dog and Kennel Fund #206. Vote: Unanimous
- 15-1568 A resolution was adopted to Cancel regularly scheduled Commissioners' Meeting of Thursday, October 8, 2015. Vote: Unanimous

DISCUSSIONS

On motion, upon unanimous call of the roll, the Board entered into executive session at 9:13 a.m. to discuss personnel matters relative to a reclassification and leave donation within Human Services pursuant to Ohio Revised Code Section 121.22 (G)(1) and exited at 9:46 a.m.

Tiffany Zindel, Deputy County Administrator, was present along with Tammy Whitaker, Benefits Coordinator, and Judy Meyer, Horan Associates, for a work session to discuss health benefits renewal.

Ms. Meyer presented the attached information showing the following:

- 2016 Projected Medical Costs
- The changes required to the plan due to Health Care Reform.
The Board stated their objection for the record to the Obamacare required changes.
- 2015 Medical Costs Breakdown
- Proposed changes to the stop loss plan to include prescription drugs.

The Board discussed the stop loss insurance relative to the cost of coverage vs. usage.

They discussed the possibility of becoming self insured for stop loss and it was determined that Ms. Meyer will have the actuary costs determined and return for an additional work session to discuss options.

- 2016 Projected Dental Costs
- Continuation of the Data Warehouse
- AFLAC/MDLive Program and UHC Virtual Visits
- Optimum RX Programs & Updates
- Warren County Funding Rates

Mrs. Zindel stated her recommendation that the employee contributions not increase in 2016.

Matt Nolan, County Auditor, was present along with Bruce McGary, Assistant Prosecutor, and Chris Brausch, Sanitary Engineer, and Auditor and Water and Sewer staff for a work session to discuss the purchase of the Waynesville Wastewater Treatment Plant from the Village of Waynesville.

Mr. Nolan presented his concerns relative to GASB 69 reporting relative to the purchase of the sewer treatment plant asset from the Village of Waynesville. He stated that the new audit reporting standard requires Warren County to be responsible for financial reporting from January 1 rather than the date which the asset is acquired (proposed to be November 1). He then stated his concern that if a mistake was made prior to our purchase, it will be on Warren County audit and could possibly affect our bond rating.

There was discussion relative to Warren County already physically running the wastewater treatment plant with employees on site as well as being the responsible party with the Ohio Environmental Protection Agency.

There was discussion relative to the Village of Waynesville deleting the Assumption of Certain Liabilities; Excluded Liabilities as well as the Release and Hold Harmless clause within the proposed purchase agreement.

Mr. Brausch informed the Board that he has not received any of the documentation required in the Schedules of the Asset Transfer Agreement which would allow staff to complete its due diligence relative to assets and liabilities of the plant.

Mr. Nolan stated that the Village of Waynesville desires to close prior to the end of the year due to having a new fiscal officer and new accounting software. The Village does not want to input three years worth of sewer fund data into the new software program.

Upon further discussion, the Board determined that they will not close on the purchase of the wastewater treatment plant until January 2, 2016 and requested Mr. Brausch and Mr. McGary to amend the draft purchase agreement to reflect the new closing date.

Mike Yetter, Zoning Supervisor, was present along with Bruce McGary, Assistant Prosecutor, to provide an update on the Cincinnati Zoo's desire to locate a new cheetah breeding facility in Warren County.

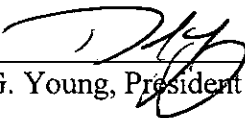
There was discussion relative to zoning for the proposed facility and staff has determined that the facility may not qualify to be exempt from zoning as an agricultural exemption.

Mr. McGary stated that cheetahs are now considered a wild dangerous animal in the Ohio Revised Code and there is case law that exists that says wild dangerous animals are not covered under the agricultural exemption.


Upon discussion, the Board stated their desire for any facility of this nature to be vetted in the public view, even though they have the utmost respect and trust in the Cincinnati Zoo.

On motion, upon unanimous call of the roll, the Board accepted and approved the consent agenda.

Upon motion the meeting was adjourned.



David G. Young, President




Tom Grossmann



Pat Arnold South

I hereby certify that the foregoing is a true and correct copy of the minutes of the meeting of the Board of County Commissioners held on October 6, 2015, in compliance with Section 121.22 O.R.C.



Tina Osborne, Clerk
Board of County Commissioners
Warren County, Ohio

Warren County Commissioners Session Executive Summary October 6, 2015

Meeting Objectives

Review final 2016 projected medical and dental costs and renewals. Review recommended plan design, contributions and prescription drug enhancements. Provide an update on several other strategies and open items.

2016 Projected Medical Costs

Warren County is required to make plan changes to the Buy Up plan in order to be compliant in 2016. We will review an outline of the recommended plans and the impact to claims. The following financial data does not include making any plan changes.

Total costs are expected to increase 0.4%, \$31,255. The increase includes HORAN's claims projection, UHC's administration and stop loss renewal and health care reform taxes/fees. Costs are based on current enrollment.

- Fixed costs increase \$73,792
- Claims decrease \$9,434
- HCR Taxes / Fees decreasing \$33,102

The following provides a complete comparison between 2015 and 2016 plan years projected medical/prescription costs:

	2015 Annual	2016 Annual	% Change	\$ Change
Administration	\$528,757	\$544,619	3.0%	\$15,862
Specific Stop Loss*	\$622,646	\$678,704	9.0%	\$56,058
Aggregate Stop Loss**	\$39,309	\$41,181	4.8%	\$1,872
Claims Projection**	\$7,421,094	\$7,411,660	-0.1%	(\$9,434)
HCR Taxes/Fees	\$91,013	\$57,911	-36.4%	(\$33,102)
TOTAL	\$8,702,820	\$8,734,075	0.4%	\$31,255

*Reflects carving out the stop loss with Optum and including prescription drug in the stop loss to provide greater protection to the plan

**Does not include mandatory plan changes impact to claims

Health Care Reform & Plan Design

Health Care Reform

For plan years beginning in 2016, the maximum single out-of-pocket (OOP) limit is \$6,850 (up from \$6,600 in 2015). The maximum for family coverage is \$13,700, up from \$13,200 in 2015. The single maximum applies to OOP limits on non-embedded plans; therefore, any non-embedded plan with a family OOP greater than \$6,850 is non-compliant. Warren County's Buy-Up plan is non-embedded with an OOP maximum of \$11,900 which exceeds the \$6,850.

Non-Embedded – any one person enrolled in family coverage can meet the full family deductible and OOP. The plan would then pay 100% for all covered family members

Embedded – each person enrolled in family coverage cannot exceed the single deductible or OOP. A family as a whole will never exceed the family deductible or OOP. If one person meets the single deductible or OOP the plan begins paying for them. The remaining family members (one person or in aggregate) can meet the remaining portion of the deductible or OOP and the plan begins paying for all covered members

Plan Design

Currently the Buy Up plan is non-embedded has an OOP maximum greater than \$6,850 (\$11,900); therefore is non-compliant for 2016. The following charts outline Warren County’s current plan design and recommended plan design for 2016:

Current Plans

Current In-Network Benefits	Base HDHP	Buy-Up HDHP	Buy-Up HRA HDHP
Embedded or Non-Embedded?	Embedded	Non-Embedded	Non-Embedded
Deductible	\$2,600 / \$5,200	\$1,500 / \$2,600	\$1,500 / \$2,600
Coinsurance	90% / 10%	90% / 10%	90% / 10%
Out-of-Pocket Maximums	\$5,950 / \$11,900	\$5,950 / \$11,900	\$5,950 / \$11,900

Recommended Plans

Recommended In-Network Benefits	Base HDHP	Buy-Up HDHP	Buy-Up HRA HDHP
Embedded or Non-Embedded?	Embedded	Non-Embedded	Non-Embedded
Deductible	\$2,600 / \$5,200	\$1,500 / \$3,000	\$1,500 / \$3,000
Coinsurance	90% / 10%	90% / 10%	90% / 10%
Out-of-Pocket Maximums	\$5,950 / \$11,900	\$3,400 / \$6,800	\$3,400 / \$6,800

Recommended plan design brings the 2016 total cost projection to \$8,756,556, .06% increase. A \$53,736 increase from current.

HORAN recommends including prescription drug in the stop loss. In order to do so Warren County must ‘carve-out’ stop loss with Optum. Due to the carve out, Warren County will be responsible for paying claims over the \$200,000 specific deductible and will then receive reimbursement for any amount paid over the specific deductible. Warren County will need to budget based on a number that includes paying out large claims (and not taking into consideration reimbursement from the stop loss carrier).

Budgetary purposes:

- **Claims projection = \$7,773,689**
- **Total costs = \$9,096,104, 4.5% increase**

2016 Medical Costs Breakdown

UHC Administration:

UHC initially offered a 5.1% increase to the administration. After negotiations with HORAN, UHC reduced their renewal to a 3.0% increase, an approximate \$11,000 reduction from their initial offer.

In addition, HORAN negotiated a \$10,000 wellness budget to be used in 2016.

UHC Specific Stop Loss:

UHC initially offered a 15.1% increase to the specific deductible. The quote matched the current contract including medical in the stop loss and excluding prescription drug. After negotiations with HORAN, UHC reduced their renewal to 9.0% increase, an approximate \$38,000 reduction from their initial offer. In addition, the contract now includes both medical and prescription drug providing greater protection to the plan.

The stop loss quote is through Optum and considered a carved out stop loss policy. This changes the way a large claimant is reimbursed. Currently, UHC does not debit Warren County’s account for any amount over the \$200,000 specific deductible; they simply pay for any claim above the specific deductible. In 2016, UHC will debit Warren County’s account for amounts over the \$200,000 specific deductible and Warren County will receive reimbursement from Optum. Reimbursement will typically be received in approximately two weeks, but in some cases can take longer. UHC will also not charge their standard \$1 per employee per month carve out fee.

UHC is also offering Warren County their new experience refund endorsement program which will allow Warren County to receive a refund on stop loss premiums if the County has a favorable loss ratio. Warren County may be eligible to receive the equivalent of one month's stop loss premium (approximately \$56,000).

Reconciliation is performed in the next plan year, and any reward will be applied as a premium credit on the customer's next bill. If individual stop-loss coverage is terminated, there will be no reconciliation or premium credit calculated. *Please see handout for details.*

UHC Aggregate Stop Loss:

UHC initially offered a 3.3% decrease to the aggregate deductible. Including prescription drug in the aggregate stop loss increases the rates 4.8% from current, a \$1,872 annual increase from current.

UHC Medical Claims Projection

HORAN's 2016 claims projection includes Segal trend, carrier trend as well as Warren County's own trend. The projections are based on current plan and tier enrollment.

Health Care Reform Fees & Taxes:

Warren County will continue to pay the Transitional Reinsurance Plan (TRP) fee which has decreased from \$44 per member per year (pmpy) to \$27 pmpy and the Patient Centered Outcome Research Institute (PCORI) fee which has increased from \$2.25 to \$2.43 pmpy (estimated). Based on an average membership count of 1,968 this equates to \$57,911 in taxes and fees.

Employee Contributions

Current employee contribution percentages and employer HSA contributions by plan are listed below. HORAN modeled one additional scenario increasing the employees cost share to 15% on the buy-up plan. *Please see handout for details.*

- **Base Plan:** 0% employee cost share and no employer HSA contributions
- **Buy Up Plan:** 14% employee cost share and \$300 single / \$600 family employer HSA annual contributions
 - Sheriff's receive \$600 single / \$1,200 family employer HSA

2016 Projected Dental Costs

Total costs are expected to increase 5.8%, \$33,496. The increase includes HORAN's claims projection and DCP's administration fee.

	2015 Annual	2016 Annual	% Change	\$ Change
Administration	\$32,135	\$32,135	0.0%	\$0
Claims Projection	\$544,806	\$578,301	6.1%	\$33,496
TOTAL	\$576,940	\$610,436	5.8%	\$33,496

2016 Dental Costs Breakdown

Dental Care Plus Administration Renewal:

Warren County is under rate guarantee until 2017.

Dental Projection

HORAN's 2016 claims projection includes a blend of Segal Trend Survey and DCP trend. The projection is based on current plan and tier enrollment.

Additional Items and Decision Points

Data Warehouse

Warren County is loaded in HORAN's data warehouse. In regards to the \$.75 pepm fee, Warren County took advantage of our pilot phase so will not be charged until 1/1/16. HORAN will build this fee into the quarterly invoice sent to Warren County. The fee is a straight pass through fee. *Please see handout for enhanced Warren County reporting.*

AFLAC / MDLive Program and UHC Virtual Visits

Warren County pays \$2.75 per eligible employee per month for AFLAC's MDLive program and it offers 24/7 on-demand online access to physicians. Physicians can diagnose common illnesses and prescribe prescription drugs. Online physician visits are at no cost to employees.

- Data through March shows 3.6% annualized utilization
- Total program savings (via avoidance of PCP or Urgent Care visits) through March \$1,063
 - Projected annual savings \$4,252
 - Projected annual cost \$27,159

UHC is rolling out their new Virtual Visits program effective January 1, 2016, which offers the same online access to physicians. Virtual Visits will integrate with plan benefits and is built into the plan at no cost to Warren County. Depending on the reason for the call employee costs will be \$30-\$50 per visit if they have not met the deductible. *Please see handout for details.*

HORAN recommends terminating the AFLAC / MDLive program and promoting UHC's Virtual Visits effective January 1, 2016.

New / Updated UHC Programs

- Transitioning to Rally platform 1/1/16 (could be sooner)
 - Earn gold coins for participation
- Transitioning to Advocate4Me customer service model 8/19/15
 - Concierge model for employee customer service
- RealAppeal starts 1/1/16
 - Updated diabetes and prevention program with virtual visits, etc. Open to all members interested in losing weight.
 - It is a 52 week program with weekly online live classes with a coach and also one on one sessions with a coach. They get a kit in the mail with a digital scale to weigh and download weight to their coach along with other perks. There is no admin charge but there are claim costs to the program that Warren County would pay. Its \$103 flat enrollment fee for each person that goes through the enrollment process and then \$37 per class they attend AND show weight loss progress. The cap is charging \$37 for 16 classes. The rest would be no charge. The max charge per year per person is \$695.00. We estimate 1 in 4 will complete the program so a good budget number is \$251 per employee per year. Long term the program is designed to reduce claims costs, get a number of pre-diabetics to enroll and change behavior to not become full diabetics in the future.

Optum Rx Programs & Updates

Optum presented several prescription drug strategies as ways to save on prescription drug spend and help offset future expected increases. All programs would be effective January 1, 2016.

Drug Management Programs:

Bulk Chemical Compounds: Recommended to include a prior authorization for any compound over \$150 to protect plan exposure

- Bulk Chemical Compounds – a practice in which pharmacists combines, mixes or alters ingredients in response to a prescription to create a medical tailored to the medical needs of an individual patient. Highlights of excluding them:
 - Compound exclusion program: Products typically found in compounds described below are excluded from coverage
 - Bulk chemicals for vitamins/supplements typically available OTC
 - Products for cosmetic uses
 - Used in compounding topical formulations when the medication is not approved by the FDA for this route of administration
 - Current Warren County Experience 7/1/2014 – 6/30/15:
 - Warren County spent \$48,327 during this timeframe on compounds.
 - Prior authorization for any compound over \$150 potential savings of \$32,007.

Specialty Pharmacy: Not Recommended

- Savings if Warren County added Exclusive Specialty through OptumRx and eliminated 90 days' supply at Retail:
 - Exclusive Specialty with OptumRx in 2014, the savings to the Plan would have been approximately \$3,700.
 - Remove 90 days' supply at Retail for Specialty, the disruption based upon 2014 claims would be two members.

Step Therapy: Not Recommended

- Step Therapy – New users will be required to first try any two preferred medication on Tier 1 and Tier 2 before benefit coverage will be approved for higher cost alternatives. Warren County's Step Therapy utilization:
 - 115 members currently using drugs in step therapy programs. 482 Rx per year.
 - Potential savings: \$5,614 savings (\$0.23 PMPM)

Drug Enhancement Programs:

These programs are designed to not only improve the clinical safety of the Warren County members, but also to enhance the plan's efficacy and potentially reduce costs. The first four programs listed are bundled at a cost of \$.02 per member per month (pmpm) and the last program is \$.02 pmpm. Optum is offering the 5 programs to Warren County free of charge for 2016. *Please see handout for details on each program:*

- Drug-Age Rx Monitor Program
- Drug-Drug Interaction Alert Program (DDIAP)
- Narcotics DUR Program
- Polypharmacy Drug-Disease Interaction Program
- Medication Adherence Program

Growth Hormones

Warren County recommends maintaining current coverage for growth hormones with prior authorization.

TruVeris Audit Update

TruVeris' final PBM audit concluded Optum owes \$4,389 to Warren County due to discount under-performance. Optum will write a check to Warren County for the above amount.