

Logan County Commissioners Work Session
July 16, 2024

Present: Mike Brownell, Joe McBride, Jerry Sonnenberg, Debbie Unrein, Dave Conley, Don Masin, Bob Schell, Marilee Johnson, Diana Korbe, Jeff McNeilly, Jeff Rice, and Jennifer Crow.

Chairman Brownell called the meeting to order at 9:02 a.m.

APPROVAL OF MINUTES FROM PREVIOUS SESSION – Commissioner Sonnenberg moved to approve the minutes of July 9, 2024 as written. Commissioner McBride seconded, and the motion carried, 3-0.

REVIEW AND APPROVE SCHEDULE OF COUNTY BILLS – The Board met with Debbie Unrein to review the Logan County schedule of bills dated July 16, 2024. All bills were approved as presented.

REVISIONS TO THE WORK SESSION AGENDA - Commissioner Brownell added discussion of right of way permits under new business.

REVIEW OF BUSINESS MEETING AGENDA – No discussion.

ONEDIGITAL/LOGAN COUNTY ANALYSIS – Jeff McNeilly of OneDigital, a national broker helping employers with employee benefit programs, met with the Board. One Digital can also help with worker’s compensation, retirement, HR, and many other things. Chairman Brownell stated that the Board did some comparison shopping on worker’s compensation and decided to stick with the CTSI Worker’s Compensation Pool. He also mentioned that all insurance, health and property and casualty and everything keeps going up, it is due diligence to check and see what else is available out there.

Mr. McNeilly stated he is working with Diana Korbe going over analytics. He is also here to help what he calls “the underserved community” in rural Colorado, whether it be a public sector or any other employer organization. He noted that the county does a fantastic job as far as contribution strategy for the benefits provided with the different tools available as far as HSA, HRA, and things of that nature. But still, some people are still functionally uninsured. Even though they have health insurance, they can't afford to use it.

CTSI is a “pooled risk.” You are dealing with other similar entities, which are the county market. One thing that is unfortunately, a challenge for counties in Colorado and probably throughout the country, is you have an aging population. Age is the only driving factor that is driving costs up as it pertains to the employee benefits package. However, it's probably one of the top three contributors.

Mr. McNeilly discussed that the county has nineteen employees that are over the age of 65 that are still on the county’s group health insurance. Out of those nineteen, two of them have family coverage and the other seventeen have employee only coverage. McNeilly has been helping other counties with “lunch and learn” meetings discussing Medicare and Medicare Advantage plans on what is available in the marketplace. He discussed how employees can be incentivized to potentially come off the county’s health insurance plan. As an employer, the county can’t force them to take Medicare. McNeilly described a cash incentive plan called Cash in Lieu. Cash in Lieu is paid through payroll and is taxable compensation paid to employees to find another healthcare provider whether through Medicare or even through a spouse’s plan. The Board sets the dollar amount. It does not have to equal what they are contributing to the health insurance; it can be a lesser amount. Another county did this and out of six people, four of them were incentivized to find health insurance alternatives outside of the group health plan. This does not have to be done through OneDigital, it must be set up through the County’s Section 125 program.

McNeilly is finding that counties are wanting to go to market and look at alternative options to CTSI. However, they do not have accessible data. The counties are at the mercy of Anthem and the pool. The only two options to help contain costs are to look at higher out of pocket plans or redefine the contribution strategy. Because counties are not given the data, they don't have the claims experience to help make decisions. Counties can partner with different entities within the employee benefits space that can find still very high performing, but lower cost options. Two things right now that drive any sort of health insurance are facility charges and pharmaceuticals.

Right now, we don't have consumerism as it pertains to health insurance. What people care about are three things, one, what it is going to cost out of their paycheck; two, if they have to use it, can they still see their own doctor; and three, what is it going to cost them out of their pocket if they have to go to the doctor?

There are companies out there that are trying to implement consumer driven health care. They have what is called direct primary care, where they're literally in contact with a concierge service. Say I've torn my ACL. I've already met with my specialist, and they are recommending surgery. The options are three facilities within an X mile radius. If you go to facility A, it still performing as high as the others, we're actually going to waive your entire deductible and out of pocket for you. If you want to go to facility B or C, it's still going to be covered, but you would be subject to that deductible coinsurance because they're getting better negotiated contracts with that facility. Consumers have no idea what the facilities charge, and it can be anywhere from 300% - 400% difference for the same procedure. That hurts your health insurance plan. If you have everybody going to B instead of A that is costing you 2 – 3 times more for the same medical procedures, it's ultimately going to hurt your claims loss ratio at the end of the year. OneDigital advocates to partner with entities out there that are similar.

Diana Korbe has provided OneDigital with all of the county's information. Mr. McNeilly asked if the Board would be open to OneDigital going to market on behalf of the county and presenting their findings on what is available outside of the CTSI Health Pool on the employee benefits side. McNeilly said that if the Board is interested in the casualty and property pool and the workers compensation insurance, OneDigital has a team of people that can help with that. The Board agreed that it always makes sense to look at options. Diana Korbe commented that right now the people on the health insurance that we grandfather and pay the full premium. If the Board decided to pay a Cash in Lieu amount, that would be a win for the county. McNeilly reiterated that the county has 19 employees who are on the county health insurance that are eligible for Medicare but only two are carrying dependents.

DITCH COMPANY RIGHT OF WAY HOLD HARMLESS – Chairman Brownell reported that he had a conversation with Ken Fritzler, president of the Springdale Ditch Company. The county recently gave permission to a company to use the county right of way to put fiber optic cable in the right of way. This company, when talking to the ditch company, said to Fritzler that the county gave them permission, we don't have to have permission to bore under your ditch or under gas lines or other things. Fritzler's concern was the county's right of way agreement holds the county harmless. If for some reason the company boring under the ditch causes the ditch to blow out and flood the neighborhood, the ditch company does not have that same protection under the county's right of way agreement.

The county may need to put language in our right of way agreement to require companies to contact ditch companies and utility companies, etc. and agree to hold them harmless. Chairman Brownell stated that he will ask Alan Samber and Rob Quint to work on this.

There being no further business to come before the Board, the meeting was adjourned at 9:27 a.m.