

**Regular Meeting**  
**Monday, April 4, 2016**  
**Chowan County Public Safety Center**  
**305 West Freemason St.**  
**Edenton, NC**  
**6:00pm**

*This meeting was recorded, a copy of the recording is in the meeting file labeled April 4, 2016.*

Present: Chairman Jeff Smith, Commissioners Keith Nixon, Greg Bonner Emmett Winborne.

Ellis Lawrence (came in after call to order).

Staff present: County Manager Kevin Howard, County Attorney Lauren Arizaga-Womble and Clerk Susanne Stallings.

Commissioners Alex Kehayes and John Mitchener were absent.

Chairman Smith called the meeting to order and led the pledge.

Commissioner Bonner then offered the invocation.

Commissioner Lawrence joined the meeting.

**Approval of Agenda**

Chairman Smith noted the removal of Item #6 Biggert Waters Resolution to be placed on the April 18<sup>th</sup> agenda.

Commissioner Bonner moved to approve and amend the agenda as recommended. Chairman Smith asked for all in favor, the motion passed unanimously (5-0)

**Public Comment**

*(Recording begins during this agenda item)*

Chairman Smith then opened the floor to public comment.

Alvin Earley 405 Drummonds Point Rd. stated his concern with a half-way house in his neighborhood where inmates from the NC Department of Corrections are moving into. He stated there have been some break-ins in the neighborhood and have been tied to inmates in this house. He stated his concern that people in the neighborhood were not informed. He stated he felt the neighbors should have been informed. He stated he would like to know who was aware of the house and why they were not told.

Chairman Smith stated he was not aware of this house but would ask that staff look into it.

Chairman Smith asked for any further public comment, there was none.

**a. Minutes**

Attached are the minutes of the March 7, 2016 and March 22, 2016 meetings for the Board’s review and consideration.

Ms. Stallings noted the March 22, 2016 minutes should reflect that the County Attorney was not present.

Commissioner Nixon moved to approve the minutes as amended. Chairman Smith asked for all in favor, the motion passed unanimously (5-0).

**Health Benefits Renewal**

Donna Nixon with Pierce Group Benefits, provided the Board with information on the Health Insurance renewal.

A copy of the PowerPoint is in the meeting file labeled April 4, 2016.

# Health Plan- Renewal

		AETNA				
In-network Benefits		CURRENT	RENEWAL	Negotiated RENEW	Renew OPT B	
PCP/Specialist Copay/Urgent Care			\$30/\$60/\$75		\$30/\$60/\$75	
Emergency Room			\$200		\$250	
Individual Deductible			\$500		\$750	
Family Deductible			\$1,000		\$1,500	
Individual OOP Max			\$3,000		\$3,000	
Family OOP Max			\$6,000		\$6,000	
Coinsurance			70%/30%		70% / 30%	
Preventative Care Program			100%		100%	
RX Copay - Retail					\$10/\$5/\$0	
RX Specialty			\$30/\$5/\$0		30% copay; min \$30, max \$120	
Pre65 Retirees			Included		Included	
MONTHLY RATES		# EEs	CURRENT	RENEWAL	Neg. RENEW	Renew OPT B
Employee	127		\$525.48	\$577.48	\$557.11	\$544.85
Employee/Spouse	4		\$1,118.33	\$1,228.05	\$1,185.68	\$1,159.60
Employee/Child(ren)	6		\$965.97	\$1,063.60	\$1,034.15	\$1,003.62
Family	4		\$1,234.75	\$1,354.99	\$1,287.89	\$1,259.56
Monthly Premium	141		\$81,861.48	\$88,965.72	\$86,792.15	\$84,882.31
Premium Annual Amount			\$982,338	\$1,079,589	\$1,041,506	\$1,018,588
Total ER Contribution (EE @ 100%)			\$889,078	\$977,096	\$942,630	\$921,886
Total ER Difference			\$88,938	\$55,552	\$32,808	
Rate Change - Annual Premium				9.9%	6.0%	3.7%
Rate Change - ER Contribution				9.9%	6.0%	3.7%

**Renewal Negotiations = \$38,083 in Savings**



Ms. Nixon stated that she is recommending the 6% increase with no changes.

# Dental & Life Renewal

Schedule of Benefits	MetLife			
	Current	Renew	Negotiated Renew	
Annual Deductible*	Calendar			
Individual	\$50			
Family	\$150			
Yearly Maximum	\$1,250			
Orthodontia Lifetime Maximum	N/A			
<b>Risk of Reimbursement</b>				
Preventative	100%			
Rests / Cleanings	2 in 12 months	2	3 in 18 months	
Basic	80%			
Major	50%			
Orthodontia	N/A			
Bitewing X-rays	Preventive			
Fluoride	Preventive			
Sealants	Preventive			
Endodontics	Major			
Periodontics	Major			
Crowns/Bridges	Major			
<b>Monthly Rates</b>				
	Rate	Current (7/1/2016)	Renew	ALT Renew
Employee Only	alt	\$24.64	\$28.59	\$22.62
Employee + Spouse	x	\$48.89	\$57.20	\$54.79
Employee + Children	alt	\$73.22	\$86.90	\$83.96
Employee + Family	x	\$88.96	\$100.31	\$98.68
Monthly Premium	alt	\$6,267.34	\$6,162.88	\$6,947.88
Annual Premium Amount		\$62,108.88	\$75,946.16	\$73,274.58
Annual ER Contribution (R @ 4.0%)		\$45,168.32	\$55,835.52	\$53,038.58
Annual ER Contribution Difference			\$7,888.20	\$5,873.47
Rate Change - Annual Premium			17.0%	13.0%
Rate Change - ER Contribution			17.0%	13.0%

  

Plan Info	CURRENT		
	MetLife	RENEWAL	Neg. Renew w/Dental
Classes	Active FT Employee		
Minimum Participation	100% Eligible Employees		
Benefit	\$10,000		
Guaranteed Issue	\$10,000		
Reduction Schedule	by 25% at age 65, by 50% at age 70		
<b>Plan Features</b>			
AD&D	match life benefit		
Disability Provision	included		
Conversion	included		
Portability	included		
Accelerated Death Benefit	not included		
Dependent Life - Spouse	\$2,500		
Dependent Life - Child	15 days-6 mos = \$100 6 mos-18 yrs = \$1,900		
Dependent Life Rate	\$1.20		
<b>Rate Info</b>			
Volume	\$1,480,000		
<b>Monthly Rates per \$1,000</b>			
	7/1/2016 - 7/2016	Renewal	Neg. Renew w/Dental
Life	\$0.140	\$0.163	\$0.143
EE AD&D	\$0.028	\$0.028	\$0.028
Monthly Premium	\$255.06	\$279.72	\$253.08
Annual Premium	\$3,027	\$3,317	\$3,037
Percentage of Change		10.5%	0.6%

\*Deductible will vary by provider

\*\*Rate increases will have more restrictive waiting periods

††This information is for comparison purposes only. Please see proposal for specific coverage/limitations. Pricing/benefits are subject to change.

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**Renewal Negotiations = \$2,791.60 in Savings**



Ms. Nixon noted this is a 13% increase.

# Vision Renewal

Schedule of Benefits	CURRENT	
	In Network	Out of Network
<b>Prescription</b>		
Glasses	\$10.00	up to \$44
Materials	\$25.00	see below
<b>Services/Prescription</b>		
Glasses	12 months	
Lenses	12 months	
Frames	24 months	
Contact Lenses	12 months	
<b>Benefits</b>		
Member Limit		
Single Vision		up to \$54
Bifocal	copy	up to \$48
Trifocal		up to \$64
Contact Lenses	\$150 allowance	upt to \$300
Standard Contact Lenses	\$25 copy	
Specialty Contact Lens Fitting	\$60 allowance	not covered
Frames	\$150 allowance	up to \$77
<b>Plan Details</b>		
Contribution	Voluntary	
Participation	Current	
Rate Guarantee	4 yrs	
<b>Monthly Rates</b>		
	Rate	7/1/2016 to 6/30/2017
Employee Only	14	\$5.88
Employee + Spouse	14	\$17.58
Employee + Children	14	\$17.22
Family	14	\$26.30
Annual Premium	104	\$13,286.92
Annual ER Contribution		\$0.00
Annual Rate of Change		In Rate Guarantee

\* Contact lenses are in lieu of eyeglasses and frames.

This information is for comparison purposes only. Please see proposal for specific coverage/limitations. Pricing/benefits are subject to change.



Commissioner Winborne asked how Ms. Nixon was able to reduce the rate.

Ms. Nixon stated that there were some large claims last year so the rate reflects a lower loss this year and wellness initiatives have been established.

Commissioner Winborne asked if employees are satisfied with the current plan.

Ms. Byrum stated most employees are satisfied with the current plan.

Commissioner Nixon asked if the total amount was \$60,000.

Ms. Nixon stated yes.

Commissioner Nixon asked when a decision is needed.

Ms. Nixon stated that a decision is needed by the next Board meeting.

Commissioner Winborne asked the manager for comments.

Mr. Howard noted that 3% of the 6% increase is related to the affordable care act.

Ms. Nixon stated that as the bill is written today, the rates are slated to slowly decrease.

Chairman Smith thanked Ms. Nixon for the information.

Mr. Howard stated that if this were a 15% increase he would have gone out for bids from other carriers. He stated he felt the 6% increase is very reasonable.

Ms. Nixon stated the County has had 3 carriers in a 4 year period. She stated that Counties have to be cautious with getting a reputation about changing carriers each year. She stated this renewal is one of the strongest she has this year.

Commissioner Nixon asked what the rate was with the State Health Insurance Plan.

Mr. Howard noted that what hurts the County is the retirees on the plan.

Ms. Nixon provided the following slide.

# State Health Plan

State Health Plan Coverage Options January 1, 2016 - December 31, 2016				
In-network Plan Options	CDHP w/ HRA 85/15	Enhanced 80/20	Traditional 70/30	Current/Renewal Chowan Co 70/30
Wellness Credit Available	Y	Y	N	n/a
Primary Care Doctor	ded/coins*	\$30/ \$15 if PCP	\$39	\$30
Specialist	ded/coins*	\$70/ \$60 if Blue Options	\$92	\$60
Individual Deductible	\$1,500; \$600 HRA contribution	\$700	\$1,054	\$500
Family Deductible	\$4,500; \$1,200 HRA Contrib. for EE + 1; \$1,800 HRA Contrib for EE + 2 or more	\$2,100	\$3,162	\$1,000
Individual Coinsurance Max	n/a	\$3,210	\$4,282	n/a
Family Coinsurance Max	n/a	\$9,630	\$12,846	n/a
Out-of-Pocket Maximum (OOP)	\$3,500/\$10,500	n/a (\$3,919/\$11,759)	n/a (\$5,336/\$16,008)	\$3,000/\$6,000
Coinsurance (In/Out)	85/15	80/20	70/30	70/30
Preventative Care Program	100%	100%	\$39/\$92 copay	100%
In-Patient Hospital	ded/coins*	\$233 Copay then ded/coins; copay waived if using Blue Options Hospital	\$329 Copay, then 30% after Deductible	ded/coins
RX Copay - Retail	ded/coins	\$12-\$40-\$64-\$100-\$132	\$15-\$46-\$72-\$100-\$132	\$10/ \$35/ \$60

\*Under CDHP Plan, \$\$ can be added to HRA for using certain providers



She stated that Chowan's plan design is more attractive than the plan offered by the State Health Plan.

# State Health Plan Rates

State Health Plan Rates January 1, 2016 - December 31, 2016				2016 Renewal	2016 Alternate
	CDHP w/ HRA	Enhanced	Traditional	Chowan	Chowan
	85/15	80/20	70/30	70/30	70/30
Employee Only	\$528.12	\$552.32	\$448.12	\$557.11	\$544.85
Employee & Spouse	\$1,017.26	\$1,198.64	\$991.58	\$1,185.68	\$1,159.60
Employee & Children	\$717.94	\$832.84	\$659.04	\$1,024.15	\$1,001.62
Employee & Family	\$1,049.08	\$1,237.54	\$1,026.98	\$1,287.89	\$1,249.56
Wellness Credit	Up to \$80	Up to \$90	None	N/A	N/A



She noted the rates are slightly higher than the County's renewal rates. She stated the County's plan is comparable to the benefits offered in the State Health Plan.

Commissioner Nixon asked what plan is the State Plan.

Ms. Nixon stated it is Blue Cross Blue Shield.

Commissioner Nixon asked if the State Plan slots were filled.

Mr. Howard stated the County will save money on this end however the State will not accept the retirees.

Ms. Nixon stated that the County currently has 15 (pre age 65) retirees who they would have to provide a separate comparable plan to the State Health Plan. She stated that would be \$15,000 per month expense to the County just for retirees.

Commissioner Nixon asked if catastrophic claims will impact the renewals for next year for the County versus the State Health Plan.

Ms. Nixon stated that the State Health plan is large however the rate for Chowan 45% is based on performance, the remainder is based on the size of the group. She stated there is no negotiating for the plan design for the State plan.

Mr. Howard stated that a County is not eligible to obtain its claim history if it were to join the State Health Plan and come out for quotes.

Commissioner Nixon stated his concern with paying for higher claims.

Ms. Nixon stated the County is fully insured and the increase is done at renewal which allows the County go out and shop for better rates.

Commissioner Winborne asked if Pierce Group Benefits represents other Counties.

Ms. Nixon stated yes they specialize in Cities and Counties. She stated there is not a pool of Counties and Cities represented. She stated so far, Chowan's renewal is the lowest.

Commissioner Winborne moved to accept the renewal as recommended by Pierce Group Benefits for Health, Dental, Life and Vision.

Commissioner Nixon asked if this is the last year for Counties to join the State Health Plan.

MS. Nixon stated that to add more Counties would require a new bill to open up spots.

Chairman Smith asked for all in favor, the motion passed unanimously (5-0).

### **Retiree Health Insurance**

Mr. Howard provided the Board with information he has polled from neighboring Counties regarding retiree health insurance as requested at the last meeting. He noted Camden County is the only County who no longer offers retiree health insurance for new hires. He stated this matter will be discussed by the Albemarle Commission at a future meeting and he will bring information back after that is discussed.

### **Appointment**

Chairman Smith stated that the Board is asked to consider an appointment to the Economic Improvement Council Board as recommended of Ms. Judy Rankins.

Ms. Stallings noted this appointment is not usually advertised, this appointment is based on experience and a recommendation by EIC. She stated this comes as a recommendation by the EIC Director.

Commissioner Winborne stated he was not familiar with the applicant. He asked if she is a resident of Chowan County.

Commissioner Nixon stated his concern with accepting recommendations for appointees.

Ms. Stallings stated that some Boards that are related to work experience or a recommendation from the Board.

Commissioner Nixon stated his concern with some of the programs that are offered.

Board members discussed if anyone knew the applicant.

Commissioner Bonner stated he knows Ms. Rankins and feels she will do a good job on this Board.

Mr. Howard noted this Board does not receive funds from the County and is a non-profit.

Commissioner Bonner moved to appoint Ms. Rankins to the EIC Board. Chairman Smith asked for all in favor, the motion passed (3-2 Nixon/Winborne).

### **External Board/Committee Report**

Chairman Smith stated the Board members are asked to report on the activities of the external boards to which they have been appointed. There were none.

### **Manager's Report**

County Manager Kevin Howard updated the Board on the following:

- He will be meeting with representatives from the NCACC to plan for an upcoming retreat. He has provided the Board with questions for planning the agenda and asked that Board members provide him with their responses prior to Wednesday April 6<sup>th</sup>.
- Mr. Howard noted the Shepard Building repairs are in progress he will bring quotes to the Board soon for additional work.

### **Timely and Important Matters**

Ms. Stallings noted that one of the Planning Board members term has expired. She stated the Board member has indicated interest in reappointment however she will advertise the seat for Area A and will bring back applications at the May 2016 meeting.

Commissioner Winborne stated that the recent Primary the people spoke. He stated he wished to assure the Board that he will continue to do his best in serving the people of Chowan County over the next 7-8 months and be the same old Emmett and carry out his duties.

### **Closed Session**

Commissioner Bonner moved that the Board go into closed session, in accordance with NCGS 143-318 (11) (a) (3, 5 and 6) attorney client privilege, contract negotiations and personnel. Chairman Smith asked for all in favor, the motion passed unanimously (5-0).

The minutes of the closed session are sealed

Commissioner Lawrence moved to come out of closed session. Chairman Smith asked for all in favor, the motion passed unanimously (5-0).

**Adjourn**

Commissioner Nixon moved to adjourn the meeting. Chairman Smith asked for all in favor, the motion passed unanimously (5-0).

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Jeffery Smith, Chairman

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Susanne Stallings, Clerk