

**STAFF MEETING MINUTES
LANCASTER COUNTY BOARD OF COMMISSIONERS
COUNTY-CITY BUILDING, ROOM 113
THURSDAY, JULY 25, 2013
8:30 A.M.**

Commissioners Present: Larry Hudkins, Chair
Brent Smoyer, Vice Chair
Deb Schorr
Jane Raybould
Roma Amundson

Others Present: Kerry Eagan, Chief Administrative Officer
Gwen Thorpe, Deputy Chief Administrative Officer
Dan Nolte, County Clerk
Cori Beattie, Deputy County Clerk
Tory Carkoski, County Clerk's Office

Advance public notice of the Board of Commissioners Staff Meeting was posted on the County-City Building bulletin board and the Lancaster County, Nebraska, web site and provided to the media on July 24, 2013.

The Chair noted the location of the Open Meetings Act and opened the meeting at 8:35 a.m.

AGENDA ITEM

1 APPROVAL OF THE STAFF MEETING MINUTES OF JULY 18, 2013

MOTION: Smoyer moved and Amundson seconded approval of the minutes of the July 25, 2013 Staff Meeting. Schorr, Raybould, Amundson, Smoyer and Hudkins voted aye. Motion carried 5-0.

2 ADDITIONS TO THE AGENDA

None were stated.

3 CLASSIFIED, UNREPRESENTED EMPLOYEE SALARIES - Doug McDaniel, Personnel Director; Richard Grabow, Deputy County Attorney; Nicole Gross, Compensation Technician

Doug McDaniel, Personnel Director, recommended a 2% cost of living increase for the classified, unrepresented employees. He stated this recommendation is based upon comparable data from four of the eight counties in the County's current array. Raybould

said she would like to see all the comparable data, as well as data from other public and private organizations.

Smoyer inquired about the rate of inflation. McDaniel stated that as of July 16, 2013, it was 1.8%.

County Engineer Don Thomas appeared and stated that the American Federation of State, County and Municipal Employees (AFSCME) got a 3.6 % raise last year.

Sheriff Terry Wagner said considering the private sector or any other non-county agency would not be comparing "apples to apples."

With regard to making a decision, McDaniel felt now is the time to address the issue because two other labor contracts are currently in the process of being signed. Making a decision now would also eliminate the need to enter retroactive pay.

In response to Smoyer's inquiry, McDaniel said there is some wage "crowding" between the AFSCME and Unrepresented employees which is currently under review by the Personnel Department.

Schorr stated for the record that every elected official office had a representative in attendance from their offices which shows how strongly they feel about this issue.

MOTION: Schorr moved and Smoyer seconded to approve a 2% cost of living increase for classified, unrepresented employees. Amundson, Smoyer, Schorr and Hudkins voted aye. Raybould voted nay. Motion carried 4-1.

4 HEALTH AND DENTAL INSURANCE RATES - Tracey Krause, Julie M. Hughes and Craig Currier, AON, Doug McDaniel, Personnel Director; Bill Kostner, City Risk Manager; Paula Lueders, Benefits Specialist

Tracey Krause, AON, appeared along with Doug McDaniel, Paula Lueders and Bill Kostner. Krause gave an overview of the proposed changes to the medical and dental insurance plans and medical costs to date, (Exhibit A), noting the following:

- * \$5,362,151 in claims have been paid year-to-date.
- * Medical claims are up; pharmacy is down.
- * Monthly cost per employee is \$1,057 year-to-date.
- * Three claims are currently over \$100,000; 2 are expected to surpass \$200,000.
- * An 18 % increase in stop/loss.
- * Dental claims are running lower than last year.
- * The dental plan cost is the same as last year.
- * Blue Cross/Blue Shield is holding the same administrative fees.
- * Patient-Centered Outcomes Research Institute (PCORI) fee of \$118,784.00.

With regard to changes, Krause said the Affordable Care Act is driving a number of things. For example, employers will be required to provide insurance sooner, therefore, the County will need to change their new employee eligibility requirement to the first day of the month following 60 days of employment as opposed to 90 days. She also noted that under the Act, co-pays will count toward out of pocket expense.

A number of scenarios were outlined in Exhibit A. Krause recommended the County consider a raise in deductible and out of pocket expense, as well as the emergency room co-pay, but no raises to office visit or pharmacy co-pays.

MOTION: Raybould moved and Schorr seconded to adopt Option 1 (as outlined in Exhibit A), to change employment eligibility from 20 to 30 hours, to move the insurance eligibility start date to the first of the month following 60 days of employment and to not change the dental plan.

Eagan questioned whether the part-time (20 hour) stipulation would need to be negotiated. McDaniel said he will have to look into this. It was noted there are nine people currently at the 20-hour level so these employees may need to be grandfathered in or increase their hours to 30 per week. Schorr suggested these employees be notified in writing of the change.

ROLL CALL: Amundson, Smoyer, Schorr, Raybould, Hudkins voted aye. Motion carried 5-0.

5 RETIREE RUN-OUT OF BENEFIT TIME - Doug McDaniel, Personnel Director

McDaniel estimated the average cost to allow an unrepresented employee to run-out vacation time prior to retirement to be \$1,376-\$1,920 per employee. This would be dependent on the employee's current rate of pay, vacation accrual and insurance plan (single, 2/4 or family). He noted most use this practice to bridge health insurance and while it is not a required practice, it portrays a good gesture.

Don Thomas said he would like to retain this policy as he has two employees close to retirement who plan on using this benefit.

Chief Deputy County Treasurer Bill Jarrett appeared and stated he and the County Treasurer are in favor of retaining the benefit but would like to be able to immediately backfill for the retiree as often times this is a critical position in the office and waiting until they are officially gone delays hiring and training.

Raybould felt the practice should be discontinued.

McDaniel said one alternative would be to allow the practice for insurance purposes but to not let employees accrue additional leave time.

Hudkins verified that employees could use their Post Employment Health Plan (PHEP) to bridge insurance.

Jarrett restated his concern about being able to fill a position 6-8 weeks before a person actually retires versus 6-8 weeks after adding Personnel won't let positions be filled that aren't "open." McDaniel stated Personnel is only concerned with the requisition process not the department's budgetary process.

MOTION: Raybould moved to strike the practice of retirees running-out benefit time as instituted in 2000.

Following further discussion, Raybould amended her motion to recommend that the Personnel Policy Board review this issue and make a recommendation to the County Board.

Amundson seconded the motion.

ROLL CALL: Smoyer, Schorr, Raybould, Amundson and Hudkins voted aye. Motion carried 5-0.

Smoyer left at 10:11 a.m.

- 6 (A) FURNITURE FOR JUVENILE PROBATION EXPANSION; AND
(B) NEW SPACE FOR JUVENILE PROBATION -** Lori Griggs, Chief Probation Officer; Don Killeen, County Property Manager

Don Killeen, County Property Manager, and Bob Walla, Assistant Purchasing Agent, addressed the new space for Juvenile Probation. Killeen recommended to utilize the old Human Rights space in the "K" Street facility which won't accommodate all 22 people but will allow for things to get up and running in the next month or so. Future hires could then be located in various space at Heritage Square. He suggested the current lease for this space be amended in September/October accordingly.

Smoyer returned at 10:16 a.m.

Discussion followed on the possibility of receiving additional grant funding to help cover space needs. Sara Hoyle, Juvenile Justice Coordinator, stated this could be included in the grant application but she needed to know the specifics. She explained that there are two sources of funding under community aid - one for programming and one for enhancement (one-time funding). Based off previous figures from Juvenile Probation, she was planning to request \$88,000 for furniture and computers but did not include

anything for rent. Killeen estimated the additional space needs to cost approximately \$112,000.00 per year.

Chief Juvenile Probation Officer Lori Griggs said the current funding request is for the "K" Street space as 12 to 16 people will be going through training and could be onboard by September 2nd. She said she is currently exploring many options to acquire additional surplus furniture, chairs, etc., to help with the second wave of hires.

With regard to the enhancement funding, Kit Boesch, Human Services Administrator, stated the County received \$40,000 in the past. She added they can ask for more but may not receive it. Additionally, she was concerned about the money previously targeted for programs which are already in place and didn't want to see that funding jeopardized.

Raybould requested that all expenses related to this expansion be well documented and recommended that additional funding be requested.

Juvenile Court Judge Roger Heideman appeared and said he understood in the short term Juvenile Probation space will need to be spread out to accommodate all the new officers. But, in the long term, he felt it would be more efficient to have all Juvenile Probation space together and in close proximity to Juvenile Court. He added Lancaster County has the best Probation Office in the State due to its strong leadership.

Hoyle suggested the County request no more than \$125,000 in enhancement funding. She said it would also be beneficial to include a match amount. She sought direction today as the grant application is due August 6, 2013. Boesch asked if Killeen could come up with a figure on what his department has spent on refurbishing the space for the new employees. Killeen said he could come up with some projections.

Griggs said the new Teknion furniture being requested is the same as her other furniture and is completely portable should the office change locations in the future.

MOTION: Schorr moved and Amundson seconded to authorize Lori Griggs to purchase the eight (8) office desks and direct Sara Hoyle to prepare the grant request with a \$50,000 match in-kind including the \$15,977 for the office furniture and any costs allocated for space renovations. Schorr, Raybould, Amundson, Smoyer and Hudkins vote aye. Motion carried 5-0.

Amundson and Raybould left at 10:45 a.m.

7 BUDGET UPDATE - Dennis Meyer, Budget & Fiscal Officer

Due to time considerations, the Chair suggested the Community Mental Health Center transition discussion be held next with the budget update to follow.

8 COMMUNITY MENTAL HEALTH CENTER TRANSITION EVALUATION
- CJ Johnson, Region V Director, Ron Sorensen CMHC Executive Director

CJ Johnson distributed information regarding the University of Nebraska Public Policy Center - Process Evaluation (Exhibit B).

Amundson and Raybould returned at 10:48 a.m.

With regard to the transition, Johnson said each provider is currently meeting with staff and consumers to iron out some of the logistics.

Schorr informed Johnson that the County has requested appraisals on the Midtown Center, the Community Mental Health Center (CMHC), the old Attention Center and Trabert Hall. She added that this does not change the County's commitment to provide services in that location (CMHC) but ownership could change.

Johnson questioned whether an independent evaluation should be done over the first year of transition. He approached the UNL Policy Center for a proposal. While the proposal has three phases, he felt it could be streamlined. The cost was estimated to be \$167,000. Johnson asked the County for a \$25,000 commitment to assist with the evaluation. He said this could come out of the \$500,000 the County previously designated to assist with the transition. He noted he would also be exploring other outside funding sources.

Amundson asked if this would effect any program funding. Johnson said there would either be enough money or not enough money for programs.

Schorr inquired about the total cost of the transition. Johnson said there are a lot of factors like equipment, computers, telephones, etc. He felt the evaluation would enhance the transition and assured the County Board that he can raise the rest of the money needed.

Dennis Meyer, County Budget & Fiscal Officer, stated that he is not concerned about the \$25,000 since it is part of the originally budgeted \$500,000.00.

MOTION: Raybould moved and Amundson seconded to support the authorization of up to \$25,000 from the Transition Fund to go towards the process evaluation. Raybould, Amundson, Smoyer, Schorr and Hudkins voted aye. Motion carried 5-0.

RETURNING TO ITEM 7 (BUDGET UPDATE)

Dennis Meyer distributed the Lancaster County Summary Of Expenditure Requirements (Exhibit C).

Meyer said a proposed budget will be filed with the County Clerk on July 31, 2013. He said the numbers did change slightly due to the fact that the Grants Fund was finalized. Additionally, the Election Commissioner expenses and revenues were adjusted by \$4,200. The levy is 28.13 cents per \$100 of valuation which was factored on a 3% valuation increase. Meyer said numbers can change until the budget is adopted. He said he would like to schedule the budget public hearing and adoption on the same date - August 27, 2013.

9 ACTION ITEMS

There were no action items.

10 CONSENT ITEMS

There were no consent items.

11 ADMINISTRATIVE OFFICER REPORT

- a. August Common Agenda (Monday, August 5, 2013 at 12:45 p.m.)

Raybould said she would like to schedule a tax reform presentation by Open Sky Policy Institute. Schorr said she would be more interested in hearing from them after all the public hearings across the State. It was noted that Open Sky was asked to attend the County's Legislative Retreat on August 8, 2013, but may have a conflict. Raybould said she would contact Open Sky and City Councilman Carl Eskridge about scheduling a presentation before the Common in August.

It was noted that a rural water presentation is scheduled for the Tuesday, September 10, 2013 Common meeting which will start at 12:45 p.m.

- b. Request for Letter of Support (JKs Pumpkin Patch)

MOTION: Smoyer moved and Schorr seconded to authorize a letter of support to be drafted and signed by the Chair. Amundson, Smoyer, Schorr, Raybould and Hudkins voted aye. Motion carried 5-0

- c. NACO SE District Meeting (Thursday, September 5, 2013)

Smoyer, Schorr, Amundson and Hudkins said they will be attending. Raybould was undecided.

Due to a lack of quorum, the staff meeting scheduled for September 5, 2013, was cancelled.

d. Management Team Agenda (September 12, 2013)

The following items were offered: United Way (7:30 a.m.), Records Management (7:45 a.m.) and health/dental insurance (8:30 a.m.).

12 PENDING

There were no pending items.

13 DISCUSSION OF BOARD MEMBER MEETINGS

a. PBC Meeting with the Mayor - Hudkins

Hudkins said they discussed Information Services (IS) and electrical surges at the 233 Building. He added there is ample space on the third floor of the County-City Building if IS needed to move.

b. County Budget Monitoring Committee Meeting - Smoyer/Raybould

Smoyer said Dennis Meyer did a good job presenting the figures and Committee members seemed comfortable with the proposal. Raybould felt people finally understood the importance of inheritance tax.

c. Community Mental Health Center Advisory Committee - Raybould

Raybould said they discussed the transition and how some of the providers are meeting with staff and consumers. They also discussed the various programs in place and how they are currently funded. She added consumers did have had an opportunity to provide input and questioned such things as funding, staffing and transportation.

14 SCHEDULE OF BOARD MEMBER MEETINGS

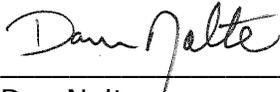
- a. LIBA - Terrace Grill - Amundson
Tuesday, July 30, 2013, 7:30 a.m.
- b. JPA - Corrections - Hudkins/Smoyer
Tuesday, July 30, 2013, 9:00 a.m.
- c. Planning Mtg W/Marvin & Sara - Hudkins/Smoyer
Tuesday, July 30, 2013, 9:30 a.m.
- d. District Energy Corporation - Hudkins/Schorr
Tuesday, July 30, 2013, 11:30 a.m.
- e. Board of Equalization - All
Tuesday, July 30, 2013 1:00 - 5:00 p.m.

15 EMERGENCY ITEMS AND OTHER BUSINESS

There were no emergency items or other business.

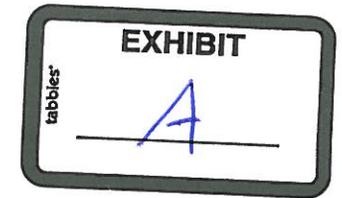
16 ADJOURNMENT

MOTION: Schorr moved and Raybould seconded to adjourn the meeting at 11:28 a.m. Smoyer, Schorr, Raybould, Amundson and Hudkins voted aye. Motion carried 5-0.



Dan Nolte
Lancaster County Clerk





Lancaster County

Experience Summary

Plan Year January 1, 2013 through December 31, 2013

Experience through June 30, 2013

**Lancaster County
Medical & Rx Monthly Report**

	Enrollment						Administration Expenses					Claim Expenses						Total Cost Summary				
	EE	2 Party	4 Party	Family	Total	Total Members	Admin Fees	Specific Stop Loss Prem	Agg Stop Loss Prem	AEA FEES	Total Admin Costs	Medical Claims	Rx Claims	Other Claims (M/N, vision)	Other Claims (Run-out, capitated expense)	Total Gross Paid Claims	Claims Over Specific	Net Paid Claims	Total Plan Cost	Expected Plan Cost	Amount Over / (Under) Expected	Ratio of Actual to Expected
Jan-13	403	116	82	239	840	1835	\$37,136	\$41,236	-	\$267	\$78,639	\$581,318	\$187,049	-	-	\$768,367	\$0	\$768,367	\$847,006	\$868,161	(\$21,155)	97.6%
Feb-13	403	116	83	238	840	1840	\$37,136	\$41,236	-	\$2,020	\$80,392	\$562,665	\$188,771	-	-	\$751,436	\$0	\$751,436	\$831,828	\$868,161	(\$36,333)	95.8%
Mar-13	403	118	82	240	843	1848	\$37,269	\$41,383	-	\$115	\$78,767	\$863,687	\$186,949	-	-	\$1,050,636	\$0	\$1,050,636	\$1,129,403	\$871,262	\$258,141	129.6%
Apr-13	408	120	84	239	851	1855	\$37,623	\$41,776	-	\$53	\$79,451	\$668,291	\$169,931	-	-	\$838,222	\$0	\$838,222	\$917,673	\$879,530	\$38,143	104.3%
May-13	409	118	84	240	851	1855	\$37,623	\$41,776	-	\$101	\$79,499	\$492,627	\$181,398	-	-	\$674,025	\$0	\$674,025	\$753,524	\$879,530	(\$126,006)	85.7%
Jun-13	403	121	82	241	847	1856	\$37,446	\$41,579	-	\$53	\$79,078	\$679,354	\$124,284	-	-	\$803,638	\$0	\$803,638	\$882,716	\$875,396	\$7,320	100.8%
Jul-13																						
Aug-13																						
Sep-13																						
Oct-13																						
Nov-13																						
Dec-13																						
Total	2429	709	497	1437	5072	11089	\$224,233	\$248,984	-	\$2,609	\$475,827	\$3,847,942	\$1,038,382	\$0	\$0	\$4,886,324	\$0	\$4,886,324	\$5,362,151	\$5,242,040	\$120,111	
Monthly Avg					845	1848	\$37,372	\$41,497	-	\$435	\$79,304	\$641,324	\$173,064	\$0	\$0	\$814,387	\$0	\$814,387	\$893,692	\$873,673	\$20,018	
Avg PEPM							\$44.21	\$49.09	-	\$0.51	\$93.81	\$758.66	\$204.73	\$0.00	\$0.00	\$963.39	\$0.00	\$963.39	\$1,057.21	\$1,033.53	\$23.68	102.3%
Avg PMPM							\$20.22	\$22.45	-	\$0.24	\$42.91	\$347.01	\$93.64	\$0.00	\$0.00	\$440.65	\$0.00	\$440.65	\$483.56	\$472.72	\$10.83	

	Admin Fee	ISL	ASL	Other Admin Fee
Per EE	\$44.21	\$49.09	NA	-
2 Party	\$44.21	\$49.09	NA	-
4 Party	\$44.21	\$49.09	NA	-
Per Family	\$44.21	\$49.09	NA	-

Projected Plan Cost PEPM: (from contribution summary)	\$1,033.53
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	Change From Prior Year	2013 YTD	2012	2011
Administrator		BCBSNE	BCBSNE	BCBSNE
Prescription Benefit Mgr		BCBSNE	BCBSNE	BCBSNE
Reinsurance Carrier		BCBSNE	BCBSNE	BCBSNE
Admin Fee PEPM	4.5%	\$44.21	\$42.30	\$48.61
Specific Prem PEPM	18.0%	\$49.09	\$41.60	\$32.00
Aggregate Prem PEPM	-	-	-	-
Other Admin Fee PEPM	-35.2%	\$0.51	\$0.79	\$0.58
Net Paid Claims PEPM	12.8%	\$963.39	\$854.41	\$819.11
Monthly Cost Per EE	12.6%	\$1,057.21	\$939.11	\$900.30
Annual Cost Per EE	12.6%	\$12,686	\$11,269	\$10,804
Change from Prior Year		12.6%	4.3%	

Benchmarks *	Annual Cost Per EE
Medium Employer Size	\$5,858
Central Region	\$6,075
City & County Government	\$6,453

* 2011 Aon Hewitt Health & Welfare Client Base

⁽¹⁾ City of Lincoln does not have ASL coverage

Lancaster County

2013 Large Claim Report through June 2013

Claims Over \$100,000 (50%) of the Specific Deductible

The information on this report is for general client reporting purposes and is not meant to be used for risk evaluation or assessment for underwriting purposes.

Claimant	Relationship to Employee	Member Status	Diagnosis *	Total Paid YTD	Amount Over the Specific	Net Plan Cost	% of Net Plan Paid Claims
#1	Dependent	Active	Benign Neoplasm of Brain and Other Parts of Nervous System	\$196,832	\$0	\$196,832	4.0%
#2	Employee	Active	Chronic Liver Disease and Cirrhosis / Complications Peculiar to Certain Specified Procedures	\$192,010	\$0	\$192,010	3.9%
#3	Spouse	Active	Multiple Sclerosis	\$134,098	\$0	\$134,098	2.7%
				Total Paid Claims		Total Net Plan Paid Claims	
				Total Large Claims	\$0	\$522,940	
				Total Paid Claims YTD		\$4,886,324	
				Large Claims as a Percent of the Total	10.7%		10.7%

Reinsurance Carrier	BCBSNE
Specific Deductible	\$200,000
Aggregating Specific Deductible	N/A
Lasers	No
Specific Contract	Paid
Annual Specific Maximum	Unlimited
Lifetime Specific Maximum	Lifetime
Benefits Covered	Medical, Rx

Lancaster County
Self Funded Report- Dental with Ameritas

	Enrollment						Administration Expenses	Claim Expenses	Total Cost Summary
	EE	EE+Sp	EE+Ch	Family	Total	Total Members	Admin Fees	Dental Claims	Total Plan Cost
Jan-13	340	148	83	238	809		\$3,616	\$44,745	\$48,361
Feb-13	343	151	86	230	810		\$3,621	\$41,696	\$45,317
Mar-13	342	154	84	233	813		\$3,634	\$41,394	\$45,028
Apr-13	345	157	86	231	819		\$3,661	\$37,884	\$41,545
May-13	346	158	85	226	815		\$3,643	\$45,492	\$49,135
Jun-13	348	160	82	226	816		\$3,648	\$39,061	\$42,709
Jul-13							\$0		\$0
Aug-13							\$0		\$0
Sep-13							\$0		\$0
Oct-13							\$0		\$0
Nov-13							\$0		\$0
Dec-13							\$0		\$0
Total	2,064	928	506	1,384	4,882	0	\$21,823	\$250,272	\$272,095
Monthly Avg					814	0	\$10,911	\$125,136	\$136,047
Avg PEPM							\$4.47	\$51.26	\$55.73
Avg PMPM									

11/1/2012-10/31/2013	SF Admin Fee
Per EE	\$4.47
EE + Sp	\$4.47
EE + Ch	\$4.47
Per Family	\$4.47

	Change From Prior Year	2013 YTD	2012
Carrier		Ameritas	Ameritas
Claim Cost PEPM	-8.4%	\$51.26	\$55.97
Administrative Fee	0.0%	\$4.47	\$4.47
Annual Cost PEPY	-7.8%	\$668.81	\$725.24
Loss Ratio *		-7.8%	

Benchmarks *	Annual Cost Per EE
Medium Employer Size	\$411
Central Region	\$365
Public Administration	\$427

*2011 Aon Hewitt Health & Welfare Client Base



Lancaster County

Medical Renewal Options
7/25/2013



Lancaster County
Administrative Services Renewal - Medical and Prescription Drugs

Effective January 1, 2014

Enrollment Assumptions		
Single	409	
Family	442	
Total	851	

	Current	Renewal
Administration Fees	BCBS of NE ASO	BCBS of NE ASO
Medical Administration	\$44.21	\$44.21
Prescription Drug Administration	Included	Included
PPO Network Access Fee	Included	Included
Claim Fiduciary	Included	Included
Mental Health Network Access Fee	Included	Included
Disease Management Fee	Included	Included
Total Per Employee Per Month	\$44.21	\$44.21
Total Monthly Administrative Costs	\$37,623	\$37,623
Total Annual Administration costs	\$451,473	\$451,473
Increase:		0.0%
Rate Guarantee	12 months	24 months

Commissions	Current	Renewal
	None	None

Notes:	Current	Renewal

Stop Loss Renewal - Specific Coverage

	Current	Renewal
Contract Details	BCBS of NE Stop Loss	BCBS of NE Stop Loss
Specific Deductible	\$200,000	\$200,000
Specific Funding Type	Advance Funding	Advance Funding
Aggregating Specific Deductible	NA	NA
Specific Contract	Paid	Paid
Benefits covered under Specific Contract	Medical & RX	Medical & RX
Lifetime Plan Maximum Benefit (per person)	Unlimited	Unlimited
Specific Contract Maximum Payable (per person)	Unlimited	Unlimited
Aggregate Corridor	NA	NA
Aggregate Contract	NA	NA
Benefits covered under Aggregate Contract	NA	NA
Aggregate Maximum	NA	NA
Stop Loss Premiums		
Specific Premium		
Single	409	
Family	442	
Composite	851	
Estimated Annual Specific Premium	\$49,09	\$57,93
	\$501,307	\$591,581
Aggregate Premium	NA	NA
Monthly Aggregate Accommodation		
Estimated Annual Aggregate Premium	\$0	\$0
Total Monthly Stop Loss Premium	\$41,776	\$49,298
Total Annual Stop Loss Premium	\$501,307	\$591,581
Increase:		18.0%
Attachment Point		
Single	409	NA
Family	442	NA
Composite	851	NA
Total Annual Aggregate Attachment Point	NA	NA
Rate Guarantee	12 Months	12 Months

Commissions	Current	Renewal
	None	None

Notes:

Lancaster County
Projected Total Cost Summary- Medical and Prescription Drug

Annual Fixed Costs	Current Year Expected TPA/Carrier	Renewal 2014 TPA/Carrier	Renewal Option 1	Renewal Option 2	Renewal Option 3
Enrollment	841	851	851	851	851
Claims Administration	\$446,167	\$451,473	\$451,473	\$451,473	\$451,473
PCORI Fee and Transitional Reinsurance Fee	\$0	\$118,784	\$118,784	\$118,784	\$118,784
Stop Loss Premium	\$495,396	\$591,581	\$591,581	\$591,581	\$591,581
Total Fixed Costs	\$941,563	\$1,161,838	\$1,161,838	\$1,161,838	\$1,161,838
\$ Change from Current Year Expected		\$220,275	\$220,275	\$220,275	\$220,275
% Change from Current Year Expected		23.4%	23.4%	23.4%	23.4%
\$ Change from Current Year Anticipated		\$211,950	\$211,950	\$211,950	\$211,950
% Change from Current Year Anticipated		22.3%	22.3%	22.3%	22.3%

Annual Expected Costs					
Total Expected Claim Costs -- Aon Projections					
Medical and Prescription Drugs	\$9,488,774	\$10,170,621	\$9,490,341	\$9,243,878	\$9,045,004
\$ Change from Current Year Expected		\$681,847			
% Change from Current Year Expected		7.2%			
\$ Change from Current Year Anticipated		\$675,147			
% Change from Current Year Anticipated		7.1%			
Total Expected Costs -- Fixed + Claims	\$10,430,337	\$11,332,458	\$10,652,179	\$10,405,715	\$10,206,841
\$ Change from Current Year Expected		\$902,121	\$221,842	-\$24,622	-\$223,496
% Change from Current Year Expected		8.6%	2.13%	-0.24%	-2.14%
\$ Change from Current Year Anticipated		\$887,098			
% Change from Current Year Anticipated		8.5%			
Total Expected Costs PEPM	\$1,033.53	\$1,109.72	\$1,043.10	\$1,018.97	\$999.49
% Change from Current Year Expected		7.4%			
% Change from Current Year Anticipated		8.2%			
Estimated Current Funding PEPM		\$1,055.97	\$1,055.97	\$1,055.97	\$1,055.97
Required Increase/Decrease - Current Funding		5.1%	-1.2%	-3.5%	-5.3%

Notes					

Lancaster County

Requested Medical Plan Design Changes
Effective January 1, 2014

Eligibility: All Active Employees working at least 20 hours per week.

Effective Date: First of the month following 90 days of active work or first of the month following date of hire (EE pays full premium amount)

Carrier Plan Name Plan Type	Renewal 2014		Proposed Changes		Proposed Changes		Proposed Changes	
	BCBS of NE		BCBS of NE		BCBS of NE		BCBS of NE	
	PPO		Option 1 PPO		Option 2 PPO		Option 3 PPO	
Calendar Year Deductible								
Individual	\$400	\$800	\$600	\$1,200	\$750	\$1,500	\$1,000	\$2,000
Family	\$800	\$1,200	\$1,200	\$2,400	\$1,500	\$3,000	\$2,000	\$1,000
Out-of-Pocket Limit (includes Deductible)								
Individual	\$1,200	\$2,800	\$1,800	\$3,200	\$2,250	\$3,500	\$2,250	\$3,500
Family	\$2,400	\$5,200	\$3,600	\$6,400	\$6,750	\$7,000	\$6,750	\$7,000
	In and Out-of-Network deductibles are aggregating		In and Out-of-Network deductibles are aggregating		In and Out-of-Network deductibles are aggregating		In and Out-of-Network deductibles are aggregating	
Maximum Benefit	Unlimited		Unlimited		Unlimited		Unlimited	
Physician Office Services								
Office visit	\$20 Copay	Deductible, 30%	\$20 Copay	Deductible, 40%	\$20 Copay	Deductible, 40%	\$20 Copay	Deductible, 40%
Specialist visit	\$20 Copay	Deductible, 30%	\$20 Copay	Deductible, 40%	\$20 Copay	Deductible, 40%	\$20 Copay	Deductible, 40%
Allergy Injections and Serum	\$20 Copay	Deductible, 30%	\$20 Copay	Deductible, 40%	\$20 Copay	Deductible, 40%	\$20 Copay	Deductible, 40%
Preventive Benefits	\$0 Copay	Deductible, 30%	\$0 Copay	Deductible, 40%	\$0 Copay	Deductible, 40%	\$0 Copay	Deductible, 40%
Vision Care (exams)	\$15 Copay	Deductible, 30%	\$15 Copay	Deductible, 40%	\$15 Copay	Deductible, 40%	\$15 Copay	Deductible, 40%
Inpatient Hospital Services	Deductible, 15%	Deductible, 30%	Deductible, 20%	Deductible, 40%	Deductible, 20%	Deductible, 40%	Deductible, 20%	Deductible, 40%
Outpatient Hospital Services	Deductible, 15%	Deductible, 30%	Deductible, 20%	Deductible, 40%	Deductible, 20%	Deductible, 40%	Deductible, 20%	Deductible, 40%
Emergency Room Services	\$150 copay (waived if admitted within 24 hours for the same diagnosis, if waived, benefits are subject to deductible & coinsurance)	Deductible, 30%	\$150 copay Deductible, 20% (waived if admitted within 24 hours for the same diagnosis, if waived, benefits are subject to deductible & coinsurance)	Deductible, 40%	\$150 copay Deductible, 20% (waived if admitted within 24 hours for the same diagnosis, if waived, benefits are subject to deductible & coinsurance)	Deductible, 40%	\$150 copay Deductible, 20% (waived if admitted within 24 hours for the same diagnosis, if waived, benefits are subject to deductible & coinsurance)	Deductible, 40%
Urgent Care Centers	\$35 Copay	Deductible, 30%	\$35 Copay	Deductible, 40%	\$35 Copay	Deductible, 40%	\$35 Copay	Deductible, 40%
Mental Illness/Substance Abuse								
Outpatient Services-Office visit	\$20 Copay	Deductible, 30%	\$20 Copay	Deductible, 40%	\$20 Copay	Deductible, 40%	\$20 Copay	Deductible, 40%
Emergency Care Services	\$150 copay (waived if admitted within 24 hours for the same diagnosis, if waived, benefits are subject to deductible & coinsurance)	Deductible, 30%	\$150 copay Deductible, 20% (waived if admitted within 24 hours for the same diagnosis, if waived, benefits are subject to deductible & coinsurance)	Deductible, 40%	\$150 copay Deductible, 20% (waived if admitted within 24 hours for the same diagnosis, if waived, benefits are subject to deductible & coinsurance)	Deductible, 40%	\$150 copay Deductible, 20% (waived if admitted within 24 hours for the same diagnosis, if waived, benefits are subject to deductible & coinsurance)	Deductible, 40%
Therapy & Manipulation								
Physical, occupational, or speech therapy services, chiropractic, or osteopathic physiotherapy and chiropractic or osteopathic manipulative treatments or adjustments (combined limit 75 sessions per calendar year)	\$15 Copay	Deductible, 30%	\$15 Copay	Deductible, 40%	\$15 Copay	Deductible, 40%	\$15 Copay	Deductible, 40%
Prescription Drugs	Generic/Brand Form/Non-Form		Generic/Brand Form/Non-Form		Generic/Brand Form/Non-Form		Generic/Brand Form/Non-Form	
Retail (30 days)	\$5 / \$30 / \$50	\$5 + 25% penalty \$30 + 25% penalty \$50 + 25% penalty	\$5 / \$30 / \$50	\$5 + 25% penalty \$30 + 25% penalty \$50 + 25% penalty	\$5 / \$30 / \$50	\$5 + 25% penalty \$30 + 25% penalty \$50 + 25% penalty	\$5 / \$30 / \$50	\$5 + 25% penalty \$30 + 25% penalty \$50 + 25% penalty
Mail (90 days)	\$12.50 / \$75 / \$125	N/A	\$12.50 / \$75 / \$125	N/A	\$12.50 / \$75 / \$125	N/A	\$12.50 / \$75 / \$125	N/A

*NOTE: This Schedule of Benefits is intended to provide you with a brief overview of possible benefits. It is not a contract and should not be regarded as one.

Required Increase	5.09%	-1.22%	-3.50%	-5.35%
Plan COST/SAVINGS	\$887,098	(\$680,270)	(\$926,743)	-\$1,125,617

Lancaster County

Dental Renewal and Rates
July 25, 2013

Lancaster County
Administrative Services Renewal - Dental

Effective January 1, 2014

Enrollment Assumptions		
Single	346	
Family	469	
Total	815	

Administration Fees	Current	Renewal
	AMERITAS ASO	AMERITAS ASO
Medical Administration	\$4.47	\$4.47
PPO Network Access Fee	Included	Included
Claim Fiduciary	Included	Included
Total Per Employee Per Month	\$4.47	\$4.47
Total Monthly Administrative Costs	\$3,643	\$3,643
Total Annual Administration costs	\$43,717	\$43,717
Increase:		0.0%
Rate Guarantee	12 months	12 months

Commissions	None	None
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Notes:		
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Lancaster County

Projected Total Cost Summary- Dental

Annual Fixed Costs	Current Year Expected AMERITAS	Current Year Anticipated AMERITAS	Renewal AMERITAS
Enrollment	809	882	815
Claims Administration		\$47,324	\$43,717
Total Fixed Costs	\$43,395	\$47,324	\$43,717
\$ Change from Current Year Expected		\$3,929	\$322
% Change from Current Year Expected		9.1%	0.7%
\$ Change from Current Year Anticipated			-\$3,607
% Change from Current Year Anticipated			-7.6%

Annual Expected Costs			
Total Expected Claim Costs -- Aon Projections			
Medical and Prescription Drugs	\$555,201	\$551,838	\$524,208
\$ Change from Current Year Expected		-\$3,363	-\$30,993
% Change from Current Year Expected		-0.6%	-5.6%
\$ Change from Current Year Anticipated			-\$27,630
% Change from Current Year Anticipated			-5.0%
Total Expected Costs -- Fixed + Claims	\$598,596	\$599,162	\$567,925
\$ Change from Current Year Expected		\$566	-\$30,671
% Change from Current Year Expected		0.1%	-5.1%
\$ Change from Current Year Anticipated			-\$31,238
% Change from Current Year Anticipated			-5.2%
Total Expected Costs PEPM	\$61.66	\$56.59	\$58.07
% Change from Current Year Expected		-8.2%	-5.8%
% Change from Current Year Anticipated			2.6%
Estimated Current Funding PEPM			\$62.17
Required Increase/Decrease - Current Funding			-6.6%

Notes			
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Lancaster County Board

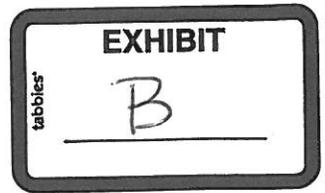
PPACA Considerations

- **PPACA requires employers to offer healthcare coverage to any employee working more than 30 hours per week or 130 hours per month. We would ask the Board to consider changing the current eligibility for healthcare from the current eligibility 20 hours to 30 hours.**
 - **Change the eligibility from 20 hours per week to 30 hours per week**
- **PPACA requires an elimination period of NO LONGER than the 91st day after hire. Currently Lancaster County employees are eligible the 1st of the month following 90 days of employment. This is NOT PPACA compliant. We would like to ask the Board to change this eligibility waiting period to 1st of the month following 60 days of continuous employment.**
 - **Change the elimination waiting period to 1st of the month following 60 days of continuous employment**

DEVA UPDATE

The approved Dependent Eligibility Audit is currently underway – started 7/1/2013 - wanted to bring this to your attention in case employees as you why they are receiving letter.





UNIVERSITY OF NEBRASKA PUBLIC POLICY CENTER
Linking policy with research, process and practice.

Process Evaluation

**Privation of Services Previously Provided by the
Community Mental Health Center**

**Proposal Submitted to:
Region V Systems
July 2013**

**By:
University of Nebraska Public Policy Center**

Nancy Shank, Ph.D., M.B.A.
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Lincoln NE 68588-0228
402-472-5687
nshank@nebraska.edu

INTRODUCTION

The Lancaster County Board (Nebraska) has awarded three contracts that effectively privatizes of services previously provided by the Community Mental Health Center (CMHC). Region V Systems is responsible for overseeing the transition of services from CMHC to the three contractors: CenterPointe, Lutheran Family Services, and Omni Behavioral Health. CMHC's 70 employees provided services to approximately 3,500 low-income persons with serious mental illness. CMHC's annual budget was approximately \$6.2 million.

Region V Systems wishes to document the transition of services process. This document is the University of Nebraska Public Policy Center's proposal to conduct a process evaluation of the transition.

PURPOSE

Process evaluations looks at how programs are delivered and may provide early information as to whether the privatization is proceeding as intended. Further, the process evaluation may help answer questions about why the intended outcomes were achieved or not achieved.

The Process Evaluation will answer the following questions:

1. Are the transition work plans being implemented according to schedule? If not, why not?
2. What problems are being encountered in implementing the work plans?
3. How many staff have been hired from CMHC and elsewhere?
4. How many clients have been transitioned for what Core Services?
5. What quality assurance and quality improvement data are available for clients that have been transitioned?
6. What has been the experience of staff (including former CMHC staff)?
7. What has been the experience of clients (including former CMHC clients)?

APPROACH

Public Policy Center researchers will:

- Interview key transition personnel named in the bidding documents
- Interview Region V personnel coordinating the transition process
- Gather evidence and statistics from participating organizations
- Conduct survey and focus groups of staff (including former CMHC staff who have and have not been hired by a provider of transitioned services)
- Conduct surveys and focus groups of clients

A research protocol will be developed that will include for questions asked of each group of informants, detailed data requests, and recruitment/request approaches. The research protocol will be reviewed by a stakeholder group for comment and to Region V for approval.

Each of the work plans prepared by the providers of transitioned services covers at least one year. In order to begin gaining an understanding as the transitions are underway and then have a more complete review at the end of the first year, a three phase approach will be used.

Phase One – Documentation of Transition Initiation

Phase One will focus on the crucial first three months of implementation. Key indicators will be:

- 1) Achievement of transition activities planned for July – September 2013:
 - a) Financial
 - b) Personnel
 - c) Records / Information System
 - d) Facilities / Accessibility
 - e) Communications / Marketing Plan
 - f) Accreditation
 - g) Transition of Persons Served
- 2) Feedback from organizational key personnel

Product: *Report of Transition Initiation* will include an organization-by-organization summary of transition activities, changes to the work plan, barriers and resolutions, and quality assurance and quality improvement documentation.

Phase Two – Documentation of Transition Experiences

Phase Two will focus on the experience of key stakeholders through December 2013.

Key indicators will be:

- 1) Clients
 - a) Existing Clients
 - i) Perceptions of service and service providers
 - ii) Accessibility of care
 - iii) Availability of care
 - iv) Competence of care provision in comparison
 - v) Satisfaction with facilities
 - vi) Overall satisfaction with care
 - b) Former CMHC Clients
 - i) Perceptions of service and service providers in comparison to that received through CMHC
 - ii) Accessibility of care in comparison to that received through CMHC
 - iii) Availability of care in comparison to that received through CMHC
 - iv) Competence of care provision in comparison to care received through CMHC
 - v) Satisfaction with facilities in comparison to those through CMHC

- vi) Overall satisfaction with care in comparison to that received through CMHC
 - vii) Satisfaction with communications about the transition process
 - viii) Overall satisfaction with transition
 - ix) Changes to profile of services since the transition
 - x) Description of what worked well in the transition
 - xi) Description of what did not work well in the transition
- 2) Staff
 - a) Existing staff
 - i) Impact of transition on existing clients
 - ii) Impact of transition on existing staff
 - iii) Satisfaction with communications about the transition process
 - b) Former CMHC staff
 - i) Continuity of care in transition process
 - ii) Transfer of client records in transition process
 - iii) Satisfaction with communications about the transition process
 - 3) Organizational representatives
 - a) Continuity of care in transition process
 - b) Transfer of client records in transition process
 - c) Satisfaction with communications about the transition process

Product: *Report of Transition Experiences* will include qualitative and quantitative data about the transition experience, six months in, from the perspective of clients and staff.

Phase Three – Documentation of Transition’s First Year

Phase Three will document the first year of the transition process. Key indicators will be:

- 1) Achievement of transition activities planned for July – June 2014:
 - a) Financial
 - b) Personnel
 - c) Records / Information System
 - d) Facilities / Accessibility
 - e) Communications / Marketing Plan
 - f) Accreditation
 - g) Transition of Persons Served
- 2) Feedback from organizational key personnel
- 3) Data regarding:
 - a) Number of clients transitioned, by services, and payment type
 - b) Number of clients retained, by services, and payment type
 - c) Number of staff hired, from CMHC and elsewhere
 - d) Number of staff retained, from CMHC and elsewhere
 - e) Quality assurance and improvement systems in place to ensure fidelity to evidence based practices, including structures for continuity of care (e.g., MOU’s, inter-organizational treatment planning mechanisms, use of electronic health records for inter-organizational referrals)
 - f) Metrics of transitioned clients and in comparison to other clients which may include:

- i) Hospitalizations
- ii) Emergency room visits
- iii) Detox visits
- iv) Jail admissions
- g) Services and cost of care provided to clients

Product: *Report of Transition's First Year* will include an organization-by-organization summary of transition activities, changes to the work plan, barriers and resolutions, care and financial metrics and other quality assurance and quality improvement documentation.

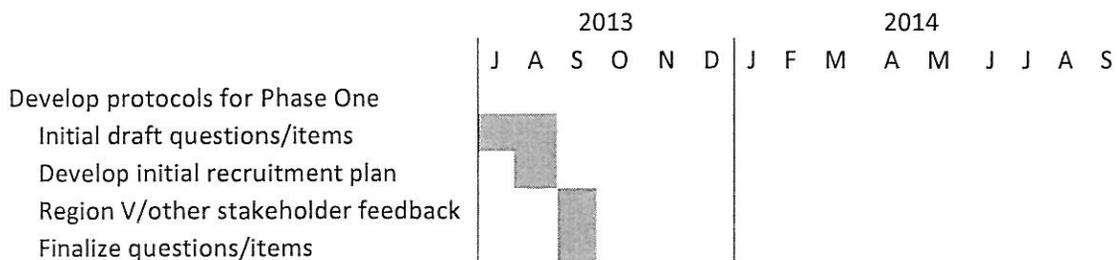
KEY PERSONNEL

The project lead will be Nancy Shank (PhD, MBA), Associate Director of the University of Nebraska Public Policy Center. Dr. Shank brings experience in managing complex projects, and has been the lead researcher on many federal projects including a U.S. Department of Health and Human Services Agency for Healthcare Research and Quality, Ambulatory Safety and Quality Program: Improving Management of Individuals with Complex Healthcare Needs through Health IT Grant (2008-2013) studying the implementation of electronic health records among behavioral health providers; a records management request for proposal process for the Nebraska State Patrol (2013); a business case for the Nebraska Department of Motor Vehicles (2013); strategic planning and public engagement activities for the Nebraska Department of Natural Resources (2011-2014); community data indicators report for the Lincoln Community Foundation (2013-15); an Office of the National Coordinator for Health Information Technology Extension Center Workforce Development program (2009-2012); and a U.S. Department of Commerce Technologies Opportunities Program grant (2003-06). She also regularly does group facilitation processes. Two recent projects were for KQED (San Francisco) and 12 other public media stations across the US, and the Central Nebraska Public Power and Irrigation District.

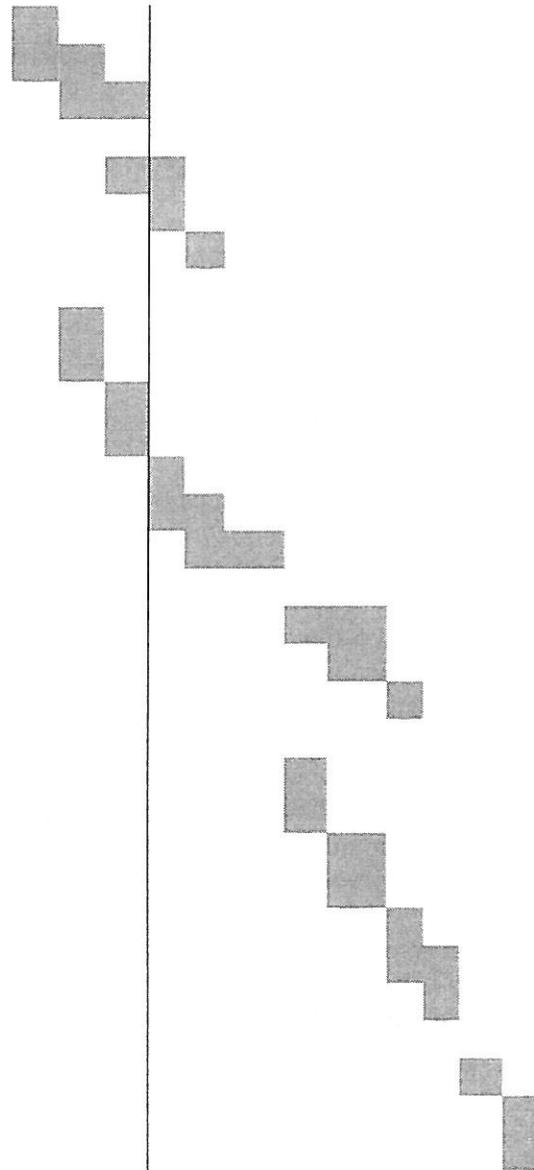
TIMELINE

The process evaluation, as described, will take 15 months. The activities for each of the three phases are displayed in Table 1.

Table 1. Process evaluation timeline



Recruit participants
 Data Collection for Phase One
 Data Analysis
 Prepare Report
 Preliminary draft
 Member checking
 Final report issued
 Develop protocols for Phase Two
 Initial draft questions/items
 Develop initial recruitment plan
 Region V/other stakeholder feedback
 Finalize questions/items
 Recruit participants
 Data Collection for Phase Two
 Data Analysis
 Prepare Report
 Preliminary draft
 Member checking
 Final report issued
 Develop protocols for Phase Three
 Initial draft questions/items
 Develop initial recruitment plan
 Region V/other stakeholder feedback
 Finalize questions/items
 Recruit participants
 Data Collection for Phase Three
 Data Analysis
 Prepare Report
 Preliminary draft
 Member checking
 Final report issued

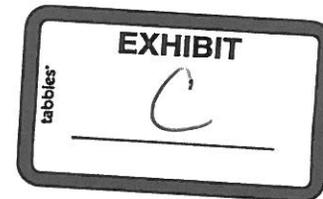


BUDGET

The budget for the process evaluation totals \$167,870. The detailed costs for each phase are displayed in Table 2.

Table 2. Process Evaluation Budget

	Total		Cost by Phase					
	Hours	Cost	Phase 1		Phase 2		Phase 3	
			Hours	Cost	Hours	Cost	Hours	Cost
Nancy Shank	744		247		211		286	
Liz Willborn	507		160		170		177	
Jenn Klein	105		25		55		25	
	<u>1356</u>	\$ 133,062	<u>432</u>	\$ 43,083	<u>436</u>	\$ 40,856	<u>488</u>	\$ 49,124
Other Direct Costs								
Copying/Printing/Postage		\$ 168		\$ 56		\$ 56		\$ 56
		\$ 168		\$ 56		\$ 56		\$ 56
Total Direct Costs		\$ 133,230		\$ 43,139		\$ 40,912		\$ 49,180
F&A Costs		\$ 34,640		\$ 11,216		\$ 10,637		\$ 12,787
Total Costs		\$ 167,870		\$ 54,355		\$ 51,549		\$ 61,967



LANCASTER COUNTY SUMMARY OF EXPENDITURE REQUIREMENTS

FUND		ACTUAL	FY13 BUDGET		ACTUAL	FY14 BUDGET	
		OBLIGATIONS	PROPOSED	ADOPTED	OBLIGATIONS	PROPOSED	ADOPTED
		<u>FY12</u>	<u>PROPOSED</u>	<u>ADOPTED</u>	<u>FY13</u>	<u>PROPOSED</u>	<u>ADOPTED</u>
11	GENERAL	83,553,657	91,721,152	91,721,152	88,523,598	96,987,958	
12	WORKERS COMPENSATION LOSS	858,515	1,060,600	1,060,600	886,729	1,240,704	
13	OTHER SELF INSURANCE LOSS	418,123	829,543	829,543	312,199	1,229,862	
14	GROUP SELF INSURANCE	10,252,042	14,302,137	14,302,137	10,010,747	15,697,565	
18	VISITORS IMPROVEMENT	617,688	4,675,000	4,675,000	2,295,372	3,419,801	
19	VISITORS PROMOTION	1,058,420	1,763,601	1,763,601	1,111,341	1,692,433	
20	COUNTY RURAL LIBRARY	658,951	684,648	684,648	684,227	709,271	
21	BRIDGE & SPECIAL ROAD	6,517,972	9,469,139	9,469,139	8,170,232	9,107,523	
22	HIGHWAY	6,175,154	7,208,516	7,208,516	6,945,215	7,705,109	
26	VETERANS AID	6,159	12,562	12,562	5,948	11,614	
27	GRANTS	3,224,695	3,386,778	3,386,778	2,779,424	2,983,594	
28	KENO	1,730,898	1,610,132	1,610,132	50,505	2,539,805	
30	ECONOMIC DEVELOPMENT	151,344	406,849	406,849	45,068	359,912	
41	DEBT SERVICE	771,786	2,835,374	2,835,374	993,617	2,805,422	
51	BUILDING	162,538	524,665	524,665	90,562	645,456	
52	JAIL SAVINGS FUND	120,208	1,901,087	1,901,087	922,039	984,330	
61	LANCASTER MANOR	222,066	2,171,343	2,171,343	102,206	2,077,323	
63	MENTAL HEALTH	9,407,782	9,502,309	9,502,309	9,155,694	9,422,025	
64	WEED CONTROL	341,443	374,138	374,138	328,202	373,728	
65	COUNTY/CITY PROPERTY MGMT	3,088,299	3,247,205	3,247,205	3,184,401	3,457,256	
66	PROPERTY MANAGEMENT	1,344,975	1,431,991	1,431,991	1,333,590	1,494,170	
67	CITY BUILDING MAINTENANCE	289,824	710,646	710,646	288,327	725,819	
	Memorandum Total	<u>130,972,537</u>	<u>159,829,415</u>	<u>159,829,415</u>	<u>138,219,243</u>	<u>165,670,680</u>	