

**STAFF MEETING MINUTES
LANCASTER COUNTY BOARD OF COMMISSIONERS
COUNTY-CITY BUILDING, ROOM 113
THURSDAY, SEPTEMBER 19, 2013
8:30 A.M.**

Commissioners Present: Brent Smoyer, Vice Chair
Jane Raybould
Roma Amundson

Commissioners Absent: Larry Hudkins, Chair
Deb Schorr

Others Present: Gwen Thorpe, Deputy Chief Administrative Officer
Dan Nolte, County Clerk
Cori Beattie, Deputy County Clerk
Ann Taylor, 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 September 18, 2013

The Vice Chair noted the location of the Open Meetings Act and opened the meeting at 8:33 a.m.

AGENDA ITEM

1 APPROVAL OF THE STAFF MEETING MINUTES OF SEPTEMBER 12, 2013

MOTION: Amundson moved and Raybould seconded approval of the Staff Meeting minutes of September 12, 2013. Raybould, Amundson and Smoyer voted aye. Hudkins and Schorr were absent from voting. Motion carried 3-0.

2 ADDITIONS TO THE AGENDA

A. Lancaster Event Center Managing Director Selection Committee

MOTION: Raybould moved and Amundson seconded approval of the addition to the agenda. Amundson, Raybould and Smoyer voted aye. Hudkins and Schorr were absent from voting. Motion carried 3-0.

3 DISTRICT COURT BAILIFF - District Court Judge Karen Flowers; Troy Hawk, Clerk of the District Court; Jennifer Kulwicki, District Court Administrator

Troy Hawk, Clerk of the District Court, noted District Court Judge Karen Flowers hired a new bailiff (Vickie Smith) in August. Smith had previously served as a court-reporter in Juvenile Court. He noted there are two court reporters vacancies in the District Court and said Smith has indicated she would like to fill one of those positions. That would leave Judge Flowers without a bailiff.

Judge Flowers said it is her intent to retire at the end of the year. She said bailiffs serve at the pleasure of the judge and there is no guarantee that the person she hires to fill the position will be retained by her successor.

Hawk said the District Court Judges asked him to loan a member of his staff to the District Court to serve as Judge Flowers' bailiff, with the employee retaining the right to return to their prior position if the incoming judge opted not to retain that person. He said his department is currently understaffed by 2.5 positions and requested authorization to hire a replacement (court services clerk) if a member of his staff is selected as Judge Flowers' bailiff. That would potentially increase his staff by one full-time equivalent (FTE) if the person hired as bailiff returns to their position in his office.

Raybould suggested the District Court advertise for a temporary bailiff position, noting there may be a retired bailiff that would be willing to return on a temporary basis. Hawk said he is not aware of any. Judge Flowers said she had not done so because of the time it would take to advertise for the position and the learning curve that would be required, particularly in terms of navigating the Judicial Users System to Improve Court Efficiency (JUSTICE) system. Jennifer Kulwicki, District Court Administrator, added that the version of JUSTICE the bailiffs utilize is very different than the version utilized by others in the legal field.

MOTION: Amundson moved and Smoyer seconded to authorize the Clerk of the District Court to hire a court services clerk.

Raybould said she is reluctant to bring on another FTE at this time.

Richard Grabow, Deputy County Attorney, appeared and said Hawk could lend an employee to the District Court and backfill with a temporary appointment. The temporary appointment could end if the person loaned to the District Court needs to come back to the Clerk of the District Court's Office.

Hawk said he has concerns he would not be able to get a qualified person if it is a temporary position.

ROLL CALL: Amundson and Smoyer voted aye. Raybould voted nay. Hudkins and Schorr were absent from voting. Motion carried 2-1.

4 COMMUNITY MENTAL HEALTH CENTER (CMHC) TRANSITION UPDATE - Gwen Thorpe, Deputy Chief Administrative Officer; Ron Sorensen, Community Mental Health Center (CMHC) Executive Director

Dennis Meyer, Budget and Fiscal Officer, reported \$241,000 in patient receivables for the Community Mental Health Center (CMHC), excluding the Crisis Center, as of August 31, 2013. He compared that to \$293,000 in patient receivables as of June 31, 2013. He felt the majority will be uncollectible. Ron Sorensen, Community Mental Health Center (CMHC) Executive Director, said 85% of the clients are on Supplemental Security Income (SSI) and have limited resources. Meyer said the client base is one of the reasons the County has had to help cover CMHC's operating expenses with property tax revenues.

Raybould asked how much in property tax has the County historically allocated to CMHC for that gap. Meyer said the County levied \$1,600,000 in property tax for CMHC last year and said a portion was used to help cover the operating expenses because private pay and insurance revenues are limited.

Sorensen said one option may be to find an entity that is willing to pursue collection.

Meyer said the budget was based on what CMHC was estimated to receive (Medicaid, Region V, etc.) and the remaining amount will be covered with a transfer from the General Fund.

Raybould asked what impact Medicaid expansion would have for this population. Sorensen said it is difficult to make projections.

C. J. Johnson, Region V Systems Administrator, appeared and requested clarification regarding who isn't eligible for assistance. Sorensen said there are some individuals who can no longer get community support. Raybould remarked that some may be picked up on General Assistance (GA). Sorensen said it is difficult to pinpoint at this time.

Sorensen also disseminated information about ancillary programs at CMHC (Exhibit A).

Discussion then took place regarding the transition of services. Sorensen said CenterPointe is on track to take over day rehabilitation services and the 24-hour Crisis Line by October 1st. He said Lutheran Family Services (LFS), which is to take over the core services (outpatient counseling, day treatment, community support and medical management), is also making progress.

Gwen Thorpe, Deputy Chief Administrative Officer, noted some of the Commissioners have met with LFS representatives and Johnson to discuss how the County would support the transition of services. She noted it was suggested that the County give LFS \$450,000, over a nine month period, to assist with the transition. **NOTE:** The Board authorized up to \$250,000 for LFS out of the amount that was allocated for the transition of services to new providers at the September 3rd Staff Meeting. Thorpe said Johnson had indicated that Region V could probably provide an additional \$100,000.

Raybould asked Johnson whether Region V has signed a contract with CenterPointe. Johnson said CenterPointe is already one of Region V's providers so they will merely amend their current contract to include those services. He said Region V's contract with the County will also be amended to shift the funding.

MOTION: Amundson moved and Raybould seconded to appoint Gwen Thorpe, Deputy Chief Administrative Officer, to serve as the Transition Coordinator/Facilitator.

Thorpe said she will likely spend half of her time at CMHC while serving in that role.

ROLL CALL: Raybould, Amundson and Smoyer voted aye. Hudkins and Schorr were absent from voting. Motion carried 3-0.

Amundson asked whether the LFS Board is willing to make a financial commitment to the transition process.

Todd Reckling, Vice President of Children, Family and Community Services, Lutheran Family Services (LFS), appeared and said he will present the funding information to the LFS Board and see how it wants to proceed. He said clearly LFS wants to have "skin in the game" and the question for the LFS Board is how much.

Raybould noted the Board will need an indication from the LFS Board in order to move forward with contractual obligations and asked Reckling whether a two to three week time frame is reasonable for LFS to wrap up its due diligence. Reckling said the LFS Board will likely meet sometime next week. He added he believes LFS can finish its discovery in a short time.

Raybould asked if LFS needs additional assistance from the County. Reckling said he has shared questions with Thorpe that still need to be answered regarding issues that impact LFS either through Region V and/or the County.

Raybould asked about the lease component. Thorpe said Don Killeen, County Property Manager, has indicated they are still having discussions regarding the lease.

MOTION: Amundson moved and Raybould seconded to provide up to \$450,000, over the next nine (9) months, to Lutheran Family Services (LFS) for the transition of core services from the Community Mental Health Center (CMHC). Raybould, Amundson and Smoyer voted aye. Hudkins and Schorr were absent from voting. Motion carried 3-0.

Reckling assured the Board that LFS views the funding as a cost reimbursement and won't expend the funds unless necessary.

NOTE: Steven Peterson, Vice President of Administrative Services, LFS, was also present for the discussion.

5 A) WORKERS' COMPENSATION INSURANCE RENEWAL; AND B) FLEET INSURANCE RENEWAL UPDATE - Sue Eckley, County Risk Manager; Tom Champoux, UNICO Group, Inc.

A) Workers' Compensation Insurance Renewal

Tom Champoux, UNICO Group, Inc., presented the renewal proposal for excess workers' compensation coverage, noting the market has tightened and there were few options available (Exhibit B). The renewal reflects an increase of \$13,381.00 (16%), which is based in part on payroll and said the County's payroll is projected to increase by 13.5% as a result of staffing the new Lancaster County Adult Detention Facility (LCADF). Sue Eckley, County Risk Manager, said the County will receive a credit if the payroll numbers are less than projections.

Champoux said captive insurance may be an option to explore in the future. **NOTE:** A captive insurance company is owned by its policyholder and primarily insures the risks of its owner. It may be owned by one policyholder or a group of similar organizations with similar risks.

In response to a question from Raybould, Champoux said moving from a retention of \$900,000 per occurrence to \$100,000 per occurrence will reduce the premium to \$75,001 but it would have to be approved by the Workers' Compensation Court.

Raybould inquired about the amount that must be held in reserve for claims. Eckley said she does not have the exact figure with her. She noted there are currently two claims of concern and said she may have to "bump" the reserve by \$1,500,000 to cover those claims.

Raybould then asked whether they had explored bundling the types of insurance. Eckley said insurance companies are moving away from doing so. Champoux said excess workers' compensation is different than the standard first dollar workers compensation policy written by most insurance companies. The County would have to restructure its program to appeal to that marketplace and the premium would be much

higher (\$800,000 to \$1,200,000 per year). Eckley said the County would also relinquish claims handling.

MOTION: Amundson moved and Raybould seconded to: 1) Approve the renewal of insurance for property/inland marine, business auto, law enforcement/public officials/excess liability, crime, boiler and machinery, community mental health, Public Building Commission and excess workers' compensation, as outlined at the September 12th and 19th County Board Staff Meetings; and 2) Authorize the Vice Chair to bind coverage and sign the warranty application for the crime coverage. Amundson, Raybould and Smoyer voted aye. Hudkins and Schorr were absent from voting. Motion carried 3-0.

B) Fleet Insurance Renewal Update

Eckley said the fleet will be insured as it was presented to the insurance company in July, 2013. She said a list of deletions will be provided to them after September 30th so a credit can be applied right away. Further deletions will be handled at the September 30, 2014 audit.

COMMUNITY HEALTH ENDOWMENT GRANT APPLICATION (\$7,830 TO ADDRESS HEALTH CARE NEEDS OF NEW AMERICANS) - Kit Boesch, Human Services Administrator

Kit Boesch, Human Services Administrator, gave an overview of the grant, which will be used to assist five health care providers in the community to better address the challenges of serving new American residents.

MOTION: Raybould moved and Amundson seconded to authorize the Vice Chair to sign the grant application. Amundson, Raybould and Smoyer voted aye. Hudkins and Schorr were absent from voting. Motion carried 3-0.

D. City-County Common Agenda Items (October 7, 2013)

The following items were suggested: 1) Report on the Lincoln-Lancaster County Consolidation Task Force by Ann Post, Chair; and 2) Solid Waste Task Force Update.

6 PENDING LITIGATION - Richard Grabow, Deputy County Attorney

MOTION: Amundson moved and Raybould seconded to enter Executive Session at 9:44 a.m. for the purpose of protecting the public interest with regards to pending litigation.

The Vice Chair restated the motion for the record.

ROLL CALL: Raybould, Amundson and Smoyer voted aye. Hudkins and Schorr were absent from voting. Motion carried 3-0.

MOTION: Amundson moved and Raybould seconded to exit Executive Session at 10:00 a.m. Raybould, Amundson and Smoyer voted aye. Hudkins and Schorr were absent from voting. Motion carried 3-0.

7 COMMUNITY HEALTH ENDOWMENT GRANT APPLICATION (\$7,830 TO ADDRESS HEALTH CARE NEEDS OF NEW AMERICANS) - Kit Boesch, Human Services Administrator

Item was moved forward on the agenda.

8 ACTION ITEMS

There were no action items.

9 CONSENT ITEMS

There were no consent items.

ADDITIONS TO THE AGENDA

A. Lancaster Event Center Managing Director Selection Committee

Amundson said they discussed the application process and the job description. She said the application form will be available on-line.

10 ADMINISTRATIVE OFFICER REPORT

A. Abbott Motocross Track Update

Dennis Meyer, Budget and Fiscal Officer, appeared and said the Lincoln Sports Foundation Board, which owns and operates the Ethel S. Abbott Sports Complex, would like to contract with Pat Thomas Construction, Inc., which was involved with construction of the motocross track, to maintain the track. He said the Lincoln Sports Foundation Board feels the move will help the motocross track be more successful, explaining the County would have exposure if the track were closed. **NOTE:** The County and Lower Platte South Natural Resources District (NRD) were co-applicants for the Recreational Trails Program Grant that funded construction of the track and under terms of their contract with the Nebraska Game and Parks Department for the project, they must operate and maintain the track for not less than 20 years following completion of the project (see County Contract No. C-08-0531).

B. Biennial Budget

Meyer noted there has been some discussion of moving to a biennial budget and said the State Auditor's Office has informed him that only municipalities have that capability under the Nebraska Budget Act (§13-501-503).

There was consensus to pursue legislation to provide counties with that option.

C. 2013 Food Bank Drive Results

Minette Genuchi, Administrative Assistant to the County Board, appeared and reported the results of the 2013 Food Bank Drive (Exhibit C).

D. City-County Common Agenda Items (October 7, 2013)

Item was moved forward on the agenda.

E. Legal Opinion Regarding Internal Revenue Service (IRS) Code §125(c) and Different Benefit Eligibility Standards

The Board reviewed the legal opinion (Exhibit D).

MOTION: Amundson moved and Raybould seconded to: 1) Proceed with a two-tiered system health plan system, "grandfathering" current part-time employees who work 20 hours; and 2) Release the legal opinion to the Lincoln-Lancaster County Personnel Department. Amundson, Raybould and Smoyer voted aye. Hudkins and Schorr were absent from voting. Motion carried 3-0.

11 PENDING

There were no pending items.

12 DISCUSSION OF BOARD MEMBER MEETINGS

A. Information Services Policy Committee (ISPC) - Raybould

Raybould said they received an update on the Voice over Internet Protocol (VoIP) and the Automated Vehicle Locating System (AVL) that is being used to track Lincoln Fire and Rescue's (LFR's) fire trucks. She said they also discussed the Information Services (IS) interlocal agreement and the mainframe migration.

B. Parks and Recreation Advisory Board - Hudkins

No report.

C. Lincoln Independent Business Association (LIBA) Budget Monitoring Committee - Smoyer

Smoyer said a Lincoln Public Schools (LPS) representative indicated their levy is the lowest it has been in three years. He said LIBA favors having Tom Lorenz, SMG General Manager, who manages the new Pinnacle Bank Arena and Pershing Auditorium, take over management of the Lancaster Event Center (see Item 2). Smoyer said LIBA is still looking at the issue of the number of police officers in Lincoln and has concerns regarding a possible recommendation from the Lincoln-Lancaster County Consolidation Committee to add another layer of bureaucracy.

D. General Assistance (GA) Monitoring Committee - Amundson

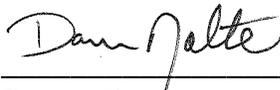
Amundson said there are four health outcomes being followed in the GA Clinic related to hypertension, diabetes, pain contracts and Emergency Room (ER) usage. She noted there are plans to contract with the Dental College for GA clients and to close that component of the GA Clinic. Amundson said Judy Halstead, Lincoln-Lancaster County Health Department (LLCHD) Director, suggested the County explore whether it could require GA clients to apply for the health care exchanges, as it would be less expensive for the County to pay the premiums for certain age groups than to provide services. She said 90 days of coverage was suggested and after that period of time it would be up to the individual to continue the premium payments.

13 EMERGENCY ITEMS AND OTHER BUSINESS

There were no emergency items or other business.

14 ADJOURNMENT

MOTION: Raybould moved and Amundson seconded to adjourn the meeting at 10:44 a.m. Raybould, Amundson and Smoyer voted aye. Hudkins and Schorr were absent from voting. Motion carried 3-0.



Dan Nolte
Lancaster County Clerk



CMHC

ANCILLARY PROGRAMS

CMHC currently operates a number of ancillary programs that provide support services to clients with special or unique mental health needs. Within the Community Support program there are several such programs including the Harvest Project, the Independent Living Program, the Transitional Living Facility, the Peer Support Program, and Family Support.

Descriptions of these five programs are provided under “Sub –Programs” in the Community Support section beginning on page 2. In addition, CMHC provides services under the Homeless and Special Needs Program, the A.W.A.R.E. program and the STOP, or sex offender program. These programs are discussed under separate heading.

CMHC is also involved in the RAISE project. A description of the RAISE project, a NIMH grant funded research study is also provided beginning on page 5.

COMMUNITY SUPPORT

There are currently five “sub-programs” at CMHC that operate as part of the Community Support Program. They are described under the Sub Program heading below.

ELIGIBILITY

This program provides mental health services to adults who experience a severe and persistent mental illness and have rehabilitation needs in the areas of vocational, occupational, social and/or activities of daily living.

SERVICES

- | | |
|---|--|
| <ul style="list-style-type: none"> Rehabilitative Planning/Goal Setting Ongoing comprehensive Assessment Outreach Skill Building Advocacy Relapse Prevention Linking with other Services | <ul style="list-style-type: none"> Coordination with other Care Providers Assistance with Entitlements Developing Supports Family Support Group Clozaril Support Group Multiple Skill Based Groups |
|---|--|

FUNDING SOURCES – FY 2013 ACTUAL

Lancaster County	\$215,170
Medicaid/Medicare	\$1,079,092
Region V Systems	\$406,360
<u>Other</u>	<u>\$20,049</u>
TOTAL	\$1,720,671

PERSONS SERVED – FY 2013: 700

AVERAGE LENGTH OF STAY (LOS) – Fiscal Year 2011: 18 Months

SUB-PROGRAMS

- Harvest Project: The Harvest Project provides traditional Community Support services to older adults with severe mental illness and/or substance abuse issues. The program is a collaborative effort between CMHC, CenterPointe and Aging Partners that was initiated by Region V Systems. CMHC contracts with Aging Partners, utilizing Region 5 funding, to provide an Emergency Community Support Worker. CMHC also provides a Community Support Worker to Aging Partners to perform Community Support services. The units provided by the Community Support Worker are billable and revenues are received by CMHC.

Funding Sources FY 2013 Actual: Revenues received for providing Community Support in the Harvest project are all included in the total budget for the Community Support program. Region V Systems provided \$65,588 as part of the contract with CMHC during FY 2013. Total expenditures were \$130,451.

- Independent Living Program: CMHC provides 5 apartments/15 beds in scattered sites for individuals preparing to transition to independent living. Clients are typically higher functioning and oversight is provided in learning skills specific to independent living. The next step for the clients in this program is to move to their own apartment. CMHC pays for the rent, utilities, and basic supplies. The client is expected to reimburse CMHC for the rent.

There are currently 13 clients in this program and Community Support services can be claimed for the services provided. However, Medicaid limits the number of units that can be claimed for each client during a six month period. Because the service is so intensive this limit is typically reached in three to four months.

Funding Source – FY 2013 Actual

Lancaster County	\$8,362
<u>Client Rent</u>	<u>\$38,167</u>
Total	\$46,529

- Transitional Living Facility: Intensive Community Support services for up to 12 individual at risk of inpatient care or transitions from inpatient services. This service is provided onsite at assisted living facility owned by O.U.R. Homes. This is essentially a satellite clinic at O.U.R. homes with two full-time Community Service Workers who staff the office from 1:00 p.m. to 9:30 p.m. seven days a week. The staff carries a full caseload which includes a number of clients needing intensive Community Support services.

Expenditures and revenues for this program in the Community Support Budget Report and are not accounted for separately.

- Peer Support Program: 2 FTE peer staff trained in intentional peer support that provide services to CMHC consumers through furthering their wellness by engaging in goal setting, social skills, and community living. Peer Support Staff are employed by Lutheran Family Services which receives funding from Region V Systems. This arrangement was made several years ago to avoid adding FTEs to the CMHC budget.
- Family Support: Family Support was established to assist parents and other family members of clients to navigate through the behavioral health system. Family members organize the meetings which are not attended by clients. Family Support meets each Wednesday after normal working hours and is staffed by a CMHC staff member. The responsibility for staff attendance is rotated among the staff. No fees are charged for attending the meeting.

HOMELESS AND SPECIAL NEEDS PROGRAM

ELIGIBILITY

The Homeless Program serves homeless adults in Lancaster County who experience severe mental health problems.

Special Needs serves a gap population of adults with mental health problems who otherwise might fall through system cracks.

Criteria for these services are not so restrictive as to exclude them from this program (Examples: Persons not linked to other service systems, diagnosis does not fit other funded programs.) Both programs primarily serve people in the Lincoln Area.

SERVICES

Services include outreach, assessment, linking short and long term case management, accessing medical treatment, and referral to more ongoing programs. Liaison with most social service agencies in the community as well as correctional facilities. The program goal is to stabilize all aspects of an individual’s life; mental health, housing, entitlements, supports, outreach and intervention, particularly with the jail and City Mission.

FUNDING SOURCES – FY 2013 ACTUAL

Lancaster County	\$88,078
PATH Grant (R5)	\$32,500
<u>Joint Budget</u>	<u>\$44,166</u>
TOTAL	\$164,744

There is potential in these programs for collecting additional revenues from Medicaid and Region V Systems. A substantial number of the persons that are involved in these programs may be eligible for Community Support services.

A.W.A.R.E (A Work Adjustment and Rehabilitation Evaluation Program)

ELIGIBILITY

The A.W.A.R.E. program provides vocational rehabilitation services to persons eligible for vocational rehabilitation services.

SERVICES

The program provides vocational training and skill building services in order to assist the client’s entry into the competitive job market.

PERSONS SERVED

There are currently twelve participants in the A.W.A.R.E. program. They are responsible for cleaning CMHC, Trabert Hall, and Midtown. They are paid an hourly wage that is dependent on their weekly performance evaluations. All of the persons are on SSI and their wages and hours are limited to protect their access to Medicaid.

FUNDING SOURCES – FY 2013 ACTUAL: CMHC contracts with Property Management to clean Trabert Hall. During FY 2013 CMHC was reimbursed \$28, 950 for cleaning services at Trabert. Total costs for the program for FY 2013 was 96,641. Reimbursements for providing Day Rehab services are included in the Day Rehab budget.

CenterPointe has informed CMHC that they do not intend to continue the A.W.A.R.E. program

STOP (SEX OFFENDER PROGRAM)

ELIGIBILITY

The Sexual Trauma/Offense Program (STOP) provides mental health services to those persons who have been convicted of a sexual offense, have been incarcerated, and have been or are being reintegrated into the community.

SERVICES

CMHC contracts with Counseling Affiliates of Nebraska to provide a program manager and treatment staff with specific training and experience in sex offender treatment. Services include assessment, substance abuse screening, community support, group and individual therapy, relapse prevention, family therapy, and education groups for the clients and their families.

In addition CMHC provides support to these clients to assist them in staying in the community. This support is typically for rent and related costs but can include other necessary costs. Lie detector costs are one example of other possible costs.

FUNDING SOURCES – FY 2013 ACTUAL

DHHS (Lincoln Regional Center)	\$151,200
Medicaid/Medicare	\$5,687
<u>Private Pay/Insurance</u>	<u>\$9,505</u>
TOTAL	\$166,392

The funding for this program has been reduced by approximately 33% for FY 2014.

PERSONS SERVED – FY 2013:

Unduplicated Count: 51

FTEs – Current:

Program Manager	0.065
LMHP	0.735
<u>Psychologist</u>	<u>0.178</u>
TOTAL	0.978

COLLABORATING AGENCIES AND PROGRAMS:

Lincoln Regional Center – LRC provides sex offender treatment and assesses each sex offender for the potential risk of reoffending before they are released to the community.

ISSUES:

Sustainability of funding from the Lincoln Regional Center (LRC) – LRC funding is only available if the funding available to the Norfolk Regional Center exceed the costs of the program. However, in the recent past DHHS has attempted to eliminate funding for this program. State Legislators became involved and funding was restored.

RAISE PROJECT

RAISE refers to an NIMH funded research study for which CMHC is a research site. There are 37 other sites in 37 states. This treatment study is a first episode of psychosis study that has been underway for the last three years. It is scheduled to continue until the spring of 2014. The research part of the study is paid for by NIMH. The clinical services provided to study participants is paid for through the normal claims reimbursement process.

To complete the study, access to current participants will be needed until the spring of 2014.

ELIGIBILITY: Clients experiencing their initial schizophrenia episode are eligible for the study.

FUNDING SOURCES – FY 2013 ACTUAL: Grant revenues exceeded the cost of the project by \$7,307 (Revenues = \$22,274, Expenditures = 14,967.)

COVERAGE/COST COMPARISON

EXHIBIT

tabbles

B

Insured: Lancaster County - OVERVIEW
 Effective Date: September 30, 2013

UNICO Group, Inc.
 A/M: Nadine Rohan
 Date Provided: _____

Coverage	Renewal	Expiring	Difference
Building(s) PROPERTY	169,080.00	154,569.00	+ 14,511.00
Content(s) CONT. WESTERN			
Business Income			
Property Enhancement			
EDP/Computer			
Public Building Commission Cont. Western	23,359.00	20,130.00	+ 3,229.00
Inland Marine			
Type -			
Commercial General Liability			
Incl. Public Officials & Excess Law Enforcement	226,497.00	223,841.00	+ 2,656.00
Auto – Continental Western	78,462.00	74,318.00	+ 4,144.00
Auto – Sheriff's Dept.	21,923.00	24,510.00	- 2,587.00
Crime – Hartford	③ 12,315.00	11,774.00	+ 541.00
Comm Mental Health - MMIC	23,128.00	23,812.00	- 684.00
Subtotal			
Workers' Compensation – Excess	83,340.00	69,959.00	+ 13,381.00
Boiler/Machinery - Cincinnati	7,448.00	6,252.00	+ 1,196.00
Umbrella			
SUBTOTAL			
Pay Plan Charge			
GRAND TOTAL	\$645,552.00	\$609,165.00	+ \$36,387.00 (+5.6%)

Comments:

- ① Will need authorization to bind coverage for ACE (Illinois National) signed.
 Mark as to whether Terrorism is Accepted or Rejected. Terrorism rejected last year.
- ② Continental Western's total premium increase is +7%.
- ③ Crime Application needs County Board Chair Person Signature.

COVERAGE/COST COMPARISON

UNICO Group, Inc.

Insured: Lancaster County – Work Comp
 Effective Date: September 30, 2013

A/M: Nadine Rohan
 Date Provided: _____

Coverage	Midwest Employers Casualty Renewal	MECC Expiring		Difference
Building(s)				
Content(s)				
Business Income				
Property Enhancement				
EDP/Computer				
Signs/Glass				
Inland Marine				
Type -				
Commercial General Liability				
EBL				
EPLI				
Professional/E&O				
Auto				
Garage				
Crime				
Fiduciary Liability				
Subtotal				
Workers' Compensation-Excess	① 83,340.00	① 69,959.00		+ 13,381.00
Boiler/Machinery				
Umbrella				
SUBTOTAL				
Pay Plan Charge				
GRAND TOTAL	\$83,340.00	\$69,959.00		+ \$13,381.00 (+16%)

Comments:

-
- ① \$900,000 Retention
-
- ② \$1,000,000 Retention - \$75,001
-
- ③ Safety National – using 2012 rate of .182 and 2013 payrolls – premium would be \$86,674
 2013 rate would be higher than 2012
-
- 2013 Payrolls - \$47,622,816
-
- 2012 Payrolls - \$41,176,489
-
- Difference +\$ 6,446,327 (+13.5%)
-
- ④ Payroll increased due to additional staff required for new jail.
-

	A	B	C	D	E	F	G
1							
2	AGENCY	COORDINATOR	PICNIC SALES	DONAT/FRS	DIRECTLY TO FB	TOTAL \$ DONATIONS	LBS COLLECTED
3	Aging	Nancy Castillo		\$ 879.58		\$ 879.58	41
4	Assessor/Register of Deeds	Connie A/Amy H	\$ 12.00	\$ 442.00		\$ 454.00	110
5	Attorney	Eileen LeGrande		\$ 553.00		\$ 553.00	122
6	Attorney - Trabert Hall	Vonda Aldred		\$ 224.66		\$ 224.66	24
7	Building & Safety	Michaela Dugan/Gordon McGill		\$ 35.00			
8	City Council	Mary Meyer		\$ 110.00		\$ 110.00	
9	City Finance	Pat Waegli	\$ 24.00	\$ 1,392.44		\$ 1,416.44	
10	City Law	Jennifer Hansen-Richmond/Lauren Roberts	\$ 6.00	\$ 774.50	\$ 50.00	\$ 830.50	82
11	Clerk of the District Court	Sondra Kirchoff	\$ 24.00	\$ 412.00		\$ 436.00	32
12	CMHC	Debra Haeffner		\$ 200.85	\$ 35.00	\$ 235.85	99
13	Co. Clerk	Cari Oziah	\$ 42.00	\$ 390.00	\$ 25.00	\$ 457.00	53
14	Co. Engineers	Julie Okray		\$ 45.00	\$ 50.00	\$ 95.00	38
15	Co. Extension	Teri Hlava		\$ 381.00		\$ 381.00	39
16	Co. Treasurer	Tina Schilz	\$ 48.00	\$ 273.50		\$ 321.50	86
17	Community Corrections	Taryn Toliver/Renee Felder		\$ 20.00		\$ 20.00	56
18	Corrections	Sgt. Chad Miller	\$ 12.00	\$ 465.00		\$ 477.00	21
19	County Board/Admin/Fiscal Office	Minette Genuchi/Rhonda Ryan	\$ 90.00	\$ 555.00	\$ 75.00	\$ 720.00	41
20	County Court	Chelsea Lowery	\$ 12.00	\$ 15.00		\$ 27.00	34
21	DSC	Paul Barnes	\$ 72.00			\$ 72.00	3,039
22	Election Office	Kelli Kraft		\$ 145.00		\$ 145.00	126
23	General Assistance/Veterans Assistance	Connie Roark		\$ 231.00		\$ 231.00	
24	Health Department	Elaine Severe/Jann Douglas	\$ 180.00	\$ 1,702.25	\$ 100.00	\$ 1,982.25	153
25	Human Rights	Lauren Roberts	\$ 72.00			\$ 72.00	
26	Human Services	Jenni Hoemann	\$ 12.00	\$ 65.00	\$ 30.00	\$ 107.00	
27	Information Services	Chad Peters	\$ 36.00	\$ 1,884.00		\$ 1,920.00	230
28	Juvenile Court	Diane Watson	\$ 6.00	\$ 143.00		\$ 149.00	
29	Library	Theresa Vogel/Dianne Elyu		\$ 190.21		\$ 190.21	749
30	Lincoln Fire & Rescue	Derald Murrell		\$ 100.00		\$ 100.00	
31	Lincoln Parks & Rec	Angela Chesnut	\$ 18.00	\$ 80.00	\$ 150.00	\$ 248.00	436
32	Lincoln Police Department	Cpt. Martin Fehringer	\$ 88.00	\$ 184.00	\$ 20.00	\$ 292.00	340
33	Lincoln Water System	Dennis Haakenson				\$ -	63
34	Mayor - CICS	Diane Gonzolas	\$ 12.00	\$ 130.00		\$ 142.00	

EXHIBIT

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	A	B	C	D	E	F	G
35	AGENCY	COORDINATOR	PICNIC SALES	DONAT/FRS	DIRECTLY TO FB	TOTAL \$ DONATIONS	LBS COLLECTED
36	Motor Vehicle	Emma Hague				\$ -	140
37	Personnel	Pam Hoffman	\$ 24.00	\$ 988.75		\$ 1,012.75	65
38	Property Management	Jeanne Sayers/Cindy Dittmer		\$ 25.00		\$ 25.00	
39	Public Defenders	Jennifer Houlden	\$ 6.00	\$ 90.00		\$ 96.00	
40	Public Works 2nd floor/Admin/Planning	Karen Sieckmeyer/ Chris Koll	\$ 66.00	\$ 1,947.75		\$ 2,013.75	
41	Public Works Utilities - Engineering 901 W. Bor	Amber Null/Louise Weyer	\$ 78.00	\$ 2,967.00		\$ 3,045.00	
42	Public Works/Watershed Management	Ed Kouma				\$ -	
43	Public Works/Waste Water	Mike Mandery		\$ 80.00		\$ 80.00	73
44	Public Works/Street Maint	Amber Null/Louise Weyer	\$ 24.00			\$ 24.00	63
45	Records Management	Jeremy Carnes	\$ 60.00	\$ 20.00		\$ 80.00	44
46	Risk Management	Kerrie Wiegert		\$ 15.00		\$ 15.00	
47	Sheriff	Sgt. Mike Peschong				\$ -	148
48	StarTran	Linda Wisehart		\$ 40.00		\$ 40.00	80
49	Urban Development	Dave Landis	\$ 6.00	\$ 613.00		\$ 619.00	
50	Youth Services	Kelly Ems Woods		\$ 5.00		\$ 5.00	100
51	Misc. \$\$ turned into the Food Bank				\$ 326.00	\$ 326.00	
52	DAY OF SALES		\$ 512.00			\$ 512.00	
53							
54			\$ 1,542.00	\$ 18,814.49	\$ 535.00	\$ 21,117.89	6727
55							



JOE KELLY
LANCASTER COUNTY ATTORNEY

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LANCASTER COUNTY
BOARD

EXHIBIT

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September 13, 2013

Kerry P. Eagan
Chief Administrative Officer
555 South 10th Street, Suite 110
Lincoln, NE 68508

Re: Applicability of Internal Revenue Service (IRS) Code §125(c) to Establishment of Different Benefit Eligibility Standards for Part Time Employees.

This opinion is in response to your request for advisement on August 20, 2013 regarding the legality of grandfathering part-time employees and creating multiple standards for benefit qualification. In particular, if having two standards would violate IRC §125(c) or any other provisions of the Internal Revenue Code.

The standard under IRC §125(c) is inapplicable to the current Lancaster County Employee Benefit Health Plan. This section regards "Cafeteria Plans" whereby employees can choose between receiving cash or taxable benefits instead of certain qualified benefits for which the law provides exclusion of wages. (IRS Publication 15-B, 2013, Page 3). Because our current county plan does not provide employees with the option of choosing which types of benefits they receive it is not a Cafeteria Plan. Further, subsection "c" refers to varying contribution amounts in a context that is not analogous to what the board wishes to implement. Specifically, employers violate the provision when they contribute higher contributions to higher paid employees and deduct that amount from the employee's gross income through various tax avenues.

The current resolution contemplated by the board does not fall into the situation described above. In deciding to grandfather current part time eligible employees and exclude future participants the county will not be varying contribution amounts based on salary. Further, the standardized contributions made by the County are compliant with all applicable IRS regulations. Specifically, contributions are excluded from gross income under the Internal Revenue Code, Part Three (Items Specifically Excluded from Gross Income): 26 USC § 106(a); which provides:

General Rule.—Except as otherwise provided in this section, gross income of an employee does not include employer-provided coverage under an accident or health plan.

Unlike cafeteria plans, contributions made to health plans under §106 do not require discrimination testing. Tax exempt contributions can be made to any employee deemed eligible under the plan. The relevant issue is thus one of eligibility and not the IRS contribution amount.

Employers are allowed to set different standards of eligibility as long as they do

not violate federal law. A violation would occur, for example, if the county decided not to provide insurance to an employee because they were "less healthy" than another employee. However, federal labor law allows for employers to use "bona fide employment-based classifications" to make distinctions between classes of employees who are eligible to receive health benefits. Specifically, this includes distinctions on the basis of the date of hire of the employee under the Code of Federal Regulations §2509.702(d)(1).

In conclusion, it is our opinion that the two different standards for participation in the health plan by part time employees does not violate IRC §125(c) as it is applicable only to cafeteria plans, which Lancaster County does not offer to its employees. Further, IRC §106 allows for tax exempt employer contributions to be made without consideration of possible discrimination.

Sincerely,



Joe Kelly
Lancaster County Attorney



Douglas Cyr
Deputy County Attorney

cc: Lancaster County Board