

County insurance plan sent to board

By Amy Smith, Union staff writer | Posted: Wednesday, October 1, 2014 9:11 am

JEFFERSON — The Jefferson County Human Services Committee approved a recommendation Tuesday to implement a low-deductible insurance plan for county employees.

The proposed change is in response to the increasingly high health insurance rates. The weighted average increase of premiums for the county's top three health insurance providers this year will be 7.75 percent — an increase of about \$542,000.

Health insurance for all county employees enrolled in the county's plan costs about \$7 million each year, with the county contributing more than 95 percent or about \$6.75 million. County Administrator Ben Wehmeier estimated during Tuesday's meeting that about 90 percent of employees are enrolled in the county's healthcare plan.

The proposed change to the healthcare plan will switch county employees from a no-deductible plan to a low-deductible plan, saving the county about \$95,000 in a budget forwarded to the full county board of supervisors earlier in September.

A single plan will have a deductible of \$500, and a family plan will have a deductible of \$1,000. Per the Affordable Care Act, routine preventative-care benefits are covered 100 percent, including one physical per year.

The county board's Finance Committee is recommending an overall 2015 property tax levy of \$28,398,206, up from this year's \$27,004,367. If adopted, the proposed budget will result in a countywide property tax rate of \$4.3917 per \$1,000 equalized valuation, resulting in a 13-cent hike from this year.

The savings in healthcare costs will allow the county to address several capital items, including an air conditioner in the Workforce Development building, a back-up generator for the Lueder Haus and funds for a comprehensive facilities assessment, as well as fund a flexible spending account and a 1-percent cost of living adjustment for all non-represented employees.

The committee recommended to the entire county board a contribution of 25 percent of the cost of the deductible (\$125 for single and \$250 for family health plans) to a FSA that employees could use for various medical expenses.

Employees will be able to set aside up to \$2,500 for unreimbursed medical costs such as eyeglasses or orthodontics in addition to the county contribution, said Terri Palm-Kostroski, Jefferson County human resources director.

Up to \$500 can be rolled over to be used in the next calendar year. Anything else will be lost. No employee contributions are required to receive the county's contribution, she added.

All employees will have the option to utilize a debit card, which automatically deducts money from their FSA toward either unreimbursed medical expenses or a deductible. The debit card will have an annual cost of \$12.

Employees may enroll in the FSA up until Dec. 1. All employees will be required to complete a new application for 2015 even if the employees' election amount is the same from the prior year.

Palm-Kostroski met with county employees throughout 16 meetings in September. During the meetings, employees were presented with the proposed change and were provided the opportunity to ask questions and voice concerns.

“They would love to keep things the same, but they also understand that they can’t and they’re ready to make a change,” Palm-Kostroski said.

According to Jefferson County Clerk Barb Frank, the overall response from employees has been positive.

“Truthfully, I haven’t heard anything negative,” Frank said. “I’m thrilled with how it went and how it was received. I think people get it.”

The county board will vote on the change at the Oct. 14 meeting. All county employees will receive a notice of the board’s decision via email by Oct. 15, Palm-Kostroski said. Open enrollment for healthcare sign up is open from Oct. 6-31.

The Department of Employee Trust Fund granted county employees an additional week extension to complete and return health insurance applications by Nov. 7.

“I’m not enthusiastic about voting for something that at least some employees feel is worse than what they have, but it’s only responsible that we do,” said Jefferson County Board Supervisor Michael Wineke.

“I think this is the best possible solution out of the options we had and under the conditions that we had.”