Minutes-April 1, 2026

-Call to Order: Supervisor Towns called the meeting of the Employee Health Insurance Committee Meeting to order at 3:04pm in Conference Room N1/N2.

-Committee Members Present:, Stephanie Mills, Luke DuCharme, Rick Ellis, Dan Fuerstenberg, Destinee Lehrmann, Michelle Stowe, Shannon Mawhinney, Brandon Sime, Greg Holcolmb, LaMista Ahlstrom, Fida Sous, Kristin Vander Kooi , Supervisor Towns, Supervisor Barrington Tillman, Supervisor Boehlke.

-Committee Members Absent:, Ryan Ooms, Carl McNutt, Amy Sather, Faith Quilan

-Staff Members Present: Amy Spoden

-Others Present: NA

-Approve Agenda: Supervisor Tillman moved approval of agenda as presented, second by Supervisor Boehlke. ADOPTED.

Quick recap

The 2026 Meeting of the Employee Health Insurance Advisory Committee was held to discuss health insurance options and recommendations for the county. The committee reviewed provider premium increases, funding sources, and the health insurance trust fund balance. The committee also addressed concerns about the use of fund balance for other purposes and discussed the need to find ways to fund a potential 10.9% premium increase.

Next steps

- Amy: Provide information at the next meeting on the current health insurance plan structure and relevant data.
- All committee members: Bring ideas for funding the 10.9% potential premium increase (e.g., plan changes, employee contribution increases, use of fund balance) to the next meeting.
- Amy (or relevant staff): Schedule and send out recurring meeting invites for the 2nd and 4th Tuesdays at 9am, using the room across from planning on the second floor.

Summary

2026 Health Insurance Advisory Committee

The 2026 Employee Health Insurance Advisory Committee meeting was called to order by Supervisor Towns, who explained that the committee had transitioned from an ad hoc to a single-purpose committee focused specifically on health insurance matters. Committee members introduced themselves, sharing their roles, tenure with the county, and current insurance providers. Supervisor Towns provided context about the committee's purpose, noting that the previous ad hoc committee had successfully provided recommendations to the County Board and Staff Committee regarding budgetary healthcare options.

Healthcare Plan Recommendations Committee

The committee discussed its role as a single-purpose committee charged with studying healthcare plan recommendations for the County Board Staff Committee. Supervisor Towns explained that the committee needs to prepare preliminary recommendations by June 1st, as this aligns with when department budgets are impacted. The committee will not continue beyond making these 2027 recommendations, with plans to reconvene in late September 2026 to begin work on 2028 recommendations.

2-Year Insurance Package Decision

The committee discussed Rock County's not to exceed rate for 2027. They noted that concrete renewal numbers would likely not be available until late June or early July, with preliminary estimates based on current budget projections. The committee also reviewed a presentation on provider premiums paid by Rock County since 2020, highlighting a steady increase since the transition from self-insurance to fully insured in 2020.

Health Insurance Premium Overview

A power point was presented an overview of health insurance provider premium increases, explaining how rates are determined by renewal numbers and caps. Information detailed the transition from POS to HMO plans and the resulting changes in premium estimates, noting that the increase from 2025 to 2026 was reduced due to plan design modifications. It was also explained that the funding structure, where each department's budget is charged $20,600 per FTE for health insurance, with these funds contributing to the health trust account used to pay providers like Mercy and Dean.

Health Insurance Cost Calculation Review

The calculation methodology was explained for the $20,600 health insurance cost, which accounts for vacancy factors and insurance coverage types, with increases expected in 2027 due to rising premium rates. It was discussed that the health trust fund balance had decreased from over $10 million at its highest to just over $2.8 million in 2026, with $2.2 million used for road projects and $460,000 for the COLA change. It was emphasized that while the committee had previously discussed preserving the fund balance, it was ultimately used for other budget items, leaving less money available for potential future savings.

Health Insurance Funding Sources 2026

The funding sources for health insurance in 2026 were identified. Department charges accounted for 93% of funding, employee contributions made up 7.3%, and a small amount came from the fund balance. It was clarified that while the committee had recommended preserving a $4 million fund, the board ultimately chose to use it for other purposes, including road projects. The discussion revealed that historically, this fund had been used exclusively for health insurance to offset premium increases and employee contribution changes, and that the board's decision to redirect these funds was not communicated to the committee beforehand.

They addressed the upcoming 10.9% potential increase in health insurance costs, equivalent to approximately $3.3 million, and discussed various options for funding this including plan changes, employee premium contributions, and using health insurance trust fund balance.

<u>-Next Meeting</u>: Tuesday, April 14 at 9:00am, N1/N2 Conference Room

-Adjournment: Luke DuCharme moved adjournment at 4:10pm, second by Rick Ellis. ADOPTED.

Respectfully submitted,

Amy Spoden

Human Resources Director

Not official until approved by Committee.