Minutes-May 12, 2026

-<u>Call to Order</u>: Supervisor Boehlke called the meeting of the Employee Health Insurance Committee Meeting to order at 9:06am in Conference Room N1/N2.

-<u>Committee Members Present</u>: Stephanie Mills, Ryan Ooms, Luke DuCharme, Rick Ellis, Dan Fuerstenberg, Kristin Vander Kooi, Destinee Lehrmann, Michelle Stowe, Amy Sather, Greg Holcolmb, LaMista Ahlstrom, Faith Quilan, Supervisor Boehlke.

-<u>Committee Members Absent</u>: Shannon Mawhinney, Brandon Sime, Carl McNutt, Fida Sous, Supervisor Barrington Tillman

-<u>Staff Members Present</u>: Amy Spoden

-<u>Others Present</u>: Justin Rixie, M3

-<u>Approve Agenda</u>: Amy Sather moved approval of agenda as presented, second by Michelle Stowe. ADOPTED.

-<u>Approval of Minutes Dated April 28, 2026</u>: Destinee Lehrmann moved approval of minutes as presented, second by Luke DuCharme. ADOPTED.

Summary

Age Ranges and Breakdown of Tiers

Employee Health Insurance Advisory Committee reviewed information about employee age ranges and the breakdown of coverage tiers. A breakdown of employee age groups was presented. Information was also presented on the number of employees enrolled in each tier of health insurance coverage. Noting that about 75 employees typically opt out of the wellness program annually. Non-participation is often due to forgetfulness despite multiple reminders, rather than reluctance.

Employee Trust Fund (ETF) Implementation Timeline

Justin updated the group on exploring ETF as an option for health benefits, noting significant changes in the ETF process, including a new requirement to submit resolutions before underwriting. They determined that due to timeline constraints and a 30-day minimum underwriting process, submitting for 2027 would not be feasible, making 2028 a more realistic target.

The group discussed exploring the Employee Trust Fund (ETF) health insurance option but expressed concerns about its feasibility due to high current claims experience and surcharge risks. Amy explained that while ETF rates appeared higher than current employee contributions, any surcharges would be added to employee costs, and the group's claims ratio of approximately 136% would likely result in additional pricing. The team decided against pursuing ETF for 2027 implementation

A further discussion was had whether the committee wanted to explore ETF as an option for 2028. Based upon a vote of 5 in favor and 8 not in favor, it was decided that Rock County would not explore ETF as an option for 2028.

ETF and HSA Plan Discussion

The group heard information of potential HSA plan options, with three tiers ranging from $1,800 to $5,000 in deductibles, noting that the $5,000 plan would be approximately 20% lower than the current county plan. The committee requested to further analyze HSA plan implementation, including exploring small plan design tweaks requested by Supervisor Tillman, with detailed information to be shared by the end of the week.

Insurance Renewals and HSA Benefits

Justin discussed the timeline for receiving insurance renewals from Dean and Mercy, aiming for mid-June alignment to ensure accurate and competitive data. He addressed questions about HSA benefits, clarifying that while the HSA does not change the network structure, it affects how costs are funded and may impact out-of-network expenses. Justin emphasized the importance of educating employees about the differences between HSA and Flex plans, particularly regarding out-of-pocket costs and the potential need for contributions to help with initial expenses.

HSA Implementation Planning Discussion

The committee discussed implementing a Health Savings Account (HSA) for 2027, clarification was provided that while the county could set up and administer an HSA with zero initial contribution, they would need to determine potential employee contributions before open enrollment. Concerns were expressed about the significant financial burden on employees, particularly the high deductibles, and emphasized the need for extensive employee education about HSA benefits and requirements. The committee considered using health trust account funds to either support HSA contributions or reduce premiums for all employees, though caution was provided that depleting the trust account in 2027 could lead to significantly higher premiums in subsequent years.

The discussion highlighted concerns about the high upfront costs of HSA plans, particularly for families, and the need for equitable implementation across different plan choices. Amy noted that while HSAs offer benefits for both healthy and unhealthy employees, there are eligibility requirements and complexities around dual coverage that would need to be addressed through staff education.

Healthcare Network Challenges

Justin discussed the challenges of healthcare provider networks in the Madison area, noting that many large employers are reducing their network options due to cost constraints, often limiting choices to one or two providers like Dean or Mercy. He explained that while a single-network approach could lower costs, it might also reduce access to care, particularly if providers don't have dedicated clinicians in Rock County.

-Next Meeting: Tuesday, May 26 at 8:30am, 911 Conference Room

-Adjournment: Luke DuCharme moved adjournment at 10:38am, second by Amy Sather. ADOPTED.

Respectfully submitted,

Amy Spoden

Human Resources Director

Not official until approved by Committee.