

Granville Township  
Minutes of Special Meeting, November 20, 2013

Present: Granville Township and Granville Roads District Trustees\* Paul Jenks, and Bill Mason, Fiscal Officer Jerry Miller  
Department Heads: Superintendent Travis Binckley, Chief Jeff Hussey  
Guests: Melanie Schott, Granville Township Trustee-elect, 664 W. Broadway

Trustee Jenks called the meeting to order at 11:00 AM followed by the Pledge of Allegiance. Trustee Jenks reported Trustee VanNess will be absent due to the death of a close friend.

Employee Health Insurance:

Trustee Jenks reported the Trustees approved changing to Medical Mutual of Ohio (MMO) as the Township health insurance provider during the previous meeting on November 13, 2013. MMO coverage will begin on December 1, 2013 and last through November 30, 2014. Trustee Jenks explained how the uncertainty of the Affordable Care Act (ACA) and potentially much higher rates after the beginning of 2014, had lead the Township to renew our medical insurance policy a month earlier than normal.

Trustee Jenks went on to explain the reason for today's meeting was to decide upon keeping the Township's current Health Reimbursement Account (HRA) or switching to a Health Savings Account (HSA) and to determine the levels of funding by the Township. Trustee Jenks asked FO Miller and Chief Hussey to provide their recommendation. Chief Hussey responded he has reviewed the HRA annual spend and tried to come up with a plan to fund employee's Health Savings Accounts by staying within the Township budget over the next three years. Chief Hussey concluded there was not a good way to move to an HSA program and be attractive to the majority of the Township's employees.

FO Miller stated he had met with Superintendent Binckley and Trustee Jenks and had also looked at moving to an HSA. The issue was being able to seed employees HSA accounts over a three year period. FO Miller indicated the Township should provide a larger amount of money initially as the employees were taking on more of the risk. The problem was in the amount of seed money the Township could afford in the third year of a HRA program. Superintendent Binckley agreed and reported he had spoken with his employees and they had concerns about moving to the HSA. Superintendent Binckley stated his employees felt as long as they were healthy, the HRA was a great program, but the little amount of seed money the Township would provide three years down the road was not a risk they liked. Trustee Mason stated when he was with the Newark School's they had considered an HRA and the staff didn't like it.

After some discussion, it was decided that moving to an HSA program would not be in the best interest of the Township at this time.

FO Miller explained the Township's current Health Reimbursement Account (HRA) covers employee's expenses from a high deductible medical benefits program. Current deductibles were \$2500 per person and \$5000 per family. The Township currently picked up the first 50% of the deductible, the employee the next 25% and the Township the final 25%. FO Miller

reported the new health insurance plan with Medical Mutual of Ohio is a high deductible plan with \$3000 individual and \$6000 family limits. The reason for selecting MMO's higher deductible plan was \$9000 in premium savings which benefits both the Township and the employees.

Trustee Jenks indicated the Township has been very generous with paying such a large portion of the deductible. FO Miller agreed and suggested the employees pick up a portion of the high deductible sooner than in the past. Chief Hussey stated we need to create an environment where employees watch what they spend on health care and shop around for better prices. Chief Hussey commented this was one of the benefits of a move to the HSA. The current 50/25/25 split amounts were discussed along with the increased impact on the Township due to the increase in the deductibles.

Superintendent Binckley handed out a spreadsheet listing several split options.

HRA PLANS							
Plan Year				Avg. Deductible	Total Employee	Total Township	
2013	50% Twp	25% Empl	25% Twp	Paid	Contrib.	Contrib.	
Single - 2500	1250	625	625	800	625	1875	
Family - 5000	2500	1250	1250	2100	1250	3750	
2014	25% Twp	25% Empl	50% Twp				
Single - 3000	750	750	1500	800	750	2250	
Family - 6000	1500	1500	3000	2100	1500	4500	
	30% Twp	25% Empl	45% Twp				
Single - 3000	900	750	1350	800	750	2250	
Family - 6000	1800	1500	2700	2100	1500	4500	
	35% Twp	25% Empl	40% Twp				
Single - 3000	1050	750	1200	800	750	2250	
Family - 6000	2100	1500	2400	2100	1500	4500	
	40% Twp	25% Empl	35% Twp				
Single - 3000	1200	750	1050	800	750	2250	
Family - 6000	2400	1500	2100	2100	1500	4500	
	30% Twp	30% Empl	40% Twp				
Single - 3000	900	900	1200	800	900	2100	
Family - 6000	1800	1800	2400	2100	1800	4200	
	35% Twp	30% Empl	35% Twp				
Single - 3000	1050	900	1050	800	900	2100	
Family - 6000	2100	1800	2100	2100	1800	4200	
	35% Twp	35% Empl	30% Twp				
Single - 3000	1050	1050	900	800	1050	1950	
Family - 6000	2100	2100	1800	2100	2100	3900	

Superintendent Binckley went on to explain some of the options and indicated he had reviewed these with his employees and they liked the option where the Township paid the first 35%, the employee the next 30% and the Township picked up the last 35%. Trustee Jenks said he favored

the 30% Township, 30% employee and 40% Township option as this got to the employee portion sooner.

After some discussion, Chief Hussey suggested the Township pick up the first 1/3, the employee then next 1/3 and the Township the last 1/3. This worked out to very round numbers for single employees it would be (\$1000/\$1000/\$1000) and for the family deductible it would be (\$2000/\$2000/\$2000). Trustee Jenks and Superintendent agreed this was a good compromise.

Trustee Jenks made a motion to continue with a Health Reimbursement Account (HRA) program and effective January 1, 2014 the programs reimbursement rates would be the first 1/3 reimbursed by the Township, the second 1/3 the employee would pay and the final 1/3 the Township would reimburse. Trustee Mason seconded the motion and after no further discussion, it was approved by a unanimous vote.

FO Miller stated he would let Wichert Insurance and MedBen know of the changes.

Trustee Jenks moved adjournment, and the meeting was adjourned at 11:40 AM.

Calendar Reminder:

- a) Regular Board\* meetings 11/27 and 12/11 starting at 7:00PM

\*The Board of Township Trustees of Granville Township, Licking County, Ohio, meet in their dual capacity as the Board of Township Trustees of Granville Township and the Board of Granville Township Road District Trustees.