

CUMBERLAND COUNTY FINANCE COMMITTEE
JANUARY 4, 2007, 8:30AM
REGULAR MEETING

Members Present: Commissioner Jeannette Council
Commissioner John Henley
Others: Commissioner Kenneth S. Edge
Commissioner Diane Wheatley
Commissioner Ed Melvin
James Martin, County Manager
Juanita Pilgrim, Deputy County Manager
Amy Cannon, Asst. County Manager
Grainger Barrett, County Attorney
Carla Loney, Risk Management
NCACC Staff
CIGNA Staff
Marie Colgan, Deputy Clerk
Marsha Fogle, Clerk

1. Election of Chair

Commissioner Jeannette Council was elected Chair of the Finance Committee

2. Set regular meeting date (currently the first Thursday of each month at 8:30AM)

The Committee kept the current regular meeting date.

3. Approval of Minutes: December 7, 2006

MOTION: Commissioner Henley moved to approve.
SECOND: Chairman Council
VOTE: UNANIMOUS

4. Report on Insurance (CIGNA)

Ed Wooters, NCACC, introduced Susan Klakoff, NCACC Risk Management Services, who responded to some issues raised at the December 7, 2006 meeting.

ISSUES

- OB-GYN VISITS: Blue Cross Blue Shield allowed OB-GYN visits to be paid under the Primary Care level co-pay. CIGNA has required visits to be paid under the Specialty Care co-pay level. Listed below are options that can address this issue:

Option 1: CIGNA will set up the system to pay all OB-GYN services at the Primary Care level;

Option 2: CIGNA will set up the system to pay 100% of Preventive Care with OB-GYN services, to include prostate exams for men.

- INDEMNITY VISION PROGRAM – CIGNA’s contracted ophthalmologists and optometrists list is not as large as BCBS, the previous vendor. CIGNA will create a network program which more closely resembles the plan offered through the prior vendor. There is an additional cost for the program of \$0.40 per member per month, but the NCACC is willing to absorb the cost for the County through the remainder of the policy year. Note: Employees will receive a separate “vision” insurance card.
- UP-TO-DATE LISTING OF CONTRACTED PROVIDERS: All Cumberland county employees did not receive a “welcome kit” which contained the provider information. Employees will receive a hard copy listing the contracted providers during mandatory meetings with CIGNA. In addition, updates to the provider list can be found on CIGNA’s website.
- NEW SUMMARY PLAN DESCRIPTIONS: Employee meetings about the change in insurance carriers from BCBS to CIGNA were not mandatory and employees were not clear about coverage. Summary plan descriptions were mailed to county employees prior to this Finance Committee meeting. Note: Mandatory meetings will be held at which time employees may ask questions regarding their plan.

Other issues discussed at this meeting:

- Grant funds may be available to assist the county in expanding its wellness program.
- Over the counter prescriptions: Over-the-counter prescriptions (used as a substitute for a RX) were discussed as a Tier 1 level co-pay. Example: If you currently take Nexium and your doctor indicates it is acceptable for you to switch to Prilosec, an over the counter medication, you will pay for your Prilosec at the Tier 1 level.
- Mail order prescriptions: Employees need to be educated regarding how to take advantage of mail-order prescriptions.
- Disease Management Program – Valarie Scott, CIGNA, told the Committee that employees are automatically enrolled in this program, unless he/she opts out. Dr. Scott T. Josephs, Chief Medical Officer, CIGNA HealthCare, Southeast Region, reviewed high claimant report information. He noted that out of the 18 top claimants, 14 were actively managed either inpatient,

complex case management, disease management or some combination. He noted the importance of using the Health Risk Assessment tool. Osteoarthritis stood out as one of the County's high risk issues.

- The County will continue to receive quarterly reports. Commissioner Henley thanked NCACC and CIGNA for providing valid information regarding health care expenditures.

ACTIONS TAKEN BY THE FINANCE COMMITTEE:

MOTION: Commissioner Henley move to recommend to the Board of Commissioners that Option 2 (CIGNA will pay 100% of preventative care to include prostate exams for men), be approved for OB-GYN services.

SECOND: Commissioner Council

VOTE: UNANIMOUS

Commissioner Wheatley suggested that the initial committee formed to discuss health insurance changes be included in discussions regarding health insurance issues.

Commissioner Henley noted that the Provider list needs to be updated as some of the physicians listed are no longer practicing in this area and/or may be deceased.

James Martin, County Manager, noted that the County would require employees to attend health insurance meetings that will be coming up in the future.

5. Consideration of Board of Education School Capital Requests

- (a) Pre-development Interim Finance Agreement between Cumberland County Board of Education and Firstfloor K-12 Cumberland LLC for a new Western Elementary School.

Grainger Barrett, County Attorney, noted that the Board of Education has approved and asks for Board of Commissioners approval for a Pre-development Interim Finance Agreement to begin preliminary design work and site selection for a new Western Elementary School. This agreement contemplates future consideration and would require future approval by the Board of Education of a capital lease between the parties to finance construction and operation of that school. Any future capital lease would require public notice of intent to enter into it and a finding by the Board of Education that the capital lease is in the best interests of the school system under all the circumstances. The pre-development agreement does NOT commit the Board of Education to enter into any capital lease. Note: This school is included in the \$55 million COPS funding request.

MOTION: Commissioner Henley moved that the Finance Committee recommend approval of this agreement to the Board of Commissioners.

SECOND: Commissioner Council

VOTE: UNANIMOUS

- (b) Consideration of calling a Public Hearing on Issuance of Certificates of Participation (COPS) in the principal amount of \$55 million.

Following some discussion regarding the COPS and additional funding for schools that will be needed in several years, the following motion was offered:

MOTION: Commissioner Henley moved that the Finance Committee defer action on this item and request the Board of Education to come to the Commissioners' meeting on January 16 to make a presentation on the projects included in and the need for the COPS. At that time the full Board can take action on the request.

SECOND: Commissioner Council

VOTE: UNANIMOUS

MEETING ADJOURNED AT 10:05AM.

Clerk