

CUMBERLAND COUNTY FINANCE COMMITTEE MEETING  
JANUARY 3, 2008, 8:30AM

MEMBERS

PRESENT: Commissioner Jeannette Council  
Commissioner John Henley  
Commissioner Kenneth Edge

OTHERS: Commissioner Breeden Blackwell  
Commissioner Diane Wheatley  
James Martin, County Manager  
Juanita Pilgrim, Deputy County Manager  
Cliff Spiller, Asst. County Manager  
Amy Cannon, Asst. County Manager  
Grainger Barrett, County Attorney  
Harvey Raynor, Deputy County Attorney  
James Silman, Risk Management  
Marsha Fogle, Clerk  
Mark Browder, Mark III  
Doug Hewitt, City of Fayetteville  
Jerry Dietzen, City of Fayetteville

ADDITION TO AGENDA: Update on City of Fayetteville's recycling effort and a proposed partnership with the County

1. Election of Chair

Commissioner Kenneth Edge was elected Chair.

2. Selection of meeting date

Meeting date will remain the same – 1<sup>st</sup> Thursday of the Month at 8:30AM.

3. Approval of Minutes: November 1, 2007

MOTION: Commissioner Council moved to approve.

SECOND: Commissioner Henley

VOTE: UNANIMOUS

3. Update on County's Health Insurance Plan

Mark Browder of Mark III reviewed his proposed 2008-09 Wellness Strategy. Mr. Browder noted there is no need to increase the funding for the 2008-09 County Medical Plan. Claims from July 2006 – June 2007 were \$433.79 per subscriber per month.

From July 2007 – November 2007 claims are running flat (\$431.13 per subscriber per month).

Mr. Browder reviewed some statistics:

- Obesity trends from 1985 – 2005 have increased from less than 10% to 29%.
- Deaths from diabetes and heart disease have increased from 2000 to 2004.
- Behavior accounts for 50% of determinants of our health.
- High blood pressure is the leading cause of disability/death from stroke, heart attack and kidney failure.
- Cholesterol is a leading indicator of heart disease.
- Medical costs from obesity are higher.
- Smokers average \$3,400 per year in excess medical/productivity claims.
- The risk of death from Cardiovascular Disease increase 30% if you smoke.
- One in three adults has a lifetime risk of diabetes.

#### 2008-09 Wellness Strategy

- Maintain the health of those that are well;
- Improve the health of those that are chronically ill;
- Drive member engagement and responsibility for their health care;
- Provide tools and incentives that result in healthy behaviors;
- Positively influence change in the health care demand based on demonstrated results.

#### Phase I - Recommendations

- Utilize the Health Risk Assessment provided by BCBS.  
(Assessment to be done in April 2008)
- Each participant will receive biometric indicators and health behavior indicators and be provided a wellness score.
- Biometric indicators could be collected with assistance from Cape Fear Valley Medical Center.
- Participants will receive results and score online (score becomes a baseline upon which future PREMIUM REDUCTIONS will be based. (A score of 80 & above would be a healthy range).
- By participating in the HRA, the employee will receive a discounted rate for 2008-09. (Differential will be \$30.00)

#### Phase II – Recommendations

- HRA will be performed again in April 2009.
- To receive the discount for 2009-10 and after, the participant must participate in the HRA, receive a score of 80 or improve their score by 5 points if it was below 80 in 2008-09 or receive a waiver signed by their physician

If this medical strategy is adopted by the Board there will be no need for an increase in health care funding for the 2008-09 plan year.

Mr. Browder noted the importance of medication adherence. Therefore BCBS is reducing cost barriers to members with specific chronic conditions by waiving copayment on certain generic medications that treat congestive heart failure, high blood pressure, high cholesterol and diabetes. In addition BCBS is moving more expensive brand-name drugs that treat these conditions into a lower cost drug classification category so they are more affordable. This program will run from January 2008 through 2009.

Mr. Browder recommends the County not go out for bids for health insurance for the FY09 plan year and that it adopt the above health strategies.

Committee members discussed requiring adults and spouses participate in the program plan. They also discussed how it could address tobacco uses as part of the plan. Commissioner Henley suggested the plan should also include retirees under the age of 65. The smoking issue will be addressed as soon as a plan is formulated, but perhaps not initially. Mr. Browder noted that logistically it could be difficult to include retirees in the Program.

MOTION: Commissioner Henley moved that the County stay with BCBS for another year.

SECOND: Commissioner Council

VOTE: UNANIMOUS

MOTION: Commissioner Council moved that the Committee recommend that the County do the Wellness Strategy as recommended by Mr. Browder and county management and that it should include adults and spouses on the county's plan.

SECOND: Commissioner Henley

VOTE: UNANIMOUS

4. Other matters – Update on the City of Fayetteville's recycling effort and proposed partnership with the County of Cumberland

Mr. Jerry Dietzen told the Committee that city staff is ready to make a recommendation to the City Council regarding recycling. Cost would be no more than \$39 a year for a single family dwelling. The City is requesting that the County participate in the effort by providing a "tipping" spot for the recyclables. The City indicated it did know of some recycling companies who would be willing to come to the county landfill and pick up the recyclables.

Management indicated it thought the County should participate in the recycling program. The cost for the county to participate in providing the tipping spot for the county to haul the recyclables away is \$450,000 - \$500,000 (equipment and two employees) with approximately \$300,000 of that representing up-front equipment purchase cost. In addition the Committee discussed the City continuing to pay the \$48 household fee it

currently pays. Mr. Bobby Howard noted that a law that will become effective in July 2008, requires the County pay a tipping fee of \$2.00 per ton for waste deposited in the landfill. He noted that the County may have to increase its \$48 fee to \$50.00 in order to break even.

Following some discussion the following motion was made:

**MOTION:** Commissioner Council moved that in collaboration with the City of Fayetteville the Committee recommend to the Board of Commissioners that the County collaborate with the City of Fayetteville recycling effort by providing a tipping spot at the County's Solid Waste Department and that the County plan to haul the recyclables to a Materials Recovery Facility (MRF). (If we provide a tipping spot, the County will own the recyclables and haul them to a MRF). The City would not need to contract with anyone to haul the recyclables from the county landfill to a MRF.

**SECOND:** Commissioner Henley

**VOTE:** UNANIMOUS

More information on this project will be provided at the County's Planning Retreat on February 7, 2008.

**MEETING ADJOURNED**