



VILLAGE OF MILLERSBURG

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The Council of the Village of Millersburg met in special session on September 11, 2013 at 7:00 p.m. Mayor Huebner called the meeting to order. Roll call was given with the following members in attendance: Devone Polen, Brent Hofstetter, Greg Hardesty, Jim Beechy, and Ruby Baird. Councilman Junior Vaughn was absent.

The special meeting was called for Council to hear updates on the Affordable Care Act and the renewal of the Village's group health, dental, and life insurance plans.

Sasha Taylor-Smith of Huntington Insurance (broker for Aultcare) presented information on the ACA. With the "Act" being in place for over three years, the requirements to-date has been met. Aultcare has made sure the plan is in compliance.

Taylor-Smith addressed the changes coming in 2014. Insurance rates will rise significantly. For the 2014 renewal, Aultcare has estimated an increase of 32% in premiums. The increase is largely due to over 20 fees and taxes imposed by the "Act". These will be passed on to group health plans by the carriers. Mandated health care will also go into effect as well as mandated plan designs. In addition, there will be no medical underwriting and groups will be rated by a "Community Rating" formula based upon tobacco use; zip code areas; and individual/family status.

Individuals in 2014 that have group health insurance will have the option of remaining with the group or obtaining insurance through the Federal Gov't ran "Healthcare Marketplace (Exchange)". The Village is required to send an "Exchange Notice" to all employees including those that are not eligible for the group plan. In the "Exchange" there could be Federal Gov't subsidies for qualifying individuals/families. The "Exchange" premiums for individuals will not be on a pre-tax basis and no underwriting will be involved. Small group plans (fewer than 50 employees) are not required to provide group health care to employees. Large groups (over 50 employees) will be required to provide insurance or pay a per person penalty. This is commonly known as the "Play or Pay" piece of the ACA.

Taylor-Smith presented the renewal information for the Village's current group plan. The renewal is for the period of November 1, 2013 through October 31, 2014. A pie chart was reviewed to show where the claims for employees were as compared to the average group. The Village employees are doing an excellent job at utilizing the coverage as it designed for. The renewal rate for the coming year originally came back at a 14% increase. Clerk-Treasurer Shaffer asked for a review by underwriting to possibly reduce the increase. The second rate came back from them at a 10% increase. At least 3 to 5 ½% of the increase is related to the new fees and taxes as required by the ACA and will go directly to the Federal Gov't. Taylor-Smith informed Council they have options for this renewal. 1.) The design of the plan could be changed (deductibles/co-insurance/etc.). 2.) An increase in employee contribution. 3.) A "Spousal Coordination Plan" where any spouse of an employee that has other coverage available would be required to come off the Village's plan. Children would be allowed to remain on the plan. A spreadsheet was provided of other plan designs for Council to review. These consisted of higher deductibles and one with a Health Saving Account attached.

The renewal for dental coverage with Aultcare was also presented. The increase was 6%, which Taylor-Smith noted was a very competitive rate. The renewal for the life insurance from Standard Ins. was increased as well, however that was sent back to them for a possible rate reduction. That renewal rate will be provided when it is received.

The last item presented to Council was an "Early Renewal" proposal. If Council were to select this option, the rate would be an 11 ½% increase as opposed to the 10%. The date for the extension will only go to December 1, 2014 which would buy the Village one month of coverage before the estimated 32% increase would happen. The deadline for early renewal applications is October 15, 2013.

There were discussion/questions on the info that was provided. Council opted to review all the information that was provided and discuss the renewal at the next Council meeting.

ADJOURNMENT: Motion made by Polen to adjourn the meeting. Seconded by Hofstetter. Upon roll call, motion carried with Polen, Hofstetter, Hardesty, Beechy, and Baird voting aye.

Approved Date _____

Karen Shaffer, Clerk-Treasurer

Jeff Huebner, Mayor