

Human Resources Committee Meeting

Douglas County, Nebraska

Monday, April 11, 2016

The meeting convened at 1:02 P.M. in Room 903 of the Omaha-Douglas Civic Center, 1819 Farnam Street, Omaha, NE 68183. A copy of the Open Meetings Act is located on the wall near the entrance of the room. A notice of the meeting was published in the April 6, 2016, issue of *The Daily Record*. County Commissioners present at the meeting were Marc Kraft, Mary Ann Borgeson, Mike Boyle, and Jim Cavanaugh. Others present at the meeting were Patrick Bloomingdale, Chief Administrative Officer; Karen Cole, Joe Lorenz, Diane Carlson, Catherine Hall and Marcos San Martin, County Administration; Kathy Adair, Human Resources; Amy Warssocki-Begley, Pro Insurance Resources and Constance Mierendorf, Douglas County Clerk/Comptroller's office. Commissioner Borgeson chairs the Committee.

A video recording of the meeting is available on the Douglas County Website:

<http://commissioners.douglasCounty-ne.gov/board-meetings/videos>.

1. Renewal of life insurance for County employees

- Kathy Adair of Human Resources reported that the County life insurance plan with Minnesota Life Insurance Company (Minnesota Life) is expiring at the end of the year. The County has been with Minnesota Life since 2005.
- The County provides employees with a \$15,000 basic life insurance policy and a \$15,000 accidental death insurance policy. Employees also have the option of supplemental insurance for themselves, spouses and children which the employees pay.
- The initial proposal for a new contract from Minnesota Life was with an increase of 34.7%, but they came down to an increase of 20.7%, which amounts to an additional \$20,000-\$30,000 / year more for the County. The County has been with Minnesota Life since 2005.
- Ms. Adair explained that the County had experienced a high number of deaths in the past two years, which accounts for the increase in the premium.
- Commissioner Kraft said the County should go out for bid on the contract.
- Commissioner Boyle suggested the bid be submitted both with accidental death coverage and without accidental death coverage to see what the savings would be.
- Ms. Adair said that currently the cost of accidental death coverage is \$.38/ \$1,000 or \$830/month. Two accidental death claims have been awarded in the last 2 years.
- Joe Lorenz said that the rise in premiums is based on actuarial tables.
- Ms. Adair said the County has not had an increase in premiums, and actually had a decrease from Minnesota Life about three years ago. Additionally, Minnesota Life offered increased supplemental life insurance and the extra offering of supplemental spouse coverage and child coverage. The employee supplemental insurance offering increased from \$300,000 up to 500,000.
- Commissioner Cavanaugh said the County should go out for bids when any contract nears expiration.
- The County has gone out for bid 2 times for medical insurance and once for dental insurance since 2005.

- The County will be going out for bid on medical insurance again this year. There is one year left on the Delta Dental contract.

2. Consideration of proposal for Medicare transition program

- Amy Begley of Pro Insurance Resources, Gretna, Nebraska, presented a proposal for a Medicare Transition Program, an educational program for Douglas County employees who are approaching retirement and transitioning to Medicare (See Attachment A).
- Ms. Begley noted that everyday 10,500 Baby Boomers are turning 65 and that Gen Xers will also be turning 65 at about the same rate—10,100/day.
- The Medicare system is complicated and if a retiree does not comply fully with Medicare requirements, s/he may incur lifetime penalties.
- Many changes are being proposed to Medicare that will require additional education.
- The Medicare Transition Program for County Employees would be an additional retirement benefit at no cost to the County. It would be a secondary benefit to employees. The County would invite employees, host the program and Pro Insurance would deliver it. Those who wanted one-on-one advice would schedule with Pro Insurance for later meetings.
- Insurance licensure requirements do not allow agents to sell products at educational meetings.
- Kathy Adair explained that at present, she refers employees to Volunteers Assisting Seniors with Medicare Questions at the Center Mall. She also refers them to an individual who used to volunteer at the Center office.
- Commissioner Cavanaugh suggested that the County consider doing a reverse job fair—a Retirement Fair, similar to a Health Fair, in cooperation with the City right here in the City-County Building.
- Kathy Adair responded that several years ago, the County held information sessions with Met Life at the Extension Center that ran the gamut of information for retirees from Medicare to estate planning. They were well attended.
- Commissioner Cavanaugh noted that changes to the Social Security and Medicare systems are occurring and are complicated. Education is important for people who are dealing with these changing systems.
- Commissioner Kraft suggested that a list of 10-15 people who could provide guidance to retiring employees would be desirable for the Human Resources Department to be able to disseminate.
- Commissioner Borgeson said that she continues to make a list of processes and ideas that will benefit County employees. The idea of educating them as they reach retirement and Medicare eligibility through a County/City fair is good.
- Currently, Human Resources sends a letter to employees approaching Medicare, giving them the name of the Volunteers Assisting Seniors with Medicare Questions at the Center Mall and the name of the volunteer who used to work there who could assist him. A list of possible consultants who could assist employees approaching Medicare could be created and added to the website.

The Meeting adjourned at 1:42 P.M.