



AGENDA

Special County Operations Committee

Thursday, October 14, 2021
@ 5:00 PM
Peoria County Courthouse, Room 403

***REVISED**

1. **Call to Order**

2. **Resolutions**
 - FY2022 Health Insurance Premiums
 - * • Civil Litigation Settlement

3. **Miscellaneous**

4. **Adjournment**

AGENDA BRIEFING

SUBSTITUTE

COMMITTEE: County Operations Committee
MEETING DATE: October 14, 2021

LINE ITEM: multiple
AMOUNT: \$365,870

ISSUE: Approve the substitute resolution to establish both the employer and employee medical health premiums, effective January 1, 2022 through December 31, 2022.

BACKGROUND/DISCUSSION:

On September 27, 2021 the County Operations Committee approved a resolution to establish both the employer and the employee medical health premiums, effective January 1, 2022 through December 31, 2022. After further feedback and review from employees, a substitute resolution is presented for review and approval. If approved, the resolution will replace the original.

Our goal remains to keep the health plan solvent. Therefore in 2020 and 2021, the County Board adopted significant plan design changes in an effort to reduce costs. At that time, it was explained that the County would be taking a two-pronged approach to address cost containment and revenue challenges. For 2022, our strategy is looking at making material changes to how the unit cost for premiums are calculated. These changes will impact the take home pay for employees that are on the plan, and the amount appropriated in department budgets.

In early 2021, Nyhart conducted an actuarial analysis of the premium tier structure. The analysis showed that plan members with multiple dependents have been under paying in the premium structure. As a result, we are recommending a new premium structure that distributes the premium cost more equally. The actuarial analysis also showed a disparity between benefit design and premiums. Now that the two plans, PPO and QHDHP, are similar in benefit design, the premiums need to be adjusted to better align them with the benefits.

The Collective Bargaining Agreements with the FOP Corrections required the County to negotiate premium increases. That contract was settled in Fall 2021. Therefore, all County employees will either be on the \$2,000 deductible PPO or the Qualified High Deductible Plan in 2022.

In order to more adequately align revenues and expenditures, staff is recommending a premium increase effective January 1, 2022. The chart below reflects the monthly 2022 premiums by plan type for the Standard PPO \$2000 Plan, the Qualified High Deductible Plan, and the IMRF Medicare Eligible retiree plan.

The substitute resolution before you establishes a partial subsidy for the employee premium share. The employee cost for single coverage, the unit costs and the employer costs remain unchanged from the previous resolution. As a result there will be zero impact to the Employee Health Fund. The recommended subsidy will be 35% of the employee share of the premium increase for Member +1 and 75% of the employee share of the premium increase for Member +2. This subsidy does not apply to premiums that are already negotiated in a collective bargaining agreement. Those retirees who pay the full premium rate for the QHDHP or the PPO plan and are unsubsidized with Member +1 and Member +2 coverage will receive a 50% subsidy of the premium increase. Total anticipated cost of the subsidy for current plan members is just over \$365,000.

2022 Proposed Monthly Health Insurance Premiums				
Premium Cost Sharing				
2022 Proposed Monthly Premium				
PPO \$2000 Deductible	Employee	Employer	Subsidy	Unit Cost
Single	\$234.77	\$939.08	\$0.00	\$1,173.85
Member +1 (D-1)	\$568.48	\$2,021.95	\$27.25	\$2,617.68
Member +2 (D-2)	\$682.18	\$2,730.37	\$320.28	\$3,732.83
Premium Cost Sharing				
2022 Proposed Monthly Premium				
Qualified High Deductible Plan	Employee	Employer	Subsidy	Unit Cost
Single	\$125.74	\$502.98	\$0.00	\$628.72
Member +1 (D-1)	\$283.57	\$1,082.97	\$35.50	\$1,402.04
Member +2 (D-2)	\$315.59	\$1,462.40	\$221.33	\$1,999.32
Premium Cost Sharing				
2022 Proposed Monthly Premium				
IMRF Medicare Eligible Retiree	Retiree	Employer	Subsidy	Unit Cost
Single	\$671.68	\$0.00	\$0.00	\$671.68
Family	\$1,497.85	\$0.00	\$0.00	\$1,497.85

COUNTY BOARD GOALS:



HEALTHY VIBRANT COMMUNITIES

STAFF RECOMMENDATION:

To approve insurance premiums outlined above for both the employer and employee share, effective January 1, 2022 through December 31, 2022 as explained above.

DEPARTMENT: Angela Loftus, County Administration

DATE: October 8, 2021

SUBSIDIZED PREMIUMS

**2021 Monthly
Premiums**

PPO \$2000	EE Unit Cost	ER Contrib	ER Contrib
EE	1150.83	230.17	920.66
EE+1	2301.66	517.87	1783.79
Family	2301.66	575.42	1726.25
Avg Inc %	25%	25%	25%

**2022 - Proposed Monthly
Premiums & Subsidy**

EE Unit Cost	ER Contrib	ER Contrib	0/35/75% Subsidy
1,173.85	234.77	939.08	0.00
2,617.68	568.48	2,021.95	27.25
3,732.83	682.18	2,730.37	320.28
		Monthly	7,402.89
		Annual	88,834.63

**2022 - Annual
Increase**

EE Annual Increase	ER Annual Increase
55.19	221.01
607.27	2,857.93
1,281.18	12,049.41

**2022 Per Pay Period
Increase**

EE Per Pay Inc	ER Per Pay Inc
2.30	9.21
25.30	119.08
53.38	502.06

**2022 % of
Increase**

EE % of Inc	ER % of Inc
2.0%	2.0%
9.8%	13.4%
18.6%	58.2%

QHDHP Unit Cost	EE Contrib	ER Contrib
EE	483.63	386.90
EE+1	967.26	749.63
Family	967.26	725.45
Avg Inc %	25%	25%

EE Unit Cost	ER Contrib	ER Contrib	0/35/75% Subsidy
628.72	125.74	502.98	0.00
1,402.04	283.57	1,082.97	35.50
1,999.33	315.59	1,462.40	221.33
		Monthly	23,086.26
		Annual	277,035.14

EE Annual Increase	ER Annual Increase
348.17	1,392.90
791.29	4,000.06
885.28	8,843.40

EE Per Pay Inc	ER Per Pay Inc
14.51	58.04
32.97	166.67
36.89	368.48

EE % of Inc	ER % of Inc
30.0%	30.0%
30.3%	44.5%
30.5%	101.6%

IMRF Unit Cost	Retiree Contrib	ER Contrib
EE	658.51	-
Family	1317.02	-
Avg Inc %	25%	25%

Unit Cost	Retiree Contrib	ER Contrib
671.68	671.68	-
1,497.85	1,497.85	-
7.9%	7.9%	
Annual Subsidy Grand Total		
		365,869.77

Retiree Annual Inc	ER Annual Inc
158.04	-
2,169.92	-

Retiree Per Pay Inc	ER Per Pay Inc
6.59	-
90.41	-

EE % of Inc	ER % of Inc
2.0%	-
13.7%	-

AGENDA BRIEFING

COMMITTEE: County Operations Committee

MEETING DATE: October 14, 2021

LINE ITEM: 082-5-082-7-734-53047

AMOUNT: \$26,676.53

ISSUE: Civil litigation settlement

BACKGROUND/DISCUSSION:

Circuit Court civil case number 18-L-110 is a class action lawsuit against the Peoria County Circuit Clerk regarding filing fees collected that were later deemed by the courts to be improper and are to be returned to the filers. The County's attorney is requesting \$26,676.53 to refund filing fees and settle the lawsuit.

COUNTY BOARD GOALS:



HIGH PERFORMING PUBLIC ORGANIZATION

STAFF RECOMMENDATION:

Approve the settlement amount requested.

COMMITTEE ACTION:

PREPARED BY: Jennie Cordis Boswell, Assistant State's Attorney

DEPARTMENT: State's Attorney's Office

DATE: October 11, 2021

