

WARREN COUNTY BOARD OF SUPERVISORS

COMMITTEE: SUPPORT SERVICES - PURCHASING & SELF-INSURANCE

DATE: APRIL 29, 2010

COMMITTEE MEMBERS PRESENT:

SUPERVISORS TAYLOR  
VANNESS  
GIRARD  
STRAINER  
STEC  
LOEB  
MCCOY

OTHERS PRESENT:

AMY CLUTE, SELF-INSURANCE ADMINISTRATOR  
JULIE PACYNA, PURCHASING AGENT  
FREDERICK MONROE, CHAIRMAN OF THE BOARD  
PAUL DUSEK, COUNTY ATTORNEY/COMMISSIONER OF ADMINISTRATIVE &  
FISCAL SERVICES  
NICOLE LIVINGSTON, DEPUTY CLERK OF THE BOARD  
KEVIN GERAGHTY, BUDGET OFFICER  
SUPERVISOR BENTLEY  
TODD LUNT, DIRECTOR, HUMAN RESOURCES  
MIKE NEEDHAM, NEEDHAM RISK MANAGEMENT  
DON LEHMAN, *THE POST STAR*  
AMANDA ALLEN, SR. LEGISLATIVE OFFICE SPECIALIST

Mr. Taylor called the meeting of the Support Services Committee to order at 11:00 a.m.

Motion was made by Mr. McCoy, seconded by Mr. Girard and carried unanimously to approve the minutes from the last Committee meeting, subject to correction by the Clerk of the Board.

Privilege of the floor was extended to Amy Clute, Self-Insurance Administrator, who distributed copies of the agenda to the Committee members. *A copy of the agenda is also on file with the minutes.*

Commencing the review with Agenda Item 1, Mrs. Clute presented the Return to Work Policy which was included in the agenda packet. She noted that the County's Safety Consultant, Mike Needham of Needham Risk Management, was present to discuss the Policy and answer any questions the Committee might have. Ms. Clute further noted that a resolution would be necessary to adopt the Return to Work Policy and the appropriate request form was also included in the agenda packet.

Mr. Needham apprised a number of studies performed indicated that Return to Work Policies had the potential to bring considerable cost savings to employers that implemented them. He said the purpose of the policy was to lessen the costs incurred for health and Workers' Compensation disability benefits while an employee was out of work by authorizing temporary light duty work until it was determined that they could return to their regular position. Mr. Needham explained that if alternate light duty work was available, and medical clearance was received from the employee's physician that the designated duties were appropriate for their temporary disability, an offer of employment could be made to the employee which would include a description of work and the associated hourly rate. He added that in addition, the Workers' Compensation program would pay 60% of the difference between the temporary rate of pay and the employee's previous salary rate. Mr. Needham stated that this policy would offer the employees an incentive to return to work, as the total rate of pay would be more than what was received for Workers' Compensation benefits alone, while gaining labor services for the employer. He noted that studies reflected Return to Work Policies had positive results for injured employees as they improved the individual's attitude and sense of well being. Mr. Needham then distributed a document listing statistical information relating to Return to Work Policies which he briefly outlined for the Committee's benefit; *a copy of this document is on file with the minutes.*

Mr. VanNess opined that the Return to Work Policy would be a benefit to both the County and its employees. He stated that he was aware of a number of employees who had desired to return to work on a light duty basis; however, he said, these requests had always been denied because the County did not have a policy in place which allowed such procedures. Mr. Loeb agreed with Mr. VanNess' statements and said he was in favor of implementing the Return to Work Policy, but noted his concern that the last section, Bona Fide Offers of Employment, seemed to be written in an anti-employee tone and he questioned whether this should be altered to mirror the more friendly and helpful tone of the preceding sections of the document. Mr. Needham replied that in his personal experience, although the results from these Policies were typically favorable, there were occasionally employees who did not desire to return to work and might be taking advantage of the Workers' Compensation system. He said the Return to Work Policies benefitted those employees with good work ethics and integrity that desired to return to their positions, but also allowed employers to identify employees who had received medical clearance to accept light duty work but preferred to remain at home and collect benefits. Mr. Needham advised that in situations such as these when a bona fide offer of employment was extended and rejected, the malingering employee was voluntarily removing themselves from the workforce, giving the employer the option to reduce or eliminate benefits. He concluded that while he agreed the tone of the closing section of the Policy was more harsh than the rest of the document, it was included to advise that there would be consequences if the offer was not accepted. Mr. VanNess said he felt this portion of the document should remain as it was because it was critical for the employee to be advised of the consequences that could arise if they chose not to accept the employment offer.

Paul Dusek, County Attorney/Commissioner of Administrative & Fiscal Services, questioned whether discussions had been held with Union representatives with regards to the matter to make them aware of the Policy and Mr. Needham replied in the negative, noting that Union discussion was one of the caveats of the Policy. He explained that when making offers of employment to employees accepting positions outside of their typical duties, the Human Resources Director would be required to approach the Union and discuss this as a possibility before formalizing the offer. Mr. Dusek counseled that usually when a policy such as this was adopted which would largely affect Union members, the Union leaders would be contacted and advised before any enacting actions were taken. He then suggested that the Committee table the adoption of the Return to Work Policy, pending review and discussion with Union representatives. Mr. Dusek noted his feeling that the Unions would be receptive to the Policy and might be able to provide positive input which could improve the Policy.

Mr. Girard interjected that when discussing the matter with the Unions, they might be expected to extend these benefits to those employees collecting disability benefits for injuries occurring outside of work who were using sick time for their recovery. In response, Mr. Needham advised that many employers were wary of including outside disability injuries in the Return to Work Policy as although workers' compensation claims were the full responsibility of the employer, an outside disability injury could be exacerbated at work, leading to the filing of a compensation claim.

Subsequent to additional conversation, it was the consensus of the Committee that the adoption of the Return to Work Policy would be tabled pending discussion with Union representatives, as per Mr. Dusek's advisement.

Proceeding to Agenda Item 2, Ms. Clute announced that 16 proposals had been received in response to the RFP (Request for Proposals) released for the Health Insurance Broker contract which was to expire on September 22, 2010. She noted that a copy of the tabulation sheet listing the 16 responding firms was included in the agenda for the Committee's review. Mr. Dusek apprised that himself, Mr. Taylor, Mrs. Clute and Todd Lunt, Human Resources Director, had met recently to review the proposals received and determined that there were five appropriate responses and they desired to interview these firms before making a determination on the preferred broker. He said they intended to hold interviews on May 25<sup>th</sup> - 26<sup>th</sup> and any Committee members wishing to

participate were welcome to attend. Mr. Dusek advised that the firms to be interviewed were Locey & Cahill, LLC; Capital Financial Group, Inc.; Jaeger & Flynn Associates, Inc.; Cool Insuring Agency, Inc. and Benetech; he added that the Committee could include any other firms they preferred to interview in this list.

Mr. VanNess indicated that in prior conversations, Mr. Taylor had noted there might be a conflict of interest issue with Cool Insuring Agency, Inc. bidding for the Health Insurance Broker contract as they already served as the County's liability insurance broker. Mr. Taylor advised that he had misunderstood the issue and asked Mr. Dusek to provide clarification. Mr. Dusek explained that the New York State Insurance Law included a provision which prevented health insurance brokers from rebating or reducing rates for health insurance based on other program rates; however, he noted, the same provision did not apply for general liability carriers. In light of these provisions, he said that it was not appropriate to seek out proposals for both health and liability broker services in one RFP due to the concern that a prospective broker might lower costs for general liability coverage in hopes of gaining health insurance broker service contracts as this would be considered an unlawful rebate. Mr. Dusek advised that in order to avoid these issues, they had previously renewed the general liability coverage with Cool Insuring for a three-year period and bid the health insurance broker services separately. As for Mr. Taylor's initial concern that it might be inappropriate for Cool to bid for the health insurance coverage as they had offered the County special rates in the past, Mr. Dusek explained that he had reviewed the matter and determined there would be no issue as Cool had already renewed their contract with the County for a three-year term which included defined broker rates that could not be changed.

Concluding the review with Agenda Item 3, Mrs. Clute apprised that after serving four years as President of NYSASIC (New York State Association of Self-Insured Counties) she hoped to be named as a member of the NYSASIC Board of Directors at their upcoming meeting on May 7, 2010. In anticipation of this nomination, she said she was requesting the Committee's authorization to serve as a Board member for the term ending in May of 2012 and noted that the appropriate resolution request was included in the agenda packet.

Motion was made by Mr. Girard, seconded by Mr. Stec and carried unanimously to approve the request as outlined above and the necessary resolution was authorized for the May 21<sup>st</sup> Board meeting. *A copy of the request is on file with the minutes.*

Privilege of the floor was extended to Julie Pacyna, Purchasing Agent, who distributed copies of the meeting agenda to the Committee members. *A copy of the agenda is also on file with the minutes.*

Ms. Pacyna announced that New Business Item 2A included a request to ratify the actions of the Purchasing Agent and supporting the transmission of a letter to Assemblywoman Teresa Sayward regarding Purchasing Law reform. She noted the proposed reforms would allow for increased efficiency in government purchasing and ultimately result in saving taxpayer dollars. Ms. Pacyna advised that the details of the changes proposed were outlined in the letter which was included in the agenda, along with a resolution request form.

Mr. Loeb said the letter to Assemblywoman Sayward pointed out that certain members of the Legislature were preventing the Purchasing Law reform and he felt the issues with these individuals should be addressed as they were directly confrontational. Ms. Pacyna replied that the SAMPO (State Association of Municipal Purchasing Officials, Inc.) Board of Directors was attempting to address this issue; however, she added, they had not been successful thus far. She advised that SAMPO continued to speak with the resisting Legislators and they felt the key to gaining their ultimate approval was to keep the dialogue open and continually push for approval.

Motion was made by Mr. VanNess, seconded by Mr. Strainer and carried unanimously to approve the

aforementioned request and the necessary resolution was authorized for the May 21<sup>st</sup> Board meeting. *A copy of the request is on file with the minutes.*

Continuing to Item 2B, Ms. Pacyna presented a request for two amendments to the 2010 Warren County Purchasing Policy, the first being to allow an exemption for repairs to equipment for which quotes could not be obtained unless the equipment was dismantled and the second to set a minimum dollar threshold whereby RFP's must be released for leases. She explained that the first amendment was prompted by an issue that had occurred within the Department of Public Works when a vehicle required undiagnosed repairs which required the dismantling of the engine, at which point it was too late to seek out three individual quotes for the work as required by the Purchasing Policy. As for the revision to the minimum dollar threshold, Ms. Pacyna apprised she was inundated with RFP requests for copier leases, whether they be larger standing models or the much smaller tabletop versions. She said she felt it would be more cost effective to implement a \$2,000 limit which would allow Department Heads seeking copier leases for less than this amount to proceed in obtaining them without an RFP process.

Motion was made by Mr. Stec, seconded by Mr. McCoy and carried unanimously to approve the request to amend the 2010 Warren County Purchasing Policy as outlined above and the necessary resolution was authorized for the May 21<sup>st</sup> Board meeting. *A copy of the request is on file with the minutes.*

As there was no further business to come before the Committee, on motion made by Mr. Loeb and seconded by Mr. Girard, Mr. Taylor adjourned the meeting at 10:25 a.m.

Respectfully submitted,  
Amanda Allen, Sr. Legislative Office Specialist