

# Warren County Board of Supervisors

## RESOLUTION NO. 594 OF 2011

**Resolution introduced by Supervisors Taylor, VanNess, Girard, Strainer, Loeb, McCoy and McDevitt**

**AUTHORIZING HEALTH INSURANCE PLANS TO BE OFFERED TO WARREN COUNTY OFFICERS, EMPLOYEES AND ELIGIBLE RETIREES FOR THE PERIOD OF DECEMBER 1, 2011 TO NOVEMBER 30, 2012 AND AUTHORIZING THE CHAIRMAN OF THE BOARD TO EXECUTE ALL CONTRACTS REQUIRED TO AFFORD SAID INSURANCE COVERAGE AS WELL AS ANY OTHER RELATED STATEMENTS, REPRESENTATIONS, AGREEMENTS, AND OTHER DOCUMENTS THAT MAY BE NECESSARY**

WHEREAS, Warren County currently contracts for and offers certain officers, employees and eligible retirees the following insurance plans: Blue Shield of Northeastern New York (BSNENY), New York State Health Insurance Program (NYSHIP), Capital District Physicians Health Plan Medicare Advantage Plan (CDPHP - MA), Blue Shield Medicare Advantage Instate (BS - MA IN), Blue Shield Medicare Advantage Out of State (BS- MA OOA), MVP Medica Advantage (MVP - MA) and

WHEREAS, for the renewal period for all health insurance coverage for the period December 1, 2011 to November 30, 2012 it is proposed that Warren County offer the same coverages from the same companies except 1) change from the current BSNENY fixed rate experience rated policy to the BSNENY minimum premium-payment insurance plan to obtain certain immediate savings with a potential for future savings or increased costs (if certain assumptions do not occur) and 2) no longer offer CDPHP - MA due to rate increases, and

WHEREAS, if CDPHP is no longer offered there are still similar other Medicare Advantage Plans for eligible retirees to choose from, and

WHEREAS, the proposal to convert to the BSNENY Minimum Payment Premium Policy with a maximum year end liability cap (payable only if the policy is not renewed - upon renewal past exposure claims cost will affect future rates) is based on the opinion of the County's health insurance advisor that the County had an usually high claims experience this past year and if the next year is more in line with prior

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years, this change will allow the County to lower costs immediately, position the County for future savings which can be used to offset future health insurance costs while also limiting the County's increased cost exposure should the County determine not to continue with the plan, and

WHEREAS, based on the average health insurance employee enrollment for 2011, it is proposed to fund the BSNENY Minimum Premium Plan in the County budget at Ten Million Fifty-Seven Thousand Four Hundred Seventy-Three Dollars (\$10,057,473) thereby establishing a reserve in the amount of Five Hundred and Fifty Thousand Dollars (\$550,000) to provide funds for one half (½) of the reserve that may be payable (estimated at \$1,100,000) if Warren County elects to terminate coverage with BSNENY at the end of the policy period thereby leaving a potential estimated cost of Five Hundred Fifty Thousand Dollars (\$550,000) (the other half of the reserve) but also reducing immediate health care premium costs and positioning the County for future potential savings, and

WHEREAS, the actual impact of the cost of health insurance on the County budget is affected by changes, from time to time, in enrollment and the amounts receivable for departments/agencies funded by revenues from other governmental bodies, now, therefore, be it

RESOLVED, that for the renewal period of December 1, 2011 to November 30, 2012 Warren County shall offer to its eligible officers, employees and retirees the same health insurance coverages from the same companies as were offered in 2011 as described in the preambles of this resolution except 1) change from the current BSNENY fixed rate experience rated policy to the BSNENY minimum premium-payment insurance plan and 2) no longer offer CDPHP - MA, and be it further

RESOLVED that the BSNENY policy be funded at Ten Million Fifty-Seven Thousand Four Hundred Seventy-Three Dollars (\$10,057,473) thereby creating a reserve in the amount of Five Hundred Fifty Thousand Dollars (\$550,000) to be available to offset potential costs if the County determines to terminate coverage with BSNENY and must pay the reserve estimated at \$1,100,000, and be it further

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RESOLVED, that the Chairman of the Board of Supervisors be, and hereby is, authorized to execute all contracts required to afford insurance coverages approved and authorized herein as well as any other related statements, representations, agreements, and other documents that may be necessary to implement the purposes of this resolution all in a form approved by the County Attorney.