



### 3. Update from Director

*Joint Technology Plan adopted by Supervisors and School Board. Funding for training and study of Fiber Backbone included in budget requests. Health Insurance deductible creep.*

Tom Judge advised that the Joint Technology Plan had been approved without change by the Supervisors and the School Board. The Plan includes ERP and the fiber backbone study.

Mr. Judge provided an historical overview of increases in health insurance premiums, as well as changes in offered plans.

### 4. Fraud Tip Line Update

*Archana McLaughlin, County Attorney, will discuss her findings into the confidentiality of information provided through a fraud tip line.*

Archana McLoughlin, County Attorney, joined the Board to provide legal guidance in the consideration of the establishment of a fraud and abuse hotline. She summarized her memorandum titled *Fraud and Abuse Hotline*, which she distributed with examples of fraud programs from Prince George and Hanover Counties.

#### **Fraud and Abuse Hotline**

##### Confidentiality and Freedom of Information Act (FOIA)

- Any reports made to the hotline would be public records because the JAS is a public body under FOIA. Pursuant to FOIA public records are generally made available to the public when requested.
- There are, however, exceptions for certain investigative records. The exemptions are qualified and apply only while the investigation is active.

See below the relevant excerpt from Virginia Code § 2.2-3705.3(7) that lists exclusions from FOIA disclosure requirements:

“Investigative notes, correspondence and information furnished in confidence, and records otherwise exempted by this chapter or any Virginia statute, provided to or produced by or for (i) the Auditor of Public Accounts; (ii) the Joint Legislative Audit and Review Commission; (iii) an appropriate [federal or state] authority as defined in ~~☛ 2.2-3010~~ with respect to an allegation of wrongdoing or abuse under the Fraud and Abuse Whistle Blower Protection Act (~~☛ 2.2-3009 et seq.~~); (iv) the Office of the State Inspector General with respect to an investigation initiated through the State Employee Fraud, Waste and Abuse Hotline or an investigation initiated pursuant to Chapter 3.2 (~~☛ 2.2-307 et seq.~~); (v) the committee or the auditor with respect to an investigation or audit conducted pursuant to ~~☛ 15.2-825~~ [urban county executive form of government]; or (vi) the auditors, appointed by the local governing body of any county, city or town or a school board, who by charter, ordinance, or statute

have responsibility for conducting an investigation of any officer, department or program of such body.”

- The records created under these circumstances would be confidential while being investigated. Once the investigation is closed FOIA does require disclosure as described in the statute.

See below excerpt from Virginia Code § 2.2-3705.3(7)

“Records of completed investigations shall be disclosed in a form that does not reveal the identity of the complainants or persons supplying information to investigators. Unless disclosure is prohibited by this section, the records disclosed shall include, but not be limited to, the agency involved, the identity of the person who is the subject of the complaint, the nature of the complaint, and the actions taken to resolve the complaint. If an investigation does not lead to corrective action, the identity of the person who is the subject of the complaint may be released only with the consent of the subject person. Local governing bodies shall adopt guidelines to govern the disclosure required by this subdivision.”

#### Implementation

- Do JAS records qualify for the exemption under the statute?
  - Is there any evidence that the JAS “by charter, ordinance, or statute have responsibility for conducting an investigation of any officer, department or program of [the County Board of Supervisors]?”
  - If a record of an active investigation is the subject of a FOIA request, and we would likely want to rely on this section, so we must determine whether this body fits, and if not, what we can do to make it fit.
  - Also exceptions for criminal investigation files. Va. Code §2.2-3706
- See below excerpt from Virginia Code § 15.2-2511.2(B). Duties of local government auditors.

Any fraud, waste, and abuse auditor appointed by the local governing body of any county, ~~city, or town having a population of at least 10,000, or any town constituting a separate school division regardless of its population,~~ who by charter, ordinance, or statute has responsibility for conducting an investigation of any officer, department or program of such body, shall be responsible for administering a telephone hotline, and a website, if cost-effective, through which employees and residents of the locality may report anonymously any incidence of fraud, waste, or abuse committed by any such officer, or within any such department or program, of that body. Such auditor may inform employees of the locality of the hotline and website, if any, and the conditions of anonymity, through the conspicuous posting of announcements in the locality's personnel newsletters, articles in local newspapers issued daily or regularly at average intervals, hotline posters on local employee bulletin boards, periodic messages on local employee payroll check stubs, or other reasonable efforts.

- Board must develop and adopt guidelines that “govern the disclosure required by th[e] subdivision.”
- As a practical matter, you can not disclose information that you never had
  - One way to keep it anonymous is to establish a telephone hotline with caller ID and call back features disabled.
  - Open up line to public, not just employees.

Discussion followed after the summary; the Board concurred on the following:

- A hotline may not be the best course of action but does warrant further consideration.
- Review current complaint investigation process to determine if there is more that can be done. *It was noted that many complaints are about situations over which the County has no control and/or jurisdiction.*
- Further discussion is needed to determine the value.
  - Reporting quality could present issues and limit the ability to conduct a proper investigation.
  - Resources are limited and subsequent investigations could be time consuming.
- Establish definitions, such as Hanover County’s, and train employees on fraud, waste and abuse.
- Considerations if implemented:
  - Create a form for staff use that specifically asks the question as to whether the caller wishes to remain confidential.
  - Set up the reporting system to protect anonymity.
  - Forward complaints to the appropriate agency for investigation.
  - Identify resources to pursue investigations.
  - Establish a timeframe for reporting and start of investigation.
  - Establish thresholds.
- Tom Judge, with Archana McLoughlin, will further research the matter including follow up with County IT to determine if a section could be added to the County’s website that would include definitions for fraud, waste and abuse and where to report.

## 5. Health Insurance Renewal

*Please find the health insurance renewal information attached. This requires the consideration and approval of the Board. The rate increases 7%, but there are no changes to the terms of the agreement. However, Anthem has substituted some underlying vendors for others (mental health, pharmacy, dental, and vision).*

Tom Judge advised that there were no changes in plan terms however there were changes in underlying vendors: Anthem will move in house mental health, pharmacy, dental and vision coverage; Delta will be the dental vendor for the high-deductible plan.

Following brief discussion, **Mike Hobert, seconded by David Ash, moved to recommend adoption of the Anthem renewal as proposed to the respective bodies. The motion carried as follows:**

- David Ash - Aye
- J. Michael Hobert - Aye
- Sharon Keeler - Absent
- Michael Murphy - Aye
- Charles "Chip" Schutte - Aye

FY 14 Monthly Health Benefit Rates		Effective 7/1/2013				
Source: Joint Administrative Services						
A. Plan Rates		Cost	Employer	Employee	Employer FY 14 Share	Employer FY 13 Share
<b>KA 250 Plan Option</b>						
<i>Regular Full Time</i>						
Single		536.00	456.65	79.35	85%	85%
Dual		992.00	498.02	493.98	50%	50%
Family		1,447.00	727.34	719.66	50%	50%
<i>Transportation, Food Service &amp; Other</i>						
Single		536.00	385.31	150.69	72%	72%
Dual		992.00	420.22	571.78	42%	42%
Family		1,447.00	613.72	833.28	42%	42%
<b>KA 500 Plan Option</b>						
<i>Regular Full Time</i>						
Single		497.00	456.65	40.35	92%	92%
Dual		919.00	498.02	420.98	54%	54%
Family		1,342.00	727.34	614.66	54%	54%
<i>Transportation, Food Service &amp; Other</i>						
Single		497.00	385.31	111.69	78%	78%
Dual		919.00	420.22	498.78	46%	46%
Family		1,342.00	613.72	728.28	46%	46%
<b>TLC High Deductible</b>						
<i>Regular Full Time</i>						
Single		409.00	409.00	00	100%	100%
Dual		757.00	485.25	291.75	61%	61%
Family		1,104.00	677.56	426.44	61%	61%
<i>Transportation, Food Service &amp; Other</i>						
Single		409.00	345.11	63.89	84%	84%
Dual		757.00	392.57	364.43	52%	52%
Family		1,104.00	671.71	432.29	52%	52%
<b>B. Account Contributions</b>						
<i>Regular Full Time</i>						
TLC Health Savings Account Contribution (single)			47.65			
TLC Health Savings Account Contribution (dual)			32.77			
TLC Health Savings Account Contribution (family)			49.79			
<i>Transportation, Food Service &amp; Other</i>						
TLC Health Savings Account Contribution (single)			40.29			
TLC Health Savings Account Contribution (dual)			27.65			
TLC Health Savings Account Contribution (family)			42.01			
<b>C. Total Employer Cost Per Group Health Member</b>						
<i>Regular Full Time</i>						
Single Health			456.65			
Dual Health			498.02			
Family Health			727.34			
TLC Single Health & "HSA"			456.65			
TLC Dual Health & "HSA"			498.02			
TLC Family Health & "HSA"			727.34			
<i>Transportation &amp; Food Service</i>						
Single Health			385.31			
Dual Health			420.22			
Family Health			613.72			
TLC Single Health & "HSA"			385.31			
TLC Dual Health & "HSA"			420.22			
TLC Family Health & "HSA"			613.72			

Note: Where two employees are married, and they together opt for either a dual or family option, the employer will pay two times the single employer contribution for the plan option selected.

METHOD:  
 Force TLC employee single contribution to zero.  
 Proportion other rates to percentage contributions from prior year.  
 Force 250 employer contribution to same as 500 contribution.  
 Force "HSA" contribution so total employer equal across plans.

## 6. Affordable Care Act Issues

*Please find documents attached from Anthem outlining the rollout of the A CA. We are receiving regular correspondence from various sources warning of the need to adjust policies, etc. These include how part-time employees are to be defined, whether employees are free to purchase their insurance from health insurance exchanges, notification requirements, automatic enrollment, etc.*

Tom Judge advised that he had been researching the matter to determine the impacts. Highlights include:

- Anthem provided the “*Navigating the next phase of health care*” brochure included in the meeting packet.
- JV Arthur and BB&T are providing information to clients.
- Regulations are being rewritten.
- 30-hour employee calculation may affect Parks and Recreation staff, part-time school employees, long-term substitutes, etc.
- Employees will be automatically enrolled and it will be the employee’s responsibility to reject.
- The new plan takes effect January 1, 2014.

## Miscellaneous

Tom Judge distributed and summarized the article below.

### ***Automatic budget cuts in Virginia***

By The Associated Press

The White House released lists for each state on Sunday of potential effects of automatic spending cuts set for Friday. The White House compiled the numbers from federal agencies and its own budget office. The numbers are based only on the \$85 billion in cuts for this fiscal year, from March- September, that are set to take effect Friday. As to whether states could move money around to cover shortfalls, the White House said that depends on state budget structures and the specific programs. The White House did not have a list of which states or programs might have flexibility. The White House says the cuts that could affect Virginia include:

### **Military**

About 90,000 civilian Department of Defense employees in Virginia would be furloughed. Funding for Army base operations would be cut by about \$146 million. Air Force operations funding would be cut by about \$8 million. Maintenance of 11 Navy ships in Norfolk would be canceled and four projects at Norfolk, Dahlgren and Oceana would be deferred. Other modernization and demolition projects would be delayed.

### **Teachers and schools**

Virginia would lose about \$14 million in funding for primary and secondary schools. About 190 teacher and aide jobs would be at risk. Virginia also would lose about \$13.9 million in funding for about 170 teachers, aides, and staff who help children with disabilities.

### **Public health**

Virginia would lose about \$2.1 million in funding to help prevent and treat substance abuse. The state also would lose about \$764,000 in funding to help improve its response to infectious diseases, natural disasters, and other public health threats. A \$337,000 cut in funding for the Virginia State Department of Health would reduce the number of HIV tests by around 8,400. Virginia also would lose about \$241,000 for vaccinations for children, including measles, mumps, rubella, tetanus, whooping cough, influenza, and Hepatitis B.

### **Environment**

Virginia would lose nearly \$3 million in funding for clean water, air quality and prevention of pollution from pesticides and hazardous waste. The state also would lose \$826,000 for fish and wildlife protection.

### **Head Start**

About 1,000 children in Virginia would lose Head Start and Early Head Start services.

### **Work-study**

Aid would be provided to around 2,120 fewer low income students in Virginia to help them finance the costs of college. Funding for workstudy jobs would go to around 840 fewer students.

### **Law enforcement and public safety**

Virginia would lose about \$276,000 in grants for law enforcement, prosecution and courts, crime prevention and education, corrections and community corrections, drug treatment and enforcement, and crime victim and witness initiatives.

### **Job search assistance**

Virginia would lose about \$348,000 in funding for job search assistance, referral, and placement. About 18,390 people would be affected.

### **Domestic violence**

Virginia could lose up to \$172,000 in funding for services to victims of domestic violence.

### **Seniors**

Virginia would lose about \$1.2 million in funding to provide meals for seniors.

### Next Meeting

The next regularly scheduled meeting of the Joint Administrative Services Board is Monday, March 18, 2013 at 1:00 pm in Meeting Room AB at the Berryville Clarke County Government Center.

### Adjournment

At 2:34 pm, hearing no objection, Chairman Schutte, adjourned the meeting.

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Minutes Recorded and Transcribed by Lora B. Walburn