

AGENDA

Joint Administrative Services Board
Monday January 23, 2023 10:00 a.m.
Joint Government Center

1. **Call to Order.**
2. **Determination of Quorum.**
3. **Selection of Chairperson**
Selection of Vice-Chairperson

Establishment of meeting calendar. Please consider the following:

Date	Time	Location	Topic(s)
02/27/23	10:00:00 AM	JGC	Budget, Health Insurance
03/27/23	10:00:00 AM	JGC	Health Insurance
04/24/23	10:00:00 AM	JGC	<i>If needed</i>
05/22/23	10:00:00 AM	JGC	<i>If needed</i>
06/26/23	10:00:00 AM	JGC	<i>If needed</i>
07/24/23	10:00:00 AM	JGC	<i>If needed</i>
08/28/23	10:00:00 AM	JGC	<i>If needed</i>
09/25/23	10:00:00 AM	JGC	Budget Process
10/23/23	10:00:00 AM	JGC	<i>If needed</i>
11/27/23	10:00:00 AM	JGC	<i>If needed</i>
12/18/23	10:00:00 AM	JGC	<i>If needed</i>
01/22/24	10:00:00 AM	JGC	Organization, Budget

4. **Approval of Minutes - (December 19, 2022 Attached).**
5. **JAS FY24 Budget Proposal.** This proposal will be made available at the meeting.
6. **BPA update.**
7. **Next Meeting:** February 27, 2023.

Joint Administrative Services Board
December 19, 2022 Regular Meeting 10:00 am

At a regular meeting of the Joint Administrative Services Board held on Monday, December 19, 2022, at 10:00 am in Meeting Room AB, Berryville Clarke County Government Center, 101 Chalmers Court, 2nd Floor, Berryville, Virginia.

Members Present: David Weiss, Chris Boies, Chuck Bishop, Chip Schutte, Sharon Keeler

Members Absent: None

Staff Present: Brenda Bennett, Catherine Marsten

Others Present: None

1. Call to Order

At 10:00 am, David Weiss called the meeting to order.

2. Determination of Quorum

David Weiss determined that a quorum was present.

3. Approval of Minutes

Chris Boies made a motion, seconded by Chip Schutte, to approve the minutes of the November 28, 2022 meeting as presented. The motion carried by the following vote:

Chuck Bishop	- Aye
Chris Boies	- Aye
Sharon Keeler	- Aye
Chip Schutte	- Aye
David Weiss	- Aye

4. W-2s

Brenda Bennett presented the following:

- The IRS requires employers to issue paper W-2s through the United States Postal Service, unless an employee specifically chooses to receive his or her W-2 in a digital format.
- In the Munis Employee Self-Service (ESS), portal employees can opt to receive a digital W-2. If they do not opt-in, a paper W-2 is mailed to them.
- JAS staff is brainstorming ways to better inform employees about benefits enrollment. Staff usually holds large-format open enrollment meetings, which are poorly attended. Smaller or one-on-one meetings where staff explains different plan options and helps the employee enroll would help. This would also give staff the opportunity to encourage employees opt to receive digital W-2s if they so desire.

David Weiss

- Asked what is confusing for the employees.
 - Brenda Bennett answered that the most frequent issues arise from payroll deductions, coverage options, and premium rates.

Chris Boies

- Observed, and Chuck Bishop agreed, that the information is available but the employees do not read it.

Sharon Keeler

- Suggested that new employees would benefit from having a detailed orientation session, where someone can explain benefit options and assist with enrollment.

Chuck Bishop

- Noted that JAS staff holds group on-boarding sessions for new school employees to complete forms and payroll paperwork. There are no one-on-one sessions to review insurance coverage options and enrollment.

Chris Boies

- Shared that the county hired a part-time HR generalist who has been very helpful in this regard. She conducts one-on-one orientations for new employees and assists employees with transactional items such as navigating the Virginia Retirement System (VRS).

5. Affordable Care Act Year End Reporting (1095 forms)

Brenda Bennett advised the following:

- The 1095 forms are required, year-end reporting. There are approximately 500 forms to generate by the deadline of February 28, 2023.
- JAS staff can generate these forms in-house using the Munis software. However, it would be the first time staff has done so and the process is expected to be quite tedious. Previously, this reporting was provided by the insurance carrier or outsourced.

- Clarke's insurance consultant, Innovative Insurance Services, will process and distribute the required 2022 forms for \$6,500. While this price is higher than expected, there are funds available in the FY23 budget. Staff requests to use Innovative for the 2022 reporting. Doing so will give JAS a chance to get the process set up and running in Munis so the forms can be processed in-house for 2023 and beyond.
- Staff would still need to provide data to Innovative for all insurance changes from July 1, 2022 through December 31, 2022. Innovative would then combine that data with the insurance data they already have for January 1, 2022 through July 1, 2022, and then reconcile everything against data gathered directly from Anthem. After the data has been checked, Innovative would generate and issue the 1095 forms.
- The penalty for failing to file these forms is \$280 each. At least 500 forms are expected, so missing the deadline could potentially cost \$140,000.

Chuck Bishop

- Inquired if Anthem ever performs this reporting or would do it in the future.
 - o Brenda Bennett answered no, they will not.

Chip Schutte

- Asked if the data reconciliation happens every year.
 - o Brenda Bennett replied yes, and added that she researched how everything will need to be set up to process 1095 forms in-house. Clarke currently has only employee information in the payroll system. Data for covered spouses and dependents will need to be input into Munis and all coverage changes will need to be updated and tracked. Then, at the end of the year, all the data needed to generate the 1095 forms will be readily accessible.

Sharon Keeler

- Offered that the Treasurer's office has had many difficulties with Munis, especially when setting up processes, and the February 28 deadline does not allow much time for troubleshooting issues.
 - o Brenda Bennett added that staff would also like to be able to focus on the budget process right now.

Chuck Bishop made a motion, seconded by Chip Schutte, to approve staff's request for Innovative Insurance Services to complete the 1094/1095C reporting process for an amount not to exceed \$6,500. The motion carried by the following vote:

Chuck Bishop	- Aye
Chris Boies	- Aye
Sharon Keeler	- Aye
Chip Schutte	- Aye
David Weiss	- Aye

6. Benefit Plan Administrators (BPA) Update

Brenda Bennett provided the following update:

- Clarke has received outstanding retiree credit refund from Innovative for \$3,898, but has not received the portion owed by BPA, which is \$2,217.
- Staff emailed BPA President, Morris Masinter, regarding the outstanding ESI pharmacy rebates on November 29, 2022. Mr. Masinter responded, advising that “As soon as Express Scripts sends us the rebates we will immediately pass them on to the County of Clarke”. Clarke has since received nothing.
- Staff has contacted Sam Irby to ask for his contact at ESI, which he did not provide but advised that he has contacted ESI on Clarke’s behalf.

Chris Boies

- Added that he would like to contact ESI directly regarding Clarke’s pharmacy rebates, but cannot locate a contact.
 - Brenda Bennett added that she has asked Sam Irby for his contact at ESI but he has not provided it but did advise that he has contacted ESI on Clarke’s behalf.

Brenda Bennett continued:

- Staff completed reviewing the spec claims data and determined that Clarke has paid approximately \$161,000 in excess of the \$100,000 threshold per claimant. The numbers do not reconcile with the spec claims data from BPA.
- The reports BPA provided to JAS include preemptive payments advanced by reinsurance on claim amounts in excess of \$100,000. When this happens, Clarke does not make payment and therefore does not receive reimbursement. The reports from BPA actually show more in spec claims because those advances are included, which makes it very difficult to differentiate.
- BPA is providing reports to JAS that include “advance reimbursement”, where reinsurance picked up the claim amount in excess of \$100,000 but Clarke never paid it.
- In the process of reviewing this data, staff discovered duplicate payments in the amount of \$47,353. Staff verified that the payments were duplicates by matching claim numbers, dates of service, patients, and providers against invoices and bank records.
- Staff has not reviewed claims data from July 1, 2021 to December 31, 2021 for duplicate payments, as that data is only available in pdf format. Staff is having little success getting this data into a usable format.
- Payroll deductions go into the health insurance account at the Bank of Clarke County. BPA sends claims invoices, which Clarke pays out of that account. BPA then puts the payment funds into an account with Pinnacle Bank that is held on Clarke’s behalf. BPA then makes payments to doctors, hospitals, etc. out of that Pinnacle Bank account.
- There was a \$415,000 deduction from the Bank of Clarke County account in June, but those funds cannot be located in the Pinnacle Bank account. BPA charges an administrative fee to manage the account, and this fee is also paid from the Bank

- of Clarke County account. The description for the \$415,000 withdrawal is different and staff suspects that the funds were put into BPA's admin fee account.
- Paul LaPradd at BPA will be meeting with his accounting teams on December 20. Staff advised Mr. LaPradd that Clarke expects explanations for the duplicate payments, the \$415,000 transaction, the ESI rebates, the retiree credits, and the spec claims payments no later than Wednesday, December 21.
- Staff also needs to know if BPA has any current claims that have not been paid, because there is a balance of about \$300,000 in the Pinnacle Bank account right now.
- Clarke has paid \$32,000 in fees for Beacon HCI for refunds collected when providers have overcharged. Beacon HCI has advised they do not have the associated BPA claim numbers. Without the claim numbers, is impossible to determine who paid these claims and therefore who is entitled to the refund. Beacon HCI has a contract with BPA and not with Clarke.
- Supposedly, JAS staff will receive answers from BPA by December 21. Without transparency and answers from BPA, staff cannot accomplish much more.

David Weiss

- Asked if any providers were demanding payment.
 - Brenda Bennett advised that she knows one employee who was recently put on self-pay status by the provider for a \$65,000 bill because the claim has not been paid, even though the date of service was in June. This particular claim is one of the duplicate payments, so Clarke has actually paid this claim twice but no payment has been sent to the provider.

Chuck Bishop

- Opined staff should advise BPA that the next conversation will involve an attorney. Hundreds of thousands of dollars are either missing or owed to Clarke and BPA has been unresponsive for months.

Chris Boies

- Advised that, to prove anything, an attorney will need more data and details than are currently available. He plans to contact other localities that use BPA and see if they have received ESI rebates for the quarters that Clarke is missing.
 - Brenda Bennett added that the emails and specific requests for information are documented and easy to follow. To involve an attorney, staff will have to spend a lot time providing information to bring them up to speed.

David Weiss

- Suggested advising BPA that the staff approach has been exhausted. The next step will be legal action, but hopefully Clarke and BPA can work together to avoid that. The situation is very concerning on multiple accounts.
- Asked if Clarke currently owes BPA any money.
 - Brenda Bennett answered no; Clarke has paid everything billed to date. However, there could be claims that BPA has not yet paid. Staff has requested, multiple times, for an update on the claims run-out period. Reinsurance ends on December 31, if additional spec claims are received

after that date they will be billed out at a different rate. BPA has advised staff several times that it is highly unusual to receive any additional spec claims past that date. Regular claims processing will continue and per-claim fee charged.

By consensus, the Board agreed to discuss possible legal action at the next meeting if BPA does not provide the requested explanations.

7. Next Meeting

The next meeting will be January 23, 2023.

8. Adjournment

At 10:37 am, David Weiss adjourned the meeting.

Minutes Recorded and Transcribed by Catherine D. Marsten