

AGENDA

Joint Administrative Services Board

April 27, 2015 1:00 p.m.

Joint Government Center

1. **Call to Order.**
2. **Approval of Minutes. (March 23 Minutes Attached).**
3. **PCORI Fee.** FYI attached (sent previously by email).
4. **FY 15 JAS Budget.** As earlier discussed, it is unclear whether the cost allocation study currently encumbered for \$3,250 will in fact be billed. In the meantime salary increases, and the health insurance increase effective in June, make the JAS budget tight regardless. The JAS Board can wait for further information, or seek a budget supplemental at this time from the Board of Supervisors for \$5,636 (salaries and benefits).
5. **ERP Implementation.**
 - Phase I Financials End User Training Complete including Courts and Social Services.
 - All users are setup and have accessed the system.
 - Final Accounts Payable run in current software was April 21.
 - May and June account reports will not show Salary and Benefit encumbrances.
 - Research into biweekly payroll feasibility (recommend postponement):
 - Timing the ERP implementation with payroll schedule change greatly increases complexity/risk.
 - Biweekly will involve more staff time (26 pay vs. 12 pay). It remains unclear how much staff time will be freed by new system.
 - Trend in industry/government is toward monthly.
 - System can be set to manage 7 and 28 day overtime cycles regardless of pay date: no need to coordinate the two. Building in a lag for salaried more helpful than coordinating pay dates and overtime cycles.
 - VRS, Health, and other deductions must be paid monthly.
 - General Ledger, Budget, Purchasing, Inventory, Fixed Assets, Cash Management, Projects and Grants to go live May 4.
 - Vendor Self-Service to go live May 4.
 - Policy issue: pay EFT every two weeks, checks only when due? This would incentivize electronic payments.
 - Policy issue: Should use of Purchase Orders be enforced or merely encouraged wherever possible. Valid “direct pay” items are utilities, reimbursements, credit cards, pre-pays, emergencies. The advantages of purchase orders include: pre-approval, and real-time financial information.
6. **May Meeting cancelled.** Cancellation of June and July standing meetings suggested.

March 23, 2015 Joint Administrative Services Board
 Regular Meeting 1:00 pm

At a regular meeting of the Joint Administrative Services Board held on Monday, March 23, 2015 at 1:00 pm in the Meeting Room AB, Berryville Clarke County Government Center, 101 Chalmers Court, 2nd Floor, Berryville, Virginia.

Members Present

David Ash; Chuck Bishop; Sharon Keeler; Chip Schutte; David Weiss

Members Absent

None

Staff Present

Tom Judge; Lora B. Walburn

Others Present

Leslie Tucker; Patricia Dickinson

1. Call To Order - Determination of Quorum

At 1:00 pm, Vice Chairman Weiss called the meeting to order.

2. Approval of Minutes

David Ash, seconded by Chuck Bishop, moved to approve the February 23, 2015 minutes as presented. The motion carried by the following vote:

David Ash	- Aye
Chuck Bishop	- Aye
Sharon Keeler	- Aye
Charles "Chip" Schutte	- Absent
David Weiss	- Aye

At 1:02 pm, Chip Schutte joined the Board.

3. Health Insurance renewal

Please find attached [in packet] documents related to the health insurance renewal. The overall increase is 12.1 % but the actual increase differs by plan option. Leslie Tucker, Anthem representative, will be on hand to answer questions about what is driving the large increase, and whether reserves can be used to smooth the increase over several years. I have asked that hard copies of the attached pdf be provided, because this pdf is difficult to print correctly. The Board is asked to take action on the renewal by April 1. If action is taken today, the School Board will be asked approval tonight, and the Board of Supervisors at their April 13 Work Session.

Tom Judge:

- Increase is larger than budgeted coming in at 12.1%
- Board requested that the renewal be brought back if it exceeded 10%.
- Reserve contributions were used to moderate increases but increase is still higher than projected.

Leslie Tucker, Anthem representative:

- Start with trend; currently, 9%, which is lower than the state trend.
- FY2014 - 1 member exceeded individual pooling point.
- FY2015 - 3 people have exceeded the individual pooling point of \$110,000.
- Anthem has written off \$343,529 in excess claims.
- Plan Year Changes:
 - o Applied behavioral analysis limit [\$35,000] has been removed.
 - o Two dental plans will be offered:
 - Comprehensive Dental plan - unchanged, or
 - Preventive Dental plan – new, with limited coverage.
 - o LiveHealth OnLine
 - Visit with document from a computer via webcam or application.
 - \$49 office visit co-pay.
 - o Anthem will no longer pay the PCORI/CER fees, which were previously included in the plan.
 - Tom Judge requested follow up on taxation to a government institution.
 - Chuck Bishop requested an explanation of Anthem's decision to discontinue.

- Leslie Tucker will follow up. She will also provide a cost estimate for this discontinued benefit.
- New ID cards will be issued due to the change in prescription drug copay.
- Key Advantage Plans:
 - Maximums have been co-mingled and increased by \$1,000 for single coverage and \$2,000 for family coverage for all plans.
 - Prescription drugs and pediatric routine vision will count toward out-of-pocket maximums.
 - Implementing a 4-tier prescription drug co-pay: \$10, \$30, \$45, \$55; Mail Order: \$20, \$60, \$90, \$110
- TLC High-deductible Health Plan:
 - Embedded deductible: deductible amounts for each individual member will accumulate toward the family plan year deductible limit [\$5,600]. No individual family member will have to satisfy more than the individual deductible amount [\$2,800].
 - Out of network benefits are now included at a 60-40 split.
 - Out of pocket maximums have changed for in and out of network.
 - Separate out of pocket maximums for in and out of network
 - In network will increase to \$5,000 for single and \$10,000 for family.
 - Out of network will increase to \$10,000 for single and \$20,000 for family.
 - Pediatric routine Vision will count towards out of pocket maximum.
 - Blu-View Vision will be included.

Following review, David Weiss put forth that the matter could be added to the April 7, 2015 Board of Supervisors meeting agenda.

Chuck Bishop, seconded by David Ash, moved to recommend to the School Board and Board of Supervisors approval the benefits program for FY2016. The motion carried as follows:

David Ash	-	Aye
Chuck Bishop	-	Aye
Sharon Keeler	-	Aye
Charles "Chip" Schutte	-	Aye
David Weiss	-	Aye

4. Anthem Security Breach

Anthem originally stated that letters would be sent to members affected by the security breach. Letters have been sent, but these letters state only that members may have been affected. Therefore, it still remains unclear whether Clarke County employees have been affected, and whether we will ever find out.

Identity protection is being provided by AllClearID, but only for two years. After that, it's \$12.95 per employee, likely per month. Anthem held an employee briefing at Clarke County High School March 11 that was attended by approx. 20 employees.

Highlights of review include:

- Notification letters were sent to Clarke employees.
- Anthem does not believe that medical information such as diagnoses was accessed.
- Breaches of individual information can be verified on the website.
- Anthem can provide which items were stolen such as social security number, name, address, etc.

5. ERP Update

Financials setup and trainer training has been completed. We go live May 1. In April:

- Further training and preparation with Tyler.
- End user training.
- Develop end user manual.
- Testing.
- Mass data entry.
- Site visits.
- Phase 2 data gathering.

Kickoff of Phase 2, Payroll and Human Resources, is scheduled for May 19, 20, & 21.

The Executive Committee (Ash, Roper, Bishop, Judge) discussed the project including steps necessary to successfully complete Phase 1, and issues such as payroll schedule, and policy changes, and their impact on Phase 2.

Highlights of review include.

- Five weeks before "go live".
- Tyler will conduct additional training and configuration.
- Will conduct site-to-site checks.
- Tyler will be on site for the first week of implementation.
- Known Issues:
 - o General District, Juvenile Domestic Relation Courts, Cooperative Extension use separate networks. To access, will need to modify desktops.

- David Ash was asked to write a memo advising of the change and requesting that these departments forward to its respective IT department.
- JAS performs the accounts payable function for Social Services since it uses a separate network and the extended leave of key personnel at Social Services may cause training issues.
- Kick off Phase 2 Payroll and Human Resources
 - Meeting scheduled for May 18, which conflicts with the scheduled May JAS Board meeting.
 - Policy review with Tyler May 20 and 21.
 - Further discussion needed on:
 - Payroll frequency / payday requirements.
 - Annual leave increments

Due to the scheduling conflict, by consensus, the Board cancelled the May 18, 2015 meeting.

6. Set Next Meeting

The next regularly scheduled meeting is set for Monday, April 27, 2015.

7. Adjournment

At 2:27pm, Chairman Schutte adjourned the meeting.

Minutes Recorded and Transcribed by Lora B. Walburn

Clarke County

tjudge@clarkecounty.gov

PCORI fee

From : Leslie Tucker <Leslie.Tucker@anthem.com>

Tue, Mar 31, 2015 04:55 PM

Subject : PCORI fee**To :** Tom Judge <tjudge@clarkecounty.gov>

✉ 1 attachment

Hi, Tom –

The PCORI fee will be \$2.08 per member per year. The average # of members for this renewal's review period was 568. Based on that estimate, you would be looking at a \$1,181.44 fee. TLC groups should complete and file Form 720 by July 31st of the calendar year immediately following the last day of the plan year (July 2015 for the last plan year).

I've attached a document Anthem sent to our commercial clients regarding these new fees. You will see on page 2, it says that state and local government plans will have to pay the plan fees. Currently Local Choice has not created a document regarding the fees but I wanted to at least share this one with you, as the information still applies.


I hope this helps.

Leslie Tucker | Account Manager II | Anthem Blue Cross and Blue Shield
3800 Concorde Parkway | Chantilly, VA 20151
Leslie.tucker@anthem.com | (703) 227-5344 office | (703) 801-8273 mobile

WANT A WORKSITE WELLNESS PROGRAM, BUT DON'T KNOW WHERE TO START? CHECK OUT THE [EMPLOYER GUIDE TO WELLNESS IN THE WORKPLACE](#) — A GREAT REFERENCE FOR UNDERSTANDING THE WHY AND HOW OF EFFECTIVE EMPLOYEE HEALTH CAMPAIGNS, ALONG WITH TOOLS AND RESOURCES TO GET STARTED.

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 **CER Q&A.PDF**
297 KB



And Its Affiliate HealthKeepers, Inc.

Health care reform at-a-glance

Comparative effectiveness research plan fee

The Affordable Care Act established the Patient-Centered Outcomes Research Institute (PCORI) to explore the effectiveness, risks and benefits of medical treatments. This study is also known as comparative effectiveness research (CER). PCORI is a nonprofit, nongovernmental organization supported by a trust fund that is financed in part by fees from health plan issuers (for fully insured plans) and plan sponsors (for self-funded plans). The fees are to be collected for plan years and policy years that end after September 30, 2012, and before October 1, 2019.

Fee amounts:

Plan/policy years ending October 1, 2012, through September 30, 2013	Plan/policy years ending October 1, 2013, through September 30, 2014	Plan/policy years ending October 1, 2014, through September 30, 2019
\$1 multiplied by the average number of covered lives (\$1 per year)	\$2 multiplied by the average number of covered lives (\$2 per year)	\$2 (adjusted for medical inflation) multiplied by the average number of covered lives (\$2 adjusted per year)

The calculation is based on the average number of lives covered by accident and health insurance during the year. Fees do not apply to any insurance if substantially all of its coverage is HIPAA-excepted (such as standalone dental and vision plans), or the policy is issued specifically to cover primarily employees who are working and residing outside of the United States.

Fully Insured Customers:

We will pay the fee on behalf of our fully insured customers. It will be included as part of their premium and will be included in the total renewal amount.

ASO Customers:

For customers who have self-insured (ASO) plans, we will not pay the fee on their behalf.

Combined Funding Customers:

For customers who have a combination of funding mechanisms, we will pay the fee for the fully insured plan, but not the ASO plan.

Questions and answers

Q. Will we pay the CER fee for ASO plans?

A. No. We will not be paying the fee on behalf of our ASO clients.

Q. Why aren't we paying CER fees for ASO?

A. We do not manage the tax payments for ASO customers in general. Additionally, many of our ASO customers have multiple carriers. The CER fee is based on all members, regardless of carrier, payable in one lump sum.



And Its Affiliate HealthKeepers, Inc.

Q. Who is responsible for paying the CER fee for self-funded plans?

- A. Section 4376 of the health care reform law says that the responsibility lies with the plan sponsor. That is defined as:
- For a plan established or maintained by a single employer: the employer
 - For a plan established or maintained by an employee organization: the employee organization
 - For a plan established or maintained by 2+ employers or jointly by employers/employee organizations (for example, a MEWA or VEBA): the association, committee, joint board of trustees or other similar group of representatives of the parties who establish or maintain the plan
 - For a plan established or maintained by a cooperative or association: the cooperative or association

Q. How much is the fee? How is it calculated?

- A. For plan/policy years ending October 1, 2012, through September 30, 2013, the fee is \$1 multiplied by the average number of covered lives per year. For plan/policy years ending October 1, 2013, through September 30, 2014, the fee is \$2 multiplied by the average number of covered lives. It will be adjusted in subsequent years.

Q. Will we pay the fee on behalf of our fully insured customers?

- A. The fee is imposed on the insurer, so for our fully insured customers, we will pay the fee.

Q. Will the fee be called out separately in the bill for an insured account?

- A. No, the fee will be included in the total renewal amount.

Q. How do we handle CER fees for groups with a mix of ASO and fully insured offerings?

- A. If a group has both ASO and fully insured plans, we would pay the fee for the fully insured plan, but not the ASO plan.

Q. Will alternatively funded programs like minimum premium or contingent premiums be classified as insured or ASO for these fees?

- A. These programs will be classified as insured or ASO based on state law and/or regulation. Minimum premium programs are classified as insured in certain markets and ASO in other markets. Other alternatively funded programs are believed to be classified as insured in all markets.

Q. Are expatriate plans subject to this fee?

- A. No as they are generally issued to cover primarily employees who are working and residing outside of the United States.

Q. Do state and local government plans have to pay these fees?

- A. Yes, with exceptions. The law exempts certain governmental programs from the plan fees. The exemptions include only:
- Medicare, Medicare Supplement, Medicare Advantage
 - Medicaid
 - State Children's Health Insurance Program
 - Veterans Administration
 - Indian Health Service



And Its Affiliate HealthKeepers, Inc.

Q. What will PCORI study?

A. Language in the health care reform law indicates the institute will focus on research evaluating and comparing health outcomes and the clinical effectiveness, risks and benefits of two or more medical treatments, services and items including:

- Health care interventions
- Treatment protocols
- Care management
- Procedures
- Medical devices
- Diagnostic tools
- Pharmaceuticals
- Integrative health practices
- Other strategies or items being used in the treatment, management, diagnosis or prevention of illness or injury

Q. Will the research findings dictate what health plans will and will not cover?

A. By law, PCORI should make research findings available to clinicians, patients and the general public to help them make health care decisions.

Q. How will the comparative effectiveness research fees be handled for minimum loss ratio calculation?

A. Section 2718 of the Affordable Care Act requires that premium revenue be adjusted to exclude "Federal and state taxes and licensing or regulatory fees." The comparative effectiveness research fee qualifies as a "regulatory fee" for the purpose of minimum loss ratio rebate calculations and should be deducted from premium revenue to appropriately calculate the minimum loss ratio.

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CLARKE COUNTY
 FD-PJT-FUNC-OBJ EXPENDITURES SUMMARY REPORT DEFINITION TYPE #0
 for Fiscal Year 2015 (2014-2015 Fiscal Year)
 Posted Only Figures
 Executed By: judget

Page: 1
 Date: 04/21/15
 Time: 13:52:14

Code	Description	Appropriations	Outstanding Encumbrances	Expenditures For POST YEAR	Expenditures Year-to-Date	Available Balance	Percent Used
FD 607 JOINT ADMINISTRATIVE SERVICES FUND							
PJT 000 NON-CATEGORICAL							
3120	FUNC 12240 INDEPENDENT AUDITOR PROFESSIONAL SERVICES	\$ 33,000.00	\$ 3,250.00	\$ 0.00	\$ 31,800.00	2,050.00-	106.21
3320	FUNC 12510 DATA PROCESSING MAINTENANCE SERVICE CONTRACT	\$ 26,100.00	\$ 472.60	\$ 0.00	\$ 26,919.03	1,291.63-	104.95
FUNC 12530 FINANCE & PURCHASING							
1100	SALARIES - REGULAR	\$ 381,694.00	\$ 98,423.45	\$ 0.00	\$ 287,270.43	3,999.88-	101.05
1300	SALARIES - PART TIME	\$ 637.00	\$ 0.00	\$ 0.00	\$ 916.50	279.50-	143.88
2100	FICA	\$ 28,429.00	\$ 7,329.45	\$ 0.00	\$ 21,438.58	339.03-	101.19
2210	VSRS - PLANS 1 AND 2	\$ 55,346.00	\$ 14,271.40	\$ 0.00	\$ 41,654.25	579.65-	101.05
2300	HEALTH INSURANCE BENEFITS	\$ 26,147.00	\$ 6,885.31	\$ 0.00	\$ 19,610.10	348.41-	101.33
2400	LIFE INSURANCE	\$ 4,616.00	\$ 1,171.24	\$ 0.00	\$ 3,492.01	47.25-	101.02
2750	RETIREE HEALTH CARE CREDIT	\$ 4,046.00	\$ 1,043.29	\$ 0.00	\$ 3,045.08	42.37-	101.05
3600	ADVERTISING	\$ 400.00	\$ 0.00	\$ 0.00	\$ 0.00	400.00	0.00
4300	CENTRAL PURCHASING/STORE	\$ 0.00	\$ 17.58	\$ 0.00	\$ 1,304.12-	1,286.54	100.00
5210	POSTAL SERVICES	\$ 2,200.00	\$ 0.00	\$ 0.00	\$ 716.08	1,483.92	32.55
5230	TELECOMMUNICATIONS	\$ 1,400.00	\$ 0.00	\$ 0.00	\$ 1,033.65	366.35	73.83
5510	TRAVEL MILEAGE	\$ 700.00	\$ 0.00	\$ 0.00	\$ 278.88	421.12	39.84
5540	TRAVEL CONVENTION & EDUCATION	\$ 100.00	\$ 0.00	\$ 0.00	\$ 855.00	755.00-	855.00
5810	DUES, SUBSCRIPTIONS & MEMBERSHIPS	\$ 900.00	\$ 0.00	\$ 0.00	\$ 190.00	710.00	21.11
6001	OFFICE SUPPLIES	\$ 2,000.00	\$ 0.00	\$ 0.00	\$ 966.58	1,033.42	48.33
6012	SUPPLIES - BOOKS AND SUBSCRIPTI	\$ 200.00	\$ 0.00	\$ 0.00	\$ 0.00	200.00	0.00
12530	FINANCE & PURCHASING	\$ 508,815.00	\$ 129,141.72	\$ 0.00	\$ 380,163.02	489.74-	100.10
000	NON-CATEGORICAL	\$ 567,915.00	\$ 132,864.32	\$ 0.00	\$ 438,882.05	3,831.37-	100.67
607	JOINT ADMINISTRATIVE SERVICES FU	\$ 567,915.00	\$ 132,864.32	\$ 0.00	\$ 438,882.05	3,831.37-	100.67
GRAND TOTAL		\$ 567,915.00	\$ 132,864.32	\$ 0.00	\$ 438,882.05	3,831.37-	100.67