

Aitkin County Board of Commissioners
Request for County Board Action/Agenda Item Cover Sheet



To: Chairperson, Aitkin County Board of Commissioners Date: 10/3/2012

Via: Patrick Wussow, County Administrator

From: Bobbie Danielson, HR Manager *Bobbie Danielson*

Title of Item:
2013 Insurance Benefits

Requested Meeting Date: 10/9/2012 Estimated Presentation Time: _____

Presenter: Bobbie Danielson

Type of Action Requested (check all that apply)

- For info only, no action requested
- For discussion only with possible future action
- Let/Award Bid or Quote (attach copy of basic bid/quote specs or summary of complex specs, each bid/quote received & bid/quote comparison)
- Approve/adopt proposal by motion
- Authorize filling vacant staff position
- Request to schedule public hearing or sale
- Request by member of the public to be heard
- Item should be addressed in closed session under MN Statute _____
- Approve under Consent Agenda
- Adopt Ordinance Revision
- Approve/adopt proposal by resolution (attach draft resolution)
- Other (please list) _____

Fiscal Impact (check all that apply)

- Is this item in the current approved budget? Yes No _____ (attach explanation)
- What type of expenditure is this? Operating Capital Other (attach explanation)
- Revenue line account # that funds this item is: _____
- Expenditure line account # for this item is: various, ... -6150 through -6154

Staffing Impact (Any yes answer requires a review by Human Resources Manager before going to the board)

- Duties of a department employee(s) may be materially affected. Yes No
- Applicable job description(s) may require revision. Yes No
- Item may impact a bargaining unit agreement or county work policy. Yes No
- Item may change the department's authorized staffing level. Yes No



Supporting Attachment(s)

- Memorandum Summary of Item
- Copy of applicable county policy and/or ordinance (excerpts acceptable)
- Copy of applicable state/federal statute/regulation (excerpts acceptable)
- Copy of applicable contract and/or agreement
- Original bid spec or quote request (excluding complex construction projects)
- Bids/quotes received (excluding complex construction projects, provide comparison worksheet)
- Bid/quote comparison worksheet
- Draft County Board resolution
- Plat approval check-list and supporting documents
- Copy of previous minutes related to this issue
- Other supporting document(s) (please list) LTC flyers

Provide (1) copy of supporting documentation NO LATER THAN Wednesday at Noon to make the Board's agenda for the following Tuesday. (If your packet contains colored copies, please provide (4) paper copies of supporting documentation as we do not have a color printer or copier.) Items WILL NOT be placed on the Board agenda unless complete documentation is provided for the Board packets.

AITKIN COUNTY HUMAN RESOURCES

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To: County Commissioners

From: Bobbie Danielson, HR Manager



Date: October 3, 2012

Subject: 2013 Insurance Benefits

Following is a summary of 2013 insurance benefits, including total monthly premiums.

Health Insurance, retain Blue Cross Blue Shield, 5% premium increase 1/1/2013.

	<u>Single</u>	<u>Family</u>
VEBA 100	\$656.50	\$1,969.00
VEBA 80	\$564.50	\$1,692.50
HDHP	\$478.50	\$1,434.30

Dental Insurance (new), Delta Pathfinder w/Ortho, voluntary plan, 20% minimum participation requirement. \$100 lifetime deductible per person for all services. \$1,000 annual maximum benefit. Orthodontics has a separate \$1,000 lifetime maximum. 6 month waiting period for oral surgery and 12 months for crowns/inlays/onlays, endodontic services, periodontal services, prosthetic services and orthodontics. Comprehensive network and includes dentists in Aitkin. 2 year rate guarantee.

Single	\$ 26.72
Single + Spouse	\$ 54.78
Employee + Child(ren)	\$ 72.30
Family	\$105.02

Life Insurance, retain Minnesota Life, 0% premium increase 1/1/2013 with a one-time initial open enrollment without evidence of insurability, up to the guarantee issue limit of \$100,000 for all employees and up to \$25,000 for spouses. 3 year rate guarantee. Rates for \$15k basic equate to \$3.00/month. Supplemental premium rates vary based on applicable age category from \$.08 to \$2.09 per \$1,000 Life & AD&D.

Long Term Disability Insurance, switch carriers from Assurant to NIS through Madison National 1/1/2013. Assurant estimated a 19% increase to the voluntary plan (employee paid), county solicited bids. Madison National offered savings on both the County-paid Core LTD and the Voluntary LTD. They are able to match the current benefits of the Assurant contract. Recommending carrier switch to NIS through Madison National 1/1/2013. Rates vary based on coverage selected.

Short Term Disability Insurance (new), Dearborn, voluntary plan, 20% minimum participation requirement. 14 day waiting period. The maximum benefit period is 11 weeks. Scheduled benefit amount is 60% of earnings up to \$1,000 per week. 2 year rate guarantee. Monthly rates vary based on age from \$0.447 to \$0.692 per \$10 of benefit. Example: A 35 year old electing up to \$1,000 per week STD insurance would pay \$38.30 per month.

Long Term Care Insurance (new), The Municipal Pool/CNA, voluntary plan, no minimum participation requirement. Rates vary based on age and benefit choices selected. Informational flyers attached.

SelectAccount will continue to provide FSA, VEBA, and HSA account administration.

2-week Annual Open Enrollment Period, 10/15/2012 through 10/26/2012. All benefit elections made during this 2-week period will become effective on 1/1/2013.

On-site Open Enrollment Meetings, 10/18/2012

Action Requested

Motion to authorize the above insurance plans 1/1/2013 and to authorize staff to sign contracts following County Attorney review. (Plans include BCBS health insurance, Delta Pathfinder w/Ortho for dental, Minnesota Life, NIS through Madison National for LTD, Dearborn for STD, and The Municipal Pool/CAN for LTC.)

Long Term Care (LTC) Plan Summary

The following is an overview of the group long term care insurance plan.

For more information and rates:

- Ask your employer for an enrollment kit
- Call CNA's Customer Service Center at: (888) 825-0686
- Visit the website at: www.ltcbenefits.com (Password: munipool)

What is Long Term Care?

Long Term Care is the extended personal care required when, because of a chronic illness, old age, or a cognitive impairment such as Alzheimer's, a person needs help with basic activities such as dressing, bathing and eating. Such care can be provided in a variety of settings such as home health care, adult day care, assisted living facilities, nursing homes and more.

Who pays (or doesn't pay) for Long Term Care?

- Medicare and private health insurance, including Medicare supplement policies, **do not pay** for custodial long term care services.
- Disability coverage replaces lost wages if you are no longer able to work, however it would not be enough to cover normal living expenses and pay for someone to take care of you. Also, disability benefits typically end when a person reaches their Social Security retirement age.
- Medicaid/Medical Assistance does provide benefits for long term care; however it is only available to persons who have become impoverished.

Why do people purchase Long Term Care insurance?

- They don't want to burden children or family.
- They want to protect their home and assets.
- They want to have access and freedom to choose quality long term care.
- They want to avoid government-approved care (Medicaid).
- For peace of mind, control, and independence.

Who is eligible to enroll?

Employees, spouses of employees, parents, parents-in-law, grandparents, grandparents-in-law of employees, retirees and their spouses are all independently eligible to apply.

Is proof of good health required?

During an employer's initial group enrollment and at the time of hire, employees qualify, with no health questions asked, as long as they are actively at work on the effective date of coverage. After the initial enrollment period, employees must complete a short form application in regards to their medical history. Spouses must complete a short form application at all times. Retirees and their spouses, parents, parents-in-law, grandparents and grandparents-in-law must complete a long form application at all times.

What happens when employment ends?

An employee may continue coverage if he/she retires or leaves employment for any reason. The policy and rates remain the same.

What is the Minnesota Tax Credit?

Minnesota residents electing coverage with the Municipal Pool Long Term Care Program may be eligible for Minnesota state tax filing credits. For more information and to obtain the appropriate tax forms, please consult your tax advisor or tax professional.

Benefits Options Available to You

When you enroll in the Municipal Pool Long Term Care Insurance Plan, you can choose one of several benefit levels. This table shows the options available to you.

	Option 1	Option 2	Option 3	Option 4
Lifetime Maximum Benefit (Choose one)				
Choice A – 730 days (minimum 2 years* of coverage)	\$87,600	\$109,500	\$146,000	\$182,500
Choice B – 1,250 days (minimum 3.4 years* of coverage)	\$150,000	\$187,500	\$250,000	\$312,500
Choice C – 1,825 days (minimum 5 years* of coverage)	\$219,000	\$273,750	\$365,000	\$456,250
Daily Nursing Home/Alternate Care Facility Benefit	\$120	\$150	\$200	\$250
Daily Assisted Living Facility Benefit**	\$96	\$120	\$160	\$200
Monthly Community Based Care Benefit	\$2,700	\$3,390	\$4,500	\$5,640
Inflation Protection: There are two choices for inflation protection available for all options.				
Choice #1: Guaranteed Benefit Increase Option (GBI)				
Choice #2: Lifetime Automatic Benefit Increase (ABI): This choice is Minnesota LTC Partnership qualified.				

Lifetime Maximum Benefit – Your Lifetime Maximum Benefit is the total amount of insurance you purchase. It is the total available pool of money you can use to pay for long term care services.

Daily Nursing Home/Alternate Care Facility Benefit – Pays the actual cost of services you receive for care in Nursing Homes, Alternate Care and Hospice Facilities, up to the amount shown in the table.

Monthly Community Based Care Benefit – Pays the actual cost of services you receive for care in your own home or an Adult Day Care facility, up to the amount shown in the table.

Inflation Protection (Standard) - Guaranteed Benefit Increase Opportunity – Every three years, CNA will offer you the chance to increase your benefits to help you keep up with inflation. Premiums for increased coverage will be based on your age on the effective date of the offer, and the benefit increase will be at least equal to a compound 5% rate of increase.

Inflation Protection (Optional) - Lifetime Compound Automatic Benefit Increase – There is an extra cost for this feature. This feature automatically increases your benefits by 5% compounded each year without increasing your premiums. *(Electing the Lifetime Compound Automatic Benefit Increase in your plan will deem your coverage as Minnesota Long Term Care Partnership qualified.)*

Benefit Account (Optional Non-Forfeiture) – There is an extra cost for this feature. If you stop paying premiums after having coverage for at least three years, Benefit Account keeps your daily benefits the same but reduces your Lifetime Maximum Benefit. Your reduced Lifetime Maximum Benefit equals the total premiums paid or 30 times your Daily Nursing Home Benefit, whichever is higher, less any benefits paid.

World Wide Coverage – Reimbursement will be based on a fixed daily cash payment when you receive care while living or traveling outside the United States. The reimbursement will equal 75% of the maximum daily benefit shown in your Certificate Schedule.

* 2 years, 3.4 years or 5 years, depending on the plan you select is the minimum length of time your lifetime maximum benefit will last if you use the full Daily Nursing Home/ Alternate Care Facility benefit every day. Your lifetime Maximum Benefit could last longer than 2, 3.4, or 5 years if your actual expenses are less than the maximum benefit for Nursing Home/Alternate Facility Care.

** Benefits payable for assisted living facilities reduce the monthly maximum for community-based care.



Continental Casualty Company provides the products and/or services described. The information is intended to present a general overview for illustrative purposes only. It is not intended to constitute a binding contract. Please remember that only the relevant insurance policy can provide the actual terms, coverages, amounts, conditions, and exclusions for an insured. All products and services may not be available in all states and may be subject to change without notice. CNA is a registered trademark of CNA Financial Corporation. © 2011 CNA. All rights reserved.

Group Long Term Care

CNA Minnesota Group Long Term Care Clients

I) The Municipal Pool

- AFSCME COUNCIL #5
- BELTRAMI COUNTY
- BENTON COUNTY
- BIG STONE COUNTY
- CARVER COUNTY
- CHISAGO COUNTY
- CITY OF APPLE VALLEY
- CITY OF BLUE EARTH
- CITY OF BROOKLYN CENTER
- CITY OF CENTERVILLE
- CITY OF CHASKA
- CITY OF CHISHOLM
- CITY OF COLUMBIA HEIGHTS
- CITY OF ELK RIVER
- CITY OF GOLDEN VALLEY
- CITY OF GOODVIEW
- CITY OF HAM LAKE
- CITY OF HANOVER
- CITY OF HASTINGS
- CITY OF HOYT LAKES
- CITY OF MAPLE GROVE
- CITY OF MAPLEWOOD
- CITY OF MINNETONKA
- CITY OF MONTGOMERY
- CITY OF MOORHEAD
- CITY OF MOUND
- CITY OF NEW AUBURN
- CITY OF NEW ULM
- CITY OF NORTHFIELD
- CITY OF NORWOOD YOUNG AMERICA
- CITY OF OAKDALE
- CITY OF OLIVIA
- CITY OF ORONO
- CITY OF PLAINVIEW
- CITY OF PRIOR LAKE
- CITY OF REDWOOD FALLS
- CITY OF ROSEMOUNT
- CITY OF ST. LOUIS PARK
- CITY OF ST. MICHAEL
- CITY OF SAVAGE
- CITY OF WAITE PARK
- CITY OF WASECA
- CITY OF WINONA
- CLAY COUNTY
- DAKOTA COUNTY
- DOUGLAS COUNTY
- EDVISIONS COOPERATIVE, INC.
- FARIBAULT COUNTY
- FREEBORN COUNTY
- GREAT RIVER REGIONAL LIBRARY
- HOUSTON COUNTY
- HUMAN SERVICES, INC.
- HUMAN SERVICES OF FARIBAULT & MARTIN COUNTIES
- JACKSON COUNTY
- KANABEC COUNTY
- KANDIYOHI COUNTY
- KITTSOON COUNTY
- LAC QUI PARLE COUNTY
- LAKE OF THE WOODS COUNTY
- LE SUEUR COUNTY
- LEAGUE OF MINNESOTA CITIES OFFICE
- LOGIS ASSOCIATION
- MARSHALL COUNTY
- MCLEOD COUNTY
- MILLE LACS COUNTY
- MEEKER COUNTY
- MORRISON COUNTY
- MURRAY COUNTY
- NOBLES COUNTY
- POLK COUNTY
- POPE COUNTY
- RAMSEY COUNTY
- RED LAKE COUNTY
- REDWOOD COUNTY
- REGIONS HOSPITAL
- RENVILLE COUNTY
- ROSEAU COUNTY
- ST. ANTHONY VILLAGE
- SHERBURNE COUNTY
- SIBLEY COUNTY
- SOUTH COUNTRY HEALTH ALLIANCE
- STEELE COUNTY
- STEVENS COUNTY
- TODD COUNTY
- TRAVERSE COUNTY
- TRI COUNTY COMMUNITY ACTION
- WADENA COUNTY
- WASECA COUNTY
- WATONWAN COUNTY
- WEST HENNEPIN JOINT POWERS
- WILKIN COUNTY

II) Additional CNA Long Term Care Clients

- STATE OF MINNESOTA
- 3M
- WELLS FARGO
- CARLSON COMPANIES
- HB FULLER
- MAYO CLINIC
- ALLINA HEALTH SYSTEMS