

Minutes of Meeting
Mercer – Affordable Care Act
February 10, 2014
9:45 a.m.

The Kootenai County Board of Commissioners: Chairman Todd Tondee and Commissioner Dan Green met to discuss the following agenda items. Also present were Human Resources Director Skye Reynolds, Risk Management and Benefits Specialist Christina Anderson, Mercer Health and Benefits Senior Associate Lois Morris, Finance Director David McDowell, Sheriff Personnel Technician Marcia Heglie and Administrative Assistant Kathleen Lankford, and Deputy Clerk Nancy Jones. Mercer Client Managers Dani Baker and Jessica Shanley attended the meeting via teleconference. Commissioner Jai Nelson was excused.

A. Call to Order: Chairman Tondee called the meeting to order at 9:48 a.m.

B. Introductions: There were no introductions made.

C. Changes to the Agenda: There were no changes made to the agenda.

D. Old Business: There was no old business discussed.

E. New Business:

Mercer Health and Benefits Senior Associate Lois Morris came before the Board to review aspects of the Kootenai County healthcare plan, with regard to Affordable Care Act (ACA) compliance. Ms. Morris reviewed the compliance items that have already been initiated by the County (including expansion of dependant coverage, implementation of an external appeal process, and several notice and general plan provisions that have been established), as well as those items that will come online within by the end of the calendar year. Further, Ms. Morris gave a Power Point presentation that detailed:

- A list of ACA reform issues for employer-sponsored healthcare plans
- Deadlines for all reform issues (between 2010 and 2018)
- Review of ACA reporting requirements (including reports and disclosures to the Internal Revenue Service (IRS), Health and Human Resources (HHR), and employees)
- Upcoming healthcare plan auto-enrollment standards
- Itemization of shared responsibility provisions
- Explanation of Consolidated Omnibus Budget Reconciliation Act (COBRA) guidelines and reporting requirements associated with ACA
- Flexible Spending Account (FSA) Contract and IRS rule changes

Civil Deputy Prosecuting Attorney R. David Ferguson joined the meeting at 10:55 a.m.

Human Resources Director Skye Reynolds noted that several of the notification requirements have been met by posting information on the employee intranet website (KCPlace). The attendees discussed the alternative notification procedures that are in place for those employees who do not have email or internet access. Ms. Reynolds shared a recommendation for the Solid Waste Department to install an employee computer terminal to facilitate more efficient communication with those employees.

The attendees discussed the ACA guidelines that are associated with seasonal and temporary employees. Specifically, Ms. Morris explained her recommendation for the County to institute a twelve (12) month 'look back' period, where Human Resources would review the use of seasonal and temporary employees to ensure that both County policies and ACA guidelines are being met, as well as to evaluate whether any of those positions should be developed into full-time positions. This will also allow the County to budget more accurately for ACA healthcare requirements and ensure compliance. Ms. Reynolds suggested consideration of a policy change to more clearly define this subset of employees. Further, Ms. Reynolds noted that all department heads and supervisors should receive training on the definitions of regular and part-time employees, temporary and seasonal workers, and the delineation between exempt and non-exempt positions. Ms. Morris stated that ACA standards do not, at this time, define seasonal employees; however, they do stipulate that employers will eventually be required to auto-enroll employees in the insurance plan after certain conditions are met (e.g. working over a set number of hours per week or working more than twelve (12) continuous months while classified as 'seasonal' or 'temporary'). This could result in significant financial impact if not carefully monitored.

Commissioner Green moved to establish a twelve (12) month 'look back' period policy for temporary and seasonal employees. Further, Commissioner Green moved to authorize Mercer Health and Benefits to move forward with researching potential benefit plans (e.g. health insurance, FSA) for the 2015 benefit year, with similar parameters as the existing coverage.

Commissioner Nelson: Excused
Commissioner Green: Aye
Chairman Tondee: Aye
The motion carried.

Ms. Morris described eventual ACA excise taxes for 'high cost' coverage, as well as considerations regarding COBRA calculations and funding mechanisms. Finance Director Dave McDowell shared that New World Systems (the company that provides the County financial software) is committed to providing technical updates that will support the anticipated changes to federal reporting requirements.

Mr. McDowell left the meeting at 11:29 a.m. and returned at 11:38 a.m.

The attendees closed with a brief discussion of anticipated changes to FSA rules, which will allow for rollover of funds beginning with the 2014 plan year. This option will only be available in lieu of providing a three (3) month grace period, and will need to be clearly defined in the contract with the FSA service provider.

F. Staff Reports: There were no staff reports.

G. Public Comment: This section is reserved for citizens wishing to address the Board regarding a County related issue. There was no public comment.

The meeting was adjourned at 11:43 a.m.

Respectfully submitted,

JIM BRANNON, CLERK

TODD TONDEE, CHAIRMAN

BY: _____
Nancy A. Jones, Deputy Clerk
