

County Administrator's Digest

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BILL MORSE RETIREMENT

Bill Morse, who has served as Director of Facilities Maintenance for 23 years, has decided to retire at the end of June. Bill has overseen an amazing growth in number and magnitude of county facilities. We constantly hear positive remarks about the condition of our buildings and grounds. We thank Bill for his tireless efforts and also wish he and his family the very best in retirement. We will be putting an open house together for Bill as we draw nearer to the end of June.

EMPLOYEE SURVEY (RDA Group)

We are now at 448 returns, which is a response rate of 49% (compared to 43% for the previous wave). We (RDA) will be sending the 2nd reminder to non-responders on Tuesday the 10th. The survey is set to close out on Monday May 16.

I appreciate the increased returns so far relative to where we were at this time with the survey two years ago. The survey is a great tool for identifying improvements and we have used the results to initiate new ideas such as brown bag lunches, the employee newsletter, wage-classification study work team, Gold Leadership Program and others. Individual surveys are never viewed by anyone other than RDA. They have a professional certification that they could void if they allowed this. If you haven't completed a survey the Board and Administration would greatly appreciate it if you would.

QUADRANT MEETINGS

We held our first quadrant meeting of 2011 in Ferrysburg this week. The other three meetings are scheduled as follows:

Northeast

May 16, 2011 from 2-4 PM at Allendale Charter Township

Southwest

May 20, 2011 from 10 AM - 12 PM at the City of Holland

Southeast

May 23, 2011 from 2-4 PM at the City of Hudsonville



APRIL DISPATCH MEASURES (Tim Smith)

The numbers handled through Central Dispatch for March 2011 were:

Total Incidents – 8,699 down 4.4% over April 2010 and up 2.8% YTD over 2010

Fire Incidents – 1,099 up 12% over April 2010 and up 9.9% YTD over 2010

Law Incidents – 7,600 down 6.5% over April 2010 and up 1.8% YTD over 2010

911 Calls – N/A ****

911 Hang Up calls - N/A ****

Wireless 911 calls – N/A ****

911 calls answered in 10 seconds or less - N/A ****

(NENA recommended standard is 90% within 10 seconds)

**** **Note: We are going through a phone system upgrade and April phone statistics will be published with the May phone statistics.**

DETROIT NEWS ARTICLE ON HEALTHCARE

The Detroit News did a good article on health care in which Keith Van Beek was quoted.

The Detroit News

www.detnews.com

April 28, 2011

<http://detnews.com/article/20110428/BIZ/104280340>

Cutbacks benefit small insurers

Cash-tight schools, cities opt for lower priced health plans

MELISSA BURDEN

/ *The Detroit News*

Michigan's smaller health insurance companies are growing as cash-strapped school districts and municipalities switch insurers to save money and patch strained budgets.

Health Alliance Plan, HealthPlus of Michigan and Priority Health are among the insurers that have gained school and municipal customers, adding thousands of new members the past few years. Some, like HealthPlus, also have added jobs, including in southeast Michigan.

Some of the growth is attributed to a 2007 law that requires public employers to solicit bids for health insurance. School districts and municipalities also are wrestling with pending reductions in state aid and declining revenue from property taxes.

Insurers such as HealthPlus and Priority say they can save districts and municipalities money through programs that manage members' health care and offer low administrative costs. Many plans often offer comparable or identical coverage. In some cases, governments are altering benefits and asking employees to pay higher co-payments and premium contributions.

Significant savings prompted the Flint Community Schools to switch its teachers' health insurance from the popular Michigan Educational Special Services Association or MESSA to HealthPlus, a growing insurer in Flint Township. The district projects a savings of \$3.66 million this school year, said Bob Campbell, a district spokesman.

"That really was the thing that opened up the door to interest from other school districts across the state," said Nancy Jenkins, vice president of membership growth for HealthPlus.

The insurer has seen its client roster grow from 34 school districts to 41 in the past year. Some districts save between 3 percent and 10 percent on premiums, Jenkins said.

Grand Rapids-based Priority also has seen its school and municipal membership spike and expects its share of that market to double in the next year. The insurer estimates it's saving some clients between \$300,000 and \$2 million a year, said Joan Budden, Priority's chief marketing officer.

With "the magnitude of savings, you can actually save teachers' jobs," Budden said. "It's not just a miniscule amount. Some of these school districts are saving \$2,000 to \$5,000 per teacher (per year)."

Even with the growth, these insurers remain much smaller than the state's largest insurer, Blue Cross Blue Shield of Michigan, which has 4.35 million members. The non-profit insurer's public sector membership remains stable, said Helen Stojic, a Blues spokeswoman.

School districts fuel growth

Small insurers attribute much of their recent growth to school districts.

Districts are considering health care changes as they face a likely per-pupil funding cut and rising costs for retirement and health insurance. In all, schools are facing up to \$700 to \$800 reduction in per pupil spending, "which is catastrophic," said David Martell, executive director of the Michigan School Business Officials group.

MESSA has historically dominated the public school employees insurance market but its membership has dropped — from about 100,000 in 2004 to 73,400 today — as districts have moved groups to other carriers, some employees groups have been privatized and members have retired, said MESSA spokesman Gary Fralick. "We are seeing constant churning in the market," he said, noting that some 1,000 school employees recently returned to MESSA after switching to another carrier.

Districts such as Ann Arbor, which has switched some employees to smaller insurers, plan to use health care changes to help make up a \$21 million deficit.

Wayne-Westland, which faces a \$14 million deficit, has asked its employee unions to open contracts regarding health care and is seeking insurance bids for its teachers. The district uses several insurers including MESSA, HAP, Priority and Blue Cross .

"Most of our administrators and our support staff are on the Blue Cross plan or the HMO plans which does save some money," said Gary Martin, deputy superintendent for business and administrative services.

Gov's plan boosts changes

Small insurers also are benefitting from municipalities considering health care plan changes because of a proposal by Gov. Rick Snyder to require all public employees to pay 20 percent of their health insurance.

Ottawa County, which insures about 1,000 employees, switched from ASR Health Benefits to Priority in January. The western Michigan county expects to save \$4.8 million this year, which helped plug a budget hole, said Keith Van Beek, Ottawa County's assistant administrator. "We were able to maintain a number of services that we would have been forced to eliminate," he said.

Under Public Act 106, municipalities and school districts must seek bids for health insurance at least every three years. They are not required, however, to take the lowest bid. The impact has prompted more movement among public sector employers.

"When PA 106 was passed, we looked at it as is a real opportunity for us," said Mark Hall, vice president of sales for Detroit-based HAP, which added seven public employer contracts in the past two years and 21,000 members in that area since late 2009.

Many public employers who switch insurance carriers are using the savings to preserve jobs.

The about 850-student Saugatuck Public Schools switched its about 48 teachers from MESSA to Priority, effective Jan. 1, a move that's expected to save nearly \$400,000 over two years.

"That's probably about five full-time, experienced veteran teachers," said Liz Broderick, Saugatuck's director of business and human resource services. "It helped save jobs."

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