

Meeting Date: 4/29/2025
Meeting of: Madison County Fiscal Court
Meeting Type: Special Called

HONORABLE REAGAN TAYLOR COUNTY JUDGE EXECUTIVE PRESIDING

The Madison County Fiscal Court convened in a special called meeting on the 29th of April 2025 at 1:00 PM in the Madison Room at the Madison County Courthouse Annex in Richmond, Ky. Present was the Honorable Reagan Taylor in the chair presiding and the following members of the Fiscal Court: James Brian Combs, Stephen Lochmueller, Billy Ray Hughes, and Tom Botkin were present. Madison County Attorney Jennie Haymond, Madison County Sheriff Michael Coyle, Chief Deputy Anthony Terry, Deputy Judge Executive Jill Williams, Human Resources Director Jessica Coffey, Treasurer Sarah Stewart, Fire Chief Tim Gray, Chief Information Officer Chris Iseral, and Madison County Clerk Kenny Barger were also present.

It being determined a quorum was present, the meeting was called to order.

IN RE: Resolution 2025-034—Adoption of 2025-2026 Health Insurance Renewal Rates:

Jill Williams, Deputy Judge Executive, presented Resolution 2025-034—Adoption of 2025-2026 Health Insurance Renewal Rates for the Court's approval. This Resolution is adopting the 2025-2026 Health Insurance Renewal Rates and Carriers.

Bud Carr with Assured Partners was in attendance to answer any questions.

Jill stated that it is the Fiscal Court's responsibility to have a good health plan as well as making sure they are fiscally responsible while doing that. She provided an overview of the two (2) health plans they have, stating that over the years they have maintained a zero cost HSA health plan for employees only, and the employee cost for the PPO was \$60 per pay period, while the employer contribution has been \$350 per paid period. The claim balance at the end of the Fiscal Year has not been as healthy as it has been in the past, primarily because of pharmaceutical claim costs.

Bud explained that the claim budget dropped in 2020 because it was during Covid and there were not as many people going to the doctor during that time and that was also when Fiscal Court joined BluMine.

Judge Taylor stated that in 2015, the only plan they had was the PPO, but because the cost kept going up, they implemented the high deductible/HSA plan which saved the Court money. They then added in BluMine which costs the Court \$60 a month per employee to try to get the claims down.

Bud stated that in 2017, they went from fully insured to self-insured, which has been what has allowed them to keep the employee premium cost from raising much over the years. The Court had to increase their contributions by only \$100 in the past seven (7) years, while the benefits haven't changed (except for the high-deductible account since it is IRS regulated). He also stated they have a stop loss, which means for every person on the plan, the County is responsible for up to \$125,000 of their claims.

Judge Taylor asked if as of July 1, 2025, they had two (2) claims that went over \$125,000, the health fund would have been depleted. Bud stated that was correct.

Bud stated that it has worked well up to this point. Their decision now is whether they want to raise what the employee pays, raise the County's contribution, or change the benefits. He stated the less disruption to the employee, the better. He explained that the health care cost on average goes up 9% a year, and the County hasn't seen that increase in the past.

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Jill stated that she had gotten some benefit plans for local companies that would be comparable. She stated that both the City and ECU maintain a free plan for employees only. One thing that ECU and Baptist Health do is they both have a surcharge for tobacco/vape users that is added to the employee's premium, which can help drive the cost down as well as potentially make a healthier workforce. She also explained that overall, the national average of health cost has gone up 15%, inflation over the last four (4) years has increased 21%, and wages have increased 27%, which has all led to the need to change this year's rates.

Judge Taylor asked if ECU is as generous in their contribution to the employee's HSA account as the County is. Bud stated that ECU has a higher deductible but doesn't contribute to the HSA.

Jill stated that currently, the County contributes \$100 a month to an employee only HSA and \$150 a month to the family HSA accounts.

Jill discussed the three (3) options they have laid out for the Court to decide on. The first option (option A) is a shared cost increase across all plans, in which the HSA plan would increase by \$20 a month and the PPO plan would increase by \$40 a month and therefore increase the health fund by \$77,040.00. Option B is keeping everything the same and continue to monitor the claims for this Fiscal Year. Magistrate Hughes stated that if they keep this option, they should look at having a surcharge for tobacco/vape users. Jill stated that they had discussed that, as well as looking at other health education components. Option C is a hybrid approach in which the HSA contributions are decreased from \$100 for single plans to \$50 and \$150 for family plans to \$100, as well as increase the premiums to the PPO plan by \$40 a month, which would increase the health fund by \$113,400.

Judge Taylor stated that if they wanted to be more along the line of the 9% a year increase, they could increase the PPO to just \$20 a month and would make the health fund increase by \$87,000. He stated if they looked at option B, they would more than likely be pulling out of surplus to cover the costs.

Magistrate Lochmueller stated he would be supportive of increasing the premiums minimally and decreasing the HSA contribution both, as well as informing the employees that there will be a surcharge on the tobacco/vape users in the next year.

Magistrate Combs asked if there was a way to incentivize employees to get on the HSA with preventative health care to be able to control the overall cost. Bud stated that the best thing they can do is promote and educate BluMine. Jessica stated that some of the local factories don't increase their premiums if employees use their clinic and complete a physical (health assessment) but also charge a surcharge if they don't.

Magistrate Botkin stated that he would agree to option B. With the cost of everything else increasing and then also increasing the cost of the benefits as well, they will have a harder time retaining employees. He does agree that they should do something for those that use tobacco products.

Magistrate Hughes stated that he believes that if they keep on going the same way, the health funds will be depleted by the end of 2025.

Judge Taylor stated that he would recommend choosing either option B where they do nothing, or option C with the change being only increasing the PPO by \$20 a month and lowering the HSA contributions to \$50 for single/\$100 for family plans.

Magistrate Lochmueller reiterated that about half of the employees would not be getting an increase but would lower the amount they are given, and half of the employees would be getting a small increase.

Magistrate Combs stated that they are penalizing those that are healthier. If they want to lower the overall cost by having a healthier workforce, then this is going in the wrong direction.

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Magistrate Lochmueller asked if there was anything that would prove that to them over the next year if they did nothing on the HSA. Jill stated that they could take a closer look at the claims to determine what is driving the increase, as well as looking at a dependent audit. She said that they know that pharmaceuticals and diabetes are some big components in increasing costs.

Magistrate Lochmueller asked if the increase in the PPO is mainly due to the high cost of the new injection medication. Jill stated that those are a big factor in the pharmaceutical cost increases.

Bud stated that they can provide the claims from both the HSA plans and the PPO plans. They also have a health and productivity team who can provide different options or incentives that can be added to the plans for the Court to look at.

Magistrate Lochmueller stated that it is the Court's responsibility to be fiscally responsible and not get into a bad financial situation.

Chief Gray stated that insurance has always been an issue, but it was the benefits that was the driving reason he started working for the County.

Clerk Barger stated that he would always suggest they stay with the employee covered in the cheapest plan, then it will be the employee's choice to go to a higher plan and/or add family members. They also need to incentivize employees to utilize BluMine.

Magistrate Hughes stated that most employees don't contribute to their HSA accounts. Jennie stated that it may be an education issue more than anything.

Motion by Billy Ray Hughes seconded by Stephen Lochmueller to approve Resolution 2024-034—Adoption of 2025-2026 Health Insurance Renewal Rates to adopt option C, in which the Fiscal Court wishes to modify the high-deductible HSA health plan option by decreasing HSA contributions to (\$50/single and \$100/family) and increasing the premium to the low-deductible PPO plan by \$20/month (\$87,000), which would be a 9% increase for those who choose the PPO plan, with a combination approach.

Motion carried on roll call vote as follows:

James Brian Combs- No Stephen Lochmueller- Yes

Billy Ray Hughes- Yes Tom Botkin- No

Reagan Taylor – Yes

IN RE: Resolution 2025-035— Professional Services Agreement for Dependent Eligibility Verification Services:

Jessica Coffey, HR Director, presented Resolution 2025-035—Professional Services Agreement for Dependent Eligibility Verification Services for the Court's approval. This Resolution approves a Professional Services Agreement for Dependent Eligibility Verification Services with Assured Partners and Accretive Global Insurance Services, LLC d/b/a Part D Advisors.

Motion by Stephen Lochmueller seconded by James Brian Combs to approve Resolution 2024-035—Professional Services Agreement for Dependent Eligibility Verification Services.

Jessica stated that this agreement will provide dependent eligibility verification services to ensure only eligible participants are part of the health fund.

Magistrate Lochmueller stated that he believes this is a good agreement.

Magistrate Hughes asked how much this would cost. Jill stated it would be \$10,600 with a return on investment being two (2) individuals.

Motion carried on roll call vote as follows:

James Brian Combs- Yes Stephen Lochmueller- Yes

Billy Ray Hughes- Yes Tom Botkin- Yes

Reagan Taylor – Yes

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IN RE: Enter Executive Session:

Motion by Stephen Lochmueller seconded by Billy Ray Hughes to enter into Executive Session at 2:05 PM to discuss a personnel issue allowable under KRS 61.810 subsection 1, subsection F.

Motion carried on roll call vote as follows:

James Brian Combs- Yes Stephen Lochmueller- Yes
Billy Ray Hughes- Yes Tom Botkin- Yes
Reagan Taylor – Yes

IN RE: Exit Executive Session:

Motion by James Brian Combs seconded by Stephen Lochmueller to exit Executive Session at 2:16 PM.

Motion carried on roll call vote as follows:

James Brian Combs- Yes Stephen Lochmueller- Yes
Billy Ray Hughes- Yes Tom Botkin- Yes
Reagan Taylor – Yes

IN RE: Personnel:

Motion by James Brian Combs seconded by Tom Botkin to suspend Chandler Clark for three (3) shifts (beginning at 6:22 PM on April 22, 2025, and continuing on April 25, 2025, and April 28, 2025). He will return back to shift on May 1, 2025.

Motion carried on roll call vote as follows:

James Brian Combs- Yes Stephen Lochmueller- Yes
Billy Ray Hughes- Yes Tom Botkin- Yes
Reagan Taylor – Yes

ANNOUNCE NEXT COURT DATE:

Judge Taylor announced the next court date for May 13, 2025, in the Council Chambers' Courtroom in Berea, Ky at 9:30 AM.

IN RE: ADJOURNMENT

Motion from Billy Ray Hughes to adjourn, seconded by Tom Botkin. Hearing no objection, the meeting was adjourned at 2:18 PM.



REAGAN TAYLOR, MADISON CO. JUDGE/EXECUTIVE