

**WALDO COUNTY COMMISSIONERS COURT SESSION  
(SPECIAL SESSION)  
AUGUST 17, 2010**

**PRESENT:** Commissioners Amy R. Fowler, Donald P. Berry and William D. Shorey. Also present was County Clerk Barbara L. Arseneau.

Commissioner Berry called the meeting to order at 9:00 a.m.

**DISCUSSION OF INVOICES RELATED TO EOC/SHERIFF'S PROJECT:**

1. Present for this discussion with the Commissioners was Deputy Treasurer Karen Trussell and County Clerk Barbara Arseneau.

**\*\*W. Shorey, A. Fowler moved to change their vote from August 03, 2010 regarding shared invoices related to the EOC/Sheriff's Building Project being paid just from the Reserves earmarked for the EOC/Sheriff's project to these invoices being paid, instead, 35% from the EOC Reserve Account for the EOC portion of the project and 65% from the County Planning Reserves and other Reserve Accounts earmarked for the Sheriff's portion of the project. Unanimous.**

2. A. Fowler said she attended the City of Belfast Planning Board regarding the permit for the EOC/Sheriff's Building. After one brief question about testing for odors, which was already addressed in the VRAP program documents, it passed unanimously. Now the architects have to complete the plan design, the fire marshal has to review the design, and it has to go out to bid, etc.

3. K. Trussell said that FEMA came to do a review of the EMA grant money on Monday August 16, 2010. EMA Director Dale Rowley took them to Aborn Hill to view the tower built with grant funds. This was basically an audit – even one quarter of payroll was reviewed. It was noted that the County of Waldo is meticulous about sending invoices and other necessary documentation to FEMA. A. Fowler said she came in toward the end of the audit and the woman from FEMA expressed her commendation regarding the accurate paperwork produced by the EMA Director and Deputy Treasurer.

**CORRESPONDENCE**

Present to review correspondence with the Commissioners was County Clerk Barbara Arseneau. Also present at that time was Human Resources/Payroll Director Michelle Wadsworth.

1. B. Arseneau apologized for her oversight in not reading the following pay step increase during the August 10, 2010 Commissioners Court Session, as it had been received prior to that court session: Dispatcher Lorraine Wescott reached her fifth year of employment at the Waldo County Regional Communications Center on August 1, 2010 with a pay increase from \$16.54 to \$17.97 per hour. This was noted by the Commissioners.

2. B. Arseneau noted that the Commissioners had responded to the recent inquiry by the EMA Director regarding budgeting furniture and furnishings for the new EOC/Sheriff's Building.

3. B. Arseneau reminded the Commissioners that EMA Director Dale Rowley is holding more mandatory training on August 19, 2010 from 12:30 to 3:30 p.m.

4. An invitation was sent from the Waldo County Selectmen's Association President Katharine Littlefield. The Selectmen's Association is holding a preliminary "rehearsal" meeting on August 25, 2010, with Geoff Herman moderating questions for legislators and gubernatorial candidates for a future meeting that will be held sometime in September. Each Commissioner received a copy of that invitation.

5. PAYSACLE REQUIRING VOTE & SIGNATURE:

B. Arseneau and M. Wadsworth explained that the Commissioners had spoken during several Commissioners Court Sessions in 2009 about the pay scale for the Appointed Personnel who are FLSA-Exempt/Excluded. B. Arseneau and M. Wadsworth had both reviewed all the minutes from 2009 and it appeared that the Commissioners had not taken a formal vote to accept that pay scale that they had developed.

**\*\*W. Shorey moved, A. Fowler seconded to implement the FLSA-Exempt/Excluded Appointed Personnel pay scale that had been drafted in 2009, starting January 1, 2010. Unanimous.**

**EXECUTIVE SESSION REGARDING LEGAL RIGHTS AND DUTIES OF THE COUNTY:**

Commissioner Berry stated that legal counsel had already been received, so this Executive Session could be cancelled. Rather, he felt that this discussion could now take place publically resulting from the information received, below:

**REVIEW OF STATUTES RELATED TO WALDO COUNTY BUDGET PROCESS:**

The Waldo County Commissioners had learned on Friday August 13, 2010 the District 1 Ballots for the 2011 Waldo County Budget Committee are no longer valid because one of the nominees is ineligible, as he is no longer a municipal officer.

As a result of this situation, the County Commissioners sought legal clarification on the nomination process and this was what they were advised by counsel:

- The statute, at M.R.S.A. Title 30-A § 853(1)(A) states: “The county commissioners shall notify all municipal officers in the county to caucus by county commissioner districts at a specified date, time and place for the purpose of nominating at least one municipal officer from each district as a candidate for the county budget committee...” which, read plainly, provides that the district caucuses will be done separately, and therefore only representative district officers will be present at that time to nominate and vote on their own district nominees. (As a practical matter, most counties hold a joint caucus, and then vote by individual district on their own nominees.) Section 853(1) (B) supports this interpretation (“... the names of candidates selected by their districts.”)
- Commissioner Moderators: Each Commissioner serves as the non-voting moderator for his/her district, although, as a practical matter, some counties do use a single moderator.
- The safest course in this matter would be to recall the ballots for District 1, and reconvene a new caucus just for District 1 and vote on new candidates. The non-voting moderator should be the County Commissioner of that district.

Therefore, the Waldo County Commissioners will invite municipal officers *from District 1 only* to caucus again on August 24, 2010 for the purpose of receiving nominations from the floor for the 2011 Waldo County Budget Committee, noting that there are two expired terms for District 1. The erroneous ballots would be re-called and new ones will be sent after proper nominations have been made and received during that caucus.

Now that this is clarified and understood, the Commissioner from each District will serve as moderator for his/her district and will receive nominations only from the proper people from each district. W.

Shorey felt that this legal advice should be shared with all the municipalities, and all the Commissioners agreed.

**\*\*W. Shorey moved, A. Fowler seconded to recall the District 1 Ballot and to reconvene the District 1 Budget Caucus at a convenient time on August 24, 2010. Unanimous.**

#### **EXECUTIVE SESSION:**

**\*\*W. Shorey moved, A. Fowler seconded to enter Executive Session at 9:28 a.m. according to M.R.S.A. Title 1 § 405 (6) (A) Consideration of disciplining, resignation or dismissal. Unanimous.**

**\*\*A. Fowler moved, W. Shorey seconded to come out of executive session at 9:31. a.m. Unanimous.**

**\*\*W. Shorey moved, A. Fowler seconded to accept the decision of termination of Christopher Shedyak effective August 17, 2010. Unanimous.**

#### **BRIEF PSAP CONSOLIDATION DISCUSSION:**

Communications Director Owen Smith requested permission to briefly update the Commissioners regarding PSAP consolidation, and was permitted to speak. He informed the Commissioners that he will be attending a meeting of the 9-1-1 Counsel at the PUC building in Hallowell today and noted that the Public Hearing will be held on August 22, 2010 at 1:00 p.m. at the Hallowell PUC building.

#### **HEALTH INSURANCE DISCUSSION:**

Present for this discussion with the Commissioners were Human Resources/Payroll Director Michelle Wadsworth, Deputy Treasurer Karen Trussell and County Clerk Barbara Arseneau.

B. Arseneau started the discussion by thanking the Commissioners for making time for this topic as there were items that needed to be discussed. She had prepared a list and started with the following:

1. While some issues have settled down a bit, the plan is still having problems with timely reimbursements for both in-network and out-of-network reviews. There are multiple reviews even for some in-network claims, etc.
2. Plan Administrator Malcolm Ulmer has continued to state that Hancock and Washington did not have claims issues because they did not have the second review process for out-of-network claims, even though it was stated by either clerks or administrators in both these counties that they did have issues initially. This had been learned last year in direct conversations. Washington informed us that their multiple-review issues ultimately resolved in time. They reported having no issues with retirees. The former Washington County Administrator acknowledged that other problems were related to poor plan design on the County's part. Hancock was still having multiple claim review issues when they were last spoke with in late 2009. B. Arseneau noted that they had not spoken with either county recently.
3. M. Ulmer claims that most billing issues will be resolved once the out-of-network second review is done away with. In view of the claims issues that occurred in both Hancock and Washington even without a second review process, B. Arseneau expressed concern over the accuracy of that statement. B. Arseneau illustrated with a few examples of inconsistencies she and other employees had dealt with and said that these often had "no rhyme or reason."

4. Because M. Ulmer did not have answers to questions about the impact the new health insurance laws would have on Waldo's health plan during the May 11, 2010 Court Session, since then both B. Arseneau and M. Wadsworth had expressed interest in obtaining assistance from a BernsteinShur attorney, who specializes in this, who could assist in understanding the employer's responsibilities related to the new laws, since "the buck stops" with the employer and who had offered to review the plan and go over this information with the Commissioners for a set fee of \$4,500.00, which was now much lower than what is currently being offered to other entities, as a courtesy to stick to the quote provided to the County a few months ago. Both B. Arseneau and M. Wadsworth expressed concern over lack of information from Meritain as to the impact of the new health care reform on the County's plan. B. Arseneau said she had been directed by M. Ulmer to review a presentation offered on Meritain's website, and she had printed it off and read it several times, but was still very confused about how these laws specifically impact Waldo's health care plan. M. Wadsworth explained that this was why they had suggested that BernsteinShur Attorney Steve Gerlach could be really helpful at \$4,500.00, and could review the plan, which was not done when it was implemented.

5. B. Arseneau informed the Commissioners that the Auditor had expressed concern and has had several questions about the payment structure for services rendered by MLU, INC. She explained that the Deputy Treasurer, H.R./Payroll Director and she do not know what that payment schedule or amount is; they only know that MLU, INC. is paid by Meritain. After checking with Deputy Treasurer K. Trussell, she informed B. Arseneau that since the County cut a check the first year, she has no idea what MLU, INC. was paid in 2009 or what MLU, INC. has been/will be paid in 2010. B. Arseneau added that none of them were sure how to inquire about this. Furthermore, the Auditor asked for a copy of the contract between the County and MLU, INC. and was told that one had never reached agreement or signing. The Auditor also expressed concern over this. A. Fowler wondered why this was never brought up in the Auditor's management letter if it was a concern.

6. Maternity Coverage: Michelle explained the background on how she learned recently that the plan does not specifically have a maternity clause. After discussion with M. Ulmer, she learned that this is handled more as doctor visits, laboratory and diagnostics, etc. and that it may end up being better for the employees, but she wasn't sure. This knowledge came after she researched an employee's question about why there were more co-pays for the most recent pregnancy as compared with a pregnancy in 2008 when the County was also enrolled with Meritain. She had researched other pregnancies of employees during the past two years and acknowledged that there were inconsistencies between employees – some paid numerous co-pays and others did not. B. Arseneau said that something obviously has changed in the plan but she doesn't know what. M. Wadsworth explained that she did not know for several weeks that M. Ulmer was not receiving any of her emails or faxes, because nothing was bouncing back to her. A. Fowler asked why it took so long to figure that out. M. Wadsworth said she had no way of knowing that until she finally called Malcolm to find out why he was not responding to inquiries and issues. M. Wadsworth said that during that very helpful and informative conversation, she asked why there was no maternity clause as there had been with AETNA, since the current plan was structured and created to reflect the AETNA plan. K. Trussell confirmed that this plan has not completely mirrored what AETNA had and that the County had not received what they were sold.

B. Arseneau explained that M. Wadsworth still handles a number of the employee health insurance inquiries, researching, calling doctors, etc. because a number of the employees simply refuse to contact M. Ulmer anymore. A. Fowler stated that things change. D. Berry agreed that the "past has changed," noting that the County had been on the plan for three years. A. Fowler said she was tired of hearing employees complain about claims taking six months to be paid or waiting for reimbursements. She

expressed her view that the County employees were getting an excellent deal. M. Wadsworth and B. Arseneau agreed that the cost to employees was very reasonable – they just felt that they needed to inform the Commissioners of ongoing problems, new concerns that had arisen and to provide information so that the Commissioners could determine how they wanted to proceed for 2011, especially in view of the health care reform.

7. 30-DAY WAITING PERIOD/ENROLLMENT: M. Wadsworth explained that she also had learned during her most recent conversation with M. Ulmer that the reason it was taking so long for newly enrolled employees to receive their cards is because Meritain has set the plan to roll over to the first of the next month after the 30 day period, rather than covering the employee 30 days after the date of hire, which it was intended to be. M. Ulmer suggested that the plan design could be switched to a two-week waiting period because Meritain waits an additional 30 days beyond Waldo's enrollment period. This will cut it back to 30-days total.

W. Shorey said that he felt strongly that the County seek guidance from the attorney because he was nervous to have the County employees try to manage the changes in health care reform on this plan "on their own." He expressed his belief that the staff should receive this assistance and guidance.

M. Wadsworth said she wondered whether or not the health care reform laws would impact County employees being able to get off the County health plan take their spouses' coverage as dependents.

W. Shorey wondered if there would be other changes such as making Medicaid be primary and other insurance secondary, which is the opposite of what he is doing now, since he has health insurance through the county. B. Arseneau expressed concern that "the buck stops with the employer" and she was concerned about lack of knowledge regarding the new laws.

8. Bidding Process: W. Shorey told the other Commissioners that that during a Personnel Policy workshop with B. Arseneau and M. Wadsworth, the question had come up as to whether there might be other companies that could offer self-funding coverage as well. The County has not requested bid proposals for self-funded health insurance plans since fall of 2007. B. Arseneau recalled that Cross Insurance Broker Paul Barbera had briefly mentioned during the bidding process in 2007 that AETNA also offered self-funded insurance coverage. She wondered if there were other companies that don't advertise it but do offer self-funding coverage, as well. W. Shorey stated that he didn't believe it would hurt to obtain quotes, as it might show whether this was the best deal for the County or not. M. Wadsworth expressed her view that the County had done very well with the self-funded insurance but wondered if it was time to investigate other plans to see if Meritain was the best fit.

The Commissioners discussed how to handle budgeting for 2011. A. Fowler asked how much money was in the plan account. K. Trussell said that there is \$426,000.00 in the account right now, as of August 10<sup>th</sup>. She added that the goal is to get the account up to \$1,000,000.00 and that the County has never even reached \$500,000.00. She further explained that M. Ulmer has tried to get the County to raise their premium rates as an effort to help fund the account. Both K. Trussell and M. Wadsworth said they have explained that this is part of the budget, and acknowledged that they realize M. Ulmer really doesn't understand how the County's budget is arrived at but thought that the County should be able to ask for what it needs budget-wise from the Budget Committee and get that. K. Trussell and M. Wadsworth said that they have tried to explain it to him several times and when it comes time to set the rates again, he has kind of forgotten what was explained to him, acknowledging that it is very complex to understand.

B. Arseneau said that Malcolm has asked for any plan changes the County is going to make to be given him by early September. She said that she didn't know what plan changes the Health Care reform was going to make so she had no way of knowing what plan changes the County needed to make to be in compliance. D. Berry asked if M. Ulmer had explained which changes may need to be made in the plan and was told no.

W. Shorey summarized that, at this point in the conversation; the following appeared to seem to need to be considered:

1. Do the County Commissioners want to get a bid on insurance from someone else?
2. Should the County charge different premiums to build up the plan?
3. Will the County seek professional advice to assist with the Health Care Reform impacts on the County's plan?

He felt that any prices that would come in for bids would show that the prices are much higher, but felt that it would be good to compare.

A. Fowler said that in her case, when she had a child years ago, she had to pay the doctor every time. B. Arseneau explained that it depends on the plan now.

W. Shorey said he suggested that perhaps the offer to make a plan just like AETNA's had been more of a statement than an actual reality. B. Arseneau stated that that was the promise that had been made, and W. Shorey clarified that he didn't doubt it.

There was brief discussion on how to help the health insurance account grow, whether to increase the premiums, to deal with the buyouts being factored into this mix, etc. K. Trussell stated that one thing that occurred is that an employee who was single took the buyout and joined onto the spouse's, but received the spousal buyout rate. The County has been more than fair with employees. A. Fowler said that she was very tired of hearing complaints from employees about the plan, when they need to remember that they have health insurance coverage, which many people don't have. "People really need to be reminded that the insurance rates have not gone up since 2007. Nobody else has been able to do this, and have money in the account," she stated.

There was brief discussion of increasing the employees' portion of the premium cost, likely increasing it from 10% to 12%, as is already agreed in the Communications Center union contract. The Commissioners agreed that there would have to be an increase in that budget for 2011, as it simply cannot be held down anymore. B. Arseneau described it as "just skating by" during 2010.

D. Berry said he concurred with W. Shorey that the County needs to spend the money to have the proper advice about the impact of the healthcare reform. W. Shorey said he strongly believed that the County needed, as least for a year, expert advice from someone who was not selling health insurance.

W. Shorey suggested that to start, they received some expert advice on the plan, noting that this discussion would not likely be done any time soon.

D. Berry said that employees are getting a very good deal in terms of coverage and what they contribute.

There was some discussion of whether or not the Commissioners had taken a formal vote on the employee contribution increasing to 12% in 2011. Regardless, that is already in one union contract and this is the plan.

A. Fowler thought that before spending \$4,500.00, the staff should ask Meritain Representative Andy Feingold to educate the County. M. Wadsworth said she had not inquired of him and would do so. The Commissioners clarified that they didn't just want something off the web site, but wanted assistance on the County's plan itself.

W. Shorey repeated that he wanted the staff, without depending on Meritain to keep them informed, to have an expert in the field rather than someone selling insurance.

**\*\*W. Shorey moved, A. Fowler seconded to obtain assistance from S. Gerlach at the quoted rate of \$4,500.00. Passed by two, A. Fowler opposed.**

M. Wadsworth asked the Commissioners what they wanted to establish for rates. W. Shorey said he didn't know why they would go any less than 10% above 2010 rates. K. Trussell clarified that if the County goes up 10%, on the rates, this affects the County's portion. M. Wadsworth submitted a draft document of what would be very helpful for 2011. She reviewed it with the Commissioners, and noted that she added all the buyout rates in and allowed for some additional people to enroll, as she was aware that there were some employees who would be enrolling who currently are not.

The Commissioners reviewed, and inquired about the buyouts. The buyout payments to the employees actually are paid from the money for the health insurance, so this is a cost that has to be figured. There was discussion on the unknowns related to the health care reform laws. W. Shorey wanted to get the experts opinion on whether this is the law and also whether or not Medicaid would become primary or the health insurance plan of their employer is the primary. D. Berry thought that for budgeting purposes, the County needs to know what the laws are and the County's obligations are.

D. Berry agreed that the County should get outside expert advice, and also find out what Meritain can offer for advice and education on the health reform laws and the way those will affect the County's plan.

D. Berry asked M. Wadsworth to create some spreadsheets that had 10% and 15% increases over the current premium.

There was brief discussion of the State's recent increase in valuation on many towns and the tremendous impact this is having on the taxpayers. It was noted that this year and next year will be extremely difficult for people in terms of finding jobs and keeping jobs.

#### **NEXT COURT SESSION:**

The next Commissioners Court Session is a special court session scheduled for August 24, 2010.

**\*\*D. Berry moved, W. Shorey seconded adjourning the Commissioners Court Session at 11:38 a.m. Unanimous.**

Respectfully submitted by *Barbara L. Arseneau*  
Waldo County Clerk