

**MINUTES OF A REGULAR MEETING
OF THE BOARD OF DIRECTORS
MONTGOMERY COUNTY HOSPITAL DISTRICT**

The regular meeting of the Board of Directors of Montgomery County Hospital District was duly convened at 4:00 p.m., September 24, 2019 in the Administrative offices of the Montgomery County Hospital District, 1400 South Loop 336 West, Conroe, Montgomery County, Texas.

1. Call to Order

Meeting called to order at 4:00 p.m.

2. Invocation

Led by Mr. Cole

3. Pledge of Allegiance

Led by Mr. Spratt

4. Roll Call

Present:

Bob Bagley
Justin Chance
Chris Grice
Mark Cole
Sandy Wagner
Brad Spratt
Georgette Whatley

5. Public Comment

There were no comments from the public.

6. Special Recognition:

Special Recognition – Tammy Parker

Non Field Employee – Richard Jackson

Field Employee – Rhonda Ritchey

7. Consider and act on renewal of the employee health related benefits, including employee health insurance. (Mr. Chance, Chair – Personnel Committee) (attached)

Mr. Chance made a motion to consider and act on renewal of the employee health related benefits, including employee health insurance. Mr. Grice offered a second. After board discussion motion passed unanimously.

Mr. Brett Allen gave presentation to the board.

“Mr. Cole requested agenda items 24 and 25 be moved up in the agenda due to visitors in attendance.”

"Mr. Cole requested agenda items 22 and 23 be moved up in the agenda due to visitors in attendance."

"Mr. Cole called for a recess at 5:04 p.m. for the scheduled September 24, 2019 Special BOD Meeting – Level II Grievance that will begin at 5:15 p.m."

"The board reconvened from recess at 7:24 p.m."

8. **CEO and COO Report to include update on District operations, strategic plan, capital purchases, employee issues and benefits, transition plans and other healthcare matters, grants, any other related district matters and to include updates on facilities, radio system, supply chain, staff activities, community paramedicine, emergency preparedness and IT.**

Mr. Spratt made a motion since the board already has reports from CEO, COO and CFO to dispense with reading of reports for the sake of time. Mr. Grice offered a second. After board discussion motion passed.

Mrs. Melissa Miller advised she would send an update on stations to board members.

9. **Chief of EMS Report to include updates on EMS staffing, performance measures, staff activities, patient concerns, transport destinations and fleet.**

Mr. Spratt made a motion since the board already has reports from CEO, COO and CFO to dispense with reading of reports for the sake of time. Mr. Grice offered a second. After board discussion motion passed.

10. **Consider and act on the purchase of Zoll Extended Warranty and Preventative Maintenance. (Mr. Spratt, Chair – EMS Committee)**

Mr. Spratt made a motion to consider and act on the purchase of Zoll Extended Warranty and Preventative Maintenance. Mr. Chance offered a second and motion passed unanimously.

11. **Consider an act on annual Cisco phone system software support and maintenance. (Ms. Whatley, Chair – PADCOM Committee) (attached)**

Ms. Whatley made a motion to consider and act on annual Cisco phone system software support and maintenance. Mr. Chance offered a second and motion passed unanimously.

12. **Consider and act on approval of Sole-Source letter in connection with procurement of L3Harris Software and SUMS Agreement. (Ms. Whatley, Chair – PADCOM Committee) (attached)**

Ms. Whatley made a motion to consider and act on approval of Sole-Source letter in connection with procurement of L3Harris Software and SUMS Agreement. Mr. Spratt offered a second. After board discussion motion passed unanimously.

13. **Consider and act on approval of L3Harris Software and SUMS agreement. (Ms. Whatley, Chair – PADCOM Committee) (attached)**

Ms. Whatley made a motion to consider and act on approval of L3Harris Software and SUMS agreement. Mr. Chance offered a second and motion passed unanimously.

14. **Health Care Services Report to include regulatory update, outreach, eligibility, service, utilization, community education, clinical services, epidemiology, and emergency preparedness.**

Ms. Whatley made a motion to accept as written. Mr. Spratt offered a second and motion passed unanimously.

- 15. Consider and act on Healthcare Assistance Program claims from Non-Medicaid 1115 Waiver providers processed by Boon-Chapman. (Mrs. Wagner, Chair - Indigent Care Committee)**

Mrs. Wagner made a motion to consider and act on Healthcare Assistance Program claims from Non-Medicaid 1115 Waiver providers processed by Boon-Chapman. Ms. Whatley offered a second and motion passed unanimously.

- 16. Consider and act on ratification of voluntary contributions to the Medicaid 1115 Waiver program of Healthcare Assistance Program claims processed by Boon Chapman. (Mrs. Wagner, Chair – Indigent Care Committee)**

Mrs. Wagner made a motion to consider and act on ratification of voluntary contributions to the Medicaid 1115 Waiver program of Healthcare Assistance Program claims processed by Boon Chapman. Ms. Whatley offered a second and motion passed unanimously.

- 17. Presentation of preliminary Financial Report for eleven months ended August 31, 2019 – Brett Allen, CFO, report to include Financial Summary, Financial Statements, Supplemental EMS Billing Information, and Supplemental Schedules.**

Mr. Spratt made a motion since the board already has reports from CEO, COO and CFO to dispense with reading of reports for the sake of time. Mr. Grice offered a second. After board discussion motion passed.

- 18. Consider and act on renewal of Public Consulting Group (PCG) Contract. (Mr. Grice, Treasurer – MCHD Board)**

Mr. Grice made a motion to consider and act on renewal of Public Consulting Group (PCG) Contract. Mr. Chance offered a second and motion passed unanimously.

- 19. Consider and act on ratification of payment of District invoices. (Mr. Grice, Treasurer - MCHD Board)**

Mr. Grice made a motion to consider and act on ratification of payment of District invoices. Mr. Chance offered a second and motion passed unanimously.

- 20. Consider and act on salvage and surplus. (Mr. Grice, Treasurer – MCHD Board) (attached)**

Mr. Grice made a motion to consider and act on salvage and surplus. Mr. Spratt offered a second and motion passed unanimously.

- 21. Secretary's Report - Consider and act on minutes for the August 27, 2019 Public Hearing (Day), August 27, 2019 Regular BOD meeting, August 29, 2019 Special BOD meeting, September 10, 2019 Public Budget Hearing and September 10, 2019 Special BOD meeting. (Mrs. Wagner, Secretary - MCHD Board)**

Mrs. Wagner made a motion to consider and act on minutes for the August 27, 2019 Public Hearing (Day). Mr. Chance offered a second and motion passed. Mr. Spratt abstained from vote.

Mrs. Wagner made a motion to consider and act on August 27, 2019 Regular BOD meeting. Mr. Chance offered a second and motion passed unanimously.

Mrs. Wagner made a motion to consider and act on August 29, 2019 Special BOD meeting. Mr. Chance offered a second and motion passed unanimously.

Mrs. Wagner made a motion to consider and act on September 10, 2019 Public Budget Hearing. Mr. Chance offered a second and motion passed. Mr. Spratt abstained from vote

Mrs. Wagner made a motion to consider and act on September 10, 2019 Special BOD meeting. Mr. Chance offered a second and motion passed. Mr. Spratt abstained from vote

Convene into executive session pursuant to section 551.072 of the Texas Government code to discuss real estate property including but not limited to acquisition of property and construction and renovation of Bentwater Station and any other related matters. (Ms. Whatley, Chair – PADCOM Committee)

Mr. Cole made a motion to convene into executive session at 4:44 p.m. pursuant to section 551.072 of the Texas Government code to discuss real estate property including but not limited to acquisition of property and construction and renovation of Bentwater Station and any other related matters.

- 22. Reconvene from executive session and take action as necessary on real estate property including but not limited to acquisition of property and construction and renovation of Bentwater Station and any other related matters. (Ms. Whatley, Chair – PADCOM Committee)**

The board reconvened from executive session at 5:03 p.m.

Mr. Chance made a motion to proceed in partnership with Montgomery County ESD 2, Fire Station 32. The financial arrangements as discussed in executive session and the lease agreement as discussed in executive session with legal counsel. Mr. Grice offered a second and motion passed unanimously.

- 23. Convene into executive session pursuant to section 551.072 of the Texas Government code to discuss real estate property including but not limited to acquisition of property and construction and renovation of EMS Station 22 and any other related matters. (Ms. Whatley, Chair – PADCOM Committee)**

Mr. Cole made a motion to convene into executive session at 4:15 p.m. pursuant to section 551.072 of the Texas Government code to discuss real estate property including but not limited to acquisition of property and construction and renovation of EMS Station 22 and any other related matters

- 24. Reconvene from executive session and take action as necessary on real estate property including but not limited to acquisition of property and construction and renovation of EMS Station 22 and any other related matters. (Ms. Whatley, Chair – PADCOM Committee)**

The board reconvened from executive session at 4:43 p.m.

Mr. Spratt made a motion to move forward with staff not to exceed the amount discussed and direct legal counsel to draft a lease for Fire Station 20 or EMS Station 22 with South Montgomery County Fire as discussed in executive session. Mr. Chance offered a second and motion passed unanimously.

- 25. Convene into executive session pursuant to section 551.072 of the Texas Government code to discuss real estate property including but not limited to the completion of construction of EMS Station 27 and any other related matters. (Ms. Whatley, Chair – PADCOM Committee)**

Mr. Cole made a motion to convene into executive session at 7:38 p.m. pursuant to section 551.072 of the Texas Government code to discuss real estate property including but not limited to the completion of construction of EMS Station 27 and any other related matters.

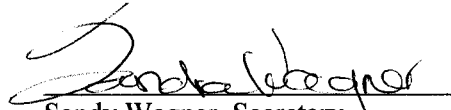
- 26. Reconvene from executive session and take action as necessary on real estate property including but not limited to the completion of construction of EMS Station 27 and any other related matters. (Ms. Whatley, Chair – PADCOM Committee)**

The board reconvened from executive session at 7:42 p.m.

Ms. Whatley moved to authorize the administration to move forward on the two bids as discussed in executive session, including the contingency. Mr. Chance offered a second and motion passed unanimously.

27. Adjourn

Meeting adjourned at 7:43 p.m.


Sandy Wagner, Secretary



Employee Benefit Renewal Calendar Year 2020

September 24, 2019



Update: 2019 Plan Performance through July

Expected Cost*	\$2,641,558
Actual Cost	<u>\$2,436,036</u>
Surplus (Deficit)	<u>\$ 205,521</u>

* Estimated based on enrollment and monthly employee contributions at fully insured equivalent rates.



Medical Insurance Cost

	2019	2020	Diff	Diff %
Individual Stop Loss	\$499,104	\$534,024	\$34,920	7%
Aggregate Premium	\$25,956	\$25,956	\$0	0%
Administration Fees	\$195,696	\$171,252	(\$24,444)	-12%
Annual Fixed Cost	\$720,756	\$731,232	\$10,476	1%
Expected Claims	\$3,309,811	\$3,550,896	\$241,085	7%
Annual Expected Cost	\$4,030,567	\$4,282,128	\$251,561	6%
Annual Maximum Cost	\$4,858,020	\$5,169,852	\$311,832	6%

The administration fees reflect a credit of \$2 PEPM or about \$7,200 per year due to bundling dental, critical illness, and accident insurance.

Not reflected above is an additional administration fee credit of \$30,000.00

PEPM = per employee per month



Medical Premiums

Health Plan Option	Monthly Premium	Employee Monthly Premium	MCHD Monthly Premium
HDHP (HSA)	100%	20%	80%
Employee Only	\$615.58	\$123.12	\$492.46
Employee + Spouse	\$1,434.29	\$286.86	\$1,147.43
Employee + Children	\$1,120.35	\$224.07	\$896.28
Employee + Family	\$1,748.23	\$349.65	\$1,398.58
PPO	100%	30%	70%
Employee Only	\$739.25	\$221.78	\$517.47
Employee + Spouse	\$1,722.43	\$516.73	\$1,205.70
Employee + Children	\$1,345.42	\$403.63	\$941.79
Employee + Family	\$2,099.45	\$629.84	\$1,469.61



Dental Insurance Cost

Current / Renewal - Ameritas			
PPO Base		PPO Buy Up	
Current	Renewal	Current	Renewal

Option - BCBS	
PPO Base	PPO Buy Up
Quote	Quote

Annual Premium	\$11,928	\$11,928	\$268,548	\$268,548	\$11,928	\$268,548
Increase		\$0		\$0	\$0	\$0
Increase %		0%		0%	0%	0%

Blue Cross Blue Shield will honor the rate guarantee in place with Ameritas.

Enhancements:

Annual Benefit Maximum excludes preventative care.

For the Base Plan, the deductible is waived for preventative care.



Dental Premiums

Dental Plan Option	Current Premium (Ameritas)			New Premium (BCBS)			Difference		
	Employee		MCHD	Employee		MCHD	Employee		MCHD
	Monthly Premium	Monthly Premium	Monthly Premium	Monthly Premium	Monthly Premium	Monthly Premium	Monthly Premium	Monthly Premium	Monthly Premium
PPO Base	100%	20%	80%	100%	20%	80%	100%	20%	80%
Employee Only	\$16.44	\$0.00	\$16.44	\$16.44	\$0.00	\$16.44	\$0.00	\$0.00	\$0.00
Employee + Spouse	\$38.32	\$7.66	\$30.66	\$38.32	\$7.66	\$30.66	\$0.00	\$0.00	\$0.00
Employee + Children	\$26.12	\$5.22	\$20.90	\$26.12	\$5.22	\$20.90	\$0.00	\$0.00	\$0.00
Employee + Family	\$48.00	\$9.60	\$38.40	\$48.00	\$9.60	\$38.40	\$0.00	\$0.00	\$0.00
PPO Buy Up	100%	20%	80%	100%	20%	80%	100%	20%	80%
Employee Only	\$34.32	\$0.00	\$34.32	\$34.32	\$0.00	\$34.32	\$0.00	\$0.00	\$0.00
Employee + Spouse	\$70.76	\$14.15	\$56.61	\$70.76	\$14.15	\$56.61	\$0.00	\$0.00	\$0.00
Employee + Children	\$89.00	\$17.80	\$71.20	\$89.00	\$17.80	\$71.20	\$0.00	\$0.00	\$0.00
Employee + Family	\$135.20	\$27.04	\$108.16	\$135.20	\$27.04	\$108.16	\$0.00	\$0.00	\$0.00



Vision Insurance Cost

Current Ameritas (VSP)	
Current	Renewal

Annual Premium	\$47,981	\$47,981
Increase		\$0
Increase %		0%

Ameritas is offering:

- * prescription safety glasses coverage
- * a rate guarantee through 12/31/2020



Vision Premiums

Vision	Current Monthly Premium	New Monthly Premium	Diff
Employee Only	\$7.35	\$7.35	\$0.00
Employee + Spouse	\$12.93	\$12.93	\$0.00
Employee + Children	\$13.56	\$13.56	\$0.00
Employee + Family	\$19.40	\$19.40	\$0.00

100% of the vision insurance benefit is paid by MCHD.



Optional Coverage Accident Premiums

Accident	Current Colonial Monthly Premium	New BCBS Monthly Premium	Diff
Employee Only	\$21.15	\$9.94	(\$11.21)
Employee + Spouse	\$28.97	\$16.54	(\$12.43)
Employee + Children	\$32.67	\$19.00	(\$13.67)
Employee + Family	\$40.47	\$29.88	(\$10.59)

100% of the premium is paid by the employee.



Optional Coverage Critical Illness Premiums

Colonial (Current)

Blue Cross Blue Shield (New)

Age Band	EE Only	EE+ SP	EE+ CH	FAM	EE Only	EE+ SP	EE+ CH	FAM
17-24	\$2.10	\$3.18	\$2.10	\$3.18	\$1.94	\$2.94	\$2.96	\$3.96
25-29	\$2.42	\$3.74	\$2.42	\$3.74	\$2.23	\$3.45	\$3.25	\$4.47
30-34	\$2.79	\$4.34	\$2.79	\$4.34	\$2.58	\$4.01	\$3.60	\$5.03
35-39	\$3.90	\$6.00	\$3.90	\$6.00	\$3.60	\$5.54	\$4.62	\$6.56
40-44	\$4.64	\$7.10	\$4.64	\$7.10	\$4.28	\$6.55	\$5.30	\$7.57
45-49	\$6.02	\$9.23	\$6.02	\$9.23	\$5.56	\$8.52	\$6.58	\$9.54
50-54	\$7.68	\$11.81	\$7.68	\$11.81	\$7.09	\$10.90	\$8.11	\$11.92
55-59	\$9.48	\$14.54	\$9.48	\$14.54	\$8.75	\$13.42	\$9.77	\$14.44
60-64	\$11.74	\$18.04	\$11.74	\$18.04	\$10.84	\$16.66	\$11.86	\$17.68
65-70	\$14.24	\$21.87	\$14.24	\$21.87	\$13.14	\$20.18	\$14.16	\$21.20

* Rates per \$10,000

* Non-smoker pricing

* Rates per \$10,000

* Smoker or Non-smoker

100% of the premium is paid by the employee.



Recommendation

- Medical - BCBS with no change in Employee Premiums
 - Bundle Optional Accident Insurance
 - Bundle Optional Critical Illness Insurance
- Dental - Move (Bundle) to BCBS with no change in Employee Premiums
- Vision - Ameritas with no change in Premiums