

# RECORD OF PROCEEDINGS

BEAR GRAPHICS 800-325-8094 FORM NO. 10148

Held December 8, 20<sup>17</sup>

The Franklin Township Board of Trustees held a special meeting on December 8, 2017 at 8:30am. The meeting was called to order at 8:34am. Trustee Ron Ruppert, Trustee Brian Morris, Fiscal Officer Fromeyer and Administrator Stivers were all in attendance.

**Old Business:** None

**New Business:**

Mr. Frank Harmon, Founder of Ohio Insurance Services was in attendance to talk with the board about the run out fees implemented by Jefferson Health Plan. Franklin Township is part of a buying pool administered by Ohio Insurance Services. Several years ago when the township contracted with Ohio Insurance Services they knew there were some risks, but were expecting to see lower premiums. Unfortunately, Jefferson Health Plan kept raising the cost of premiums and had more claims than anticipated. Many townships jumped ship and left the pool and paid the penalties for early withdrawal. Franklin Township Board did not want to incur those penalties, so they stayed and planned to pull out when the contract was up. We are now approaching the date that the contract is up, January 2018.

Mr. Harmon said that Jefferson Health Plan sort of has us over a barrel without a lot of options. On December 4, 2017 Jefferson Health Plan informed all of the entities that are affected that since they were not prepared to sign a new agreement that they had until December 11, 2017 to either find another company to cover any run out fees or they could pay Jefferson Health Plan to cover those run out fees. Jefferson Health Plan wants more than \$80,000 to do so. Run out fees are the claims that are incurred in 2017 but aren't billed until 2018. Mrs. Stivers asked why they don't go by the date of service. She said since our premiums have been paid for every month in 2017 that all our claims from 2017 should be paid. Mr. Harmon said that it was simply some kind of agreement that the lawyers had come up with when settling a dispute between Ohio Insurance Services and Jefferson Health Plan.

The Township's options are now to either pay the run out fee that Jefferson Health Plan is asking for, find a different company to cover run out fees or take a chance on not having employees covered, all by December 11th, 2017.

Mr. Ruppert suggested that Mrs. Stivers contact legal counsel to see what we are obligated to do. Mr. Harmon said he believes that many townships are seeking legal opinions and that Jefferson Health Plan has put unrealistic expectations on everyone. Mrs. Stivers asked how many townships are in the same boat as us? Mr. Harmon said there are 157 entities facing this in Ohio. Mr. Ruppert wants Mrs. Stivers to ask the prosecutor if we must we provide coverage for the employees? Mr. Morris said that if we don't offer insurance we'll lose most of our employees, since our pay rate is so low. Mrs. Stivers agreed, our pay scale would have to change drastically.

Mr. Harmon said that the Affordable Care Act had changed a lot of rules that they insurance industry must play by and has made it difficult to not incur debt. Mr. Morris said that he did not blame Mr. Harmon or Ohio Insurance Services, that it seems this is Jefferson Health Plan's problem.

Mr. Morris & Mr. Ruppert both expressed that they did not like any of the options and they want to wait to hear from legal counsel. Mr. Stivers asked if they wanted to schedule a meeting for Monday. She said that it was unlikely that the prosecutor's office could get us an answer and us still meet the deadline. The board said they understood that we would not meet the deadline. Mrs. Stivers said she would contact legal counsel and that she would work to get run out coverage quotes.

Mrs. Stivers requested to cash out 55 hours of vacation time. Mr. Ruppert made a motion to approve the request. Mr. Morris seconded the motion.

ROLL CALL: Mr. Ruppert - Yes  
Mr. Morris - Yes      Motion carried.

Mrs. Stivers update the Board on the Dixie Highway Marker. She said that she knew Mr. Morris was eager to get the rock portion to Evans Landscaping to get the concrete slab poured but she had received communication from the Ohio Daughters of the Confederacy asking us to hold onto the rock until the legal agreement between the Eagles & The UDC was complete. Mrs. Stivers said that the hold up is that the UDC is waiting for a meeting

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Minutes of Franklin Township Board of Trustees

Meeting

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with their lawyer. Mr. Morris asked Mrs. Stivers to express to the UDC that we'd like to get it done before the weather prevents it.

Mr. Fromeyer asked that the board add a payment listing to the agenda. Mr. Ruppert made a motion to add a payment listing to the agenda. Mr. Morris seconded the motion.

ROLL CALL: Mr. Ruppert - Yes  
Mr. Morris - Yes      Motion carried.

Mr. Fromeyer explained that this payment listing had Christmas bonuses on it, Mrs. Stivers had asked him to get them approved so that the employees could use those checks for Christmas shopping.

Mr. Ruppert made a motion to approve the payment listing dated December 8, 2017. Mr. Morris seconded the motion.

ROLL CALL: Mr. Ruppert - Yes  
Mr. Morris - Yes      Motion carried.

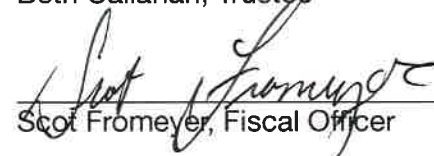
Mr. Ruppert made a motion to adjourn the meeting at 9:34am. Mr. Morris seconded the motion.

ROLL CALL: Mr. Ruppert - Yes  
Mr. Morris - Yes      Motion carried.

  
Brian Morris, President

  
Ronald Ruppert, Trustee

Absent  
Beth Callahan, Trustee

  
Scot Fromeyer, Fiscal Officer