

**GREG STEWART-(BEDFORD TOWNSHIP SUPERVISOR)**

**COMMENTS ON PUBLIC ACT 152:**

**THE STATE OF**

**MICHIGAN HEALTHCARE LAW.**

**TRANSCRIPT FROM NOV,5TH 2013**

**TOWNSHIP BOARD MEETING**

I was around a year ago, I had questions about it, because a number of entities, cities, different governmental entities were signing up on this, and protecting what they were getting, which were statutory revenue sharing. You're right, we only get constitutional, we don't get statutory.ONE OF MY FEARS WAS AT SOME POINT THE STATE WAS GOING TO TIGHTEN THE GRIP AND TO EXPECT GOVERNMENTAL ENTITIES TO COMPLY OR THEY WOULD START TAKING AWAY CONSTITUTIONAL REVENUE SHARING OR SOME OTHER FORM OF PUNISHMENT./  
did check with the state, the state has nothing on the table as far as increasing any kind of punitive actions towards those that aren't taking 20%.I did look at the union contract that ends in 2015,and I did look at the state resolution. The state is saying that any contract before September 2012 is in effect till it ends. So if we did not abide or pass this resolution, that contract would still be in effect for the union, but it would open the gates for the non-union. We also had the discussion during our time when we put the budget together back in June. We

had this exact discussion of the 20% and the 10%,I believe we put in the amount of 20%,for the fiscal year ending june 30th.I also have questions about OBAMACARE and where it's going and how it's going to affect things. I think Paul and I, from our trip to Lansing, with regards to the fire department,those volunteers,when it comes to OBAMACARE,they would be counted as employees.We could have gone above the 50 mark,and OBAMACARE would affect the township.*I think all those pieces and parts put together, leads me to the fair thing to do,is to pass this resolution,FOR 1 YEAR and I don't think there's a down side to .It's covered in our budget and WHEN THAT CONTRACT IS DONE & WE'D HAVE A BETTER PICTURE WITH INSURANCE.*

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**LARRY O'DELL -(BEDFORD TOWNSHIP TRUSTEE)**

**COMMENTS ON PUBLIC ACT 152: STATE OF**  
**MICHIGAN HEALTHCARE LAW.**

**TRANSCRIPT FROM DEC 2ND, 2014 TWP.BOARD MEETING**

I WANT TO SPEAK TO THAT ISSUE, THE EMPLOYEES WHO RUN MEDICARE AND THEY WHAT HAD HAPPENDED IS UNDER THE PREVIOUS CONTRACTS OR THE WAY IT WAS DONE AT THE TIME THEY WERE STILL RECEIVING INSURANCE COVERAGE. WE GAVE THEM ENOUGH TO BUY THE PRESCRIPTION DRUG COVERAGE AND I THINK THEY ALL WENT WITH OURS BECAUSE IT WAS ALL OVER THE UNITED STATES. AND IT WOULDN'T BE A PROBLEM WHERE THEY MOVE. SO IT WAS A BIG BENEFIT FOR US AND IT WAS THE RIGHT THING TO DO FOR THEM. BECAUSE THERE WASN'T ANY OTHER COVERAGE AVAILABLE.

**PAUL FRANCIS -(BEDFORD TOWNSHIP TREASURER)**

**COMMENTS ON PUBLIC ACT 152:**

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**TRANSCRIPT FROM DEC 2ND 2014 TWP.BOARD MEETING**

**MOVE TO EXEMPT!**

I would like to ask the board to look at the last page on the handout that we were given, that shows what the monthly contribution is and what the monthly premium is for the health insurance. And you see they range from the single coverage is \$507.36 a month as being the low and the highest one is a family coverage \$2,176.97 and that is quite a range. Years ago, how many years ago, five or six years ago, even more than that the township used to be paying premiums for a \$250 deductible, \$500 family, a huge premium. We studied it and changed that to a \$4,000 deductible which dropped the premium enough to save us over \$50,000 a year. Every year towards that, that has been in place for several years, that's why the numbers are as low as they are. I think they are high. They are still low in comparison to what they are. They would have been if we had not made that change. At that time we decided as a board to self-insure that deductible, from \$4,000 down to \$250 and \$500. Even with that money going out we're still saving \$50,000 a year on the premium alone. That's been verified by the consultant we utilize for health insurance. That's a lot of money, \$50,000 is a lot of money. Now we're trying to reduce it some more. And I have no problem with that. It's a good argument, if you look at the range there, if each 10% that we ask the employees to pay ranges

from 10% of \$507 which is \$50.00 per month to a high of \$218 per month. Each 10% is at range \$50.00 for some to \$218 for the high end that equals a low of \$600 a year in additional withholding to \$2,616 a year. Now if you look at the 2% wage increase which we have been able to offer our employees for the last few years and you can see how many a 2% of an average salary would generate about \$738 a year increase versus a \$2,600 decrease if we were to institute another 10% withholding from them. That's a \$1,900 dollar loss in pay. I DON'T THINK THAT'S FAIR AND I DON'T THINK THAT'S RIGHT, THAT'S WHY I MADE THE MOTION. NOW I FOR ONE HAVE MENTIONED BEFORE I COULD BE TALKED INTO RAISING THAT FROM 10% TO 20% OVER TIME, MAYBE 1% A YEAR. BUT ONLY IF WE HAVE A COMPENSATION INCREASE THAT COVERS THAT SO OUR PEOPLE AREN'T HURT.

ANOTHER THING I FORGOT TO MENTION WHERE WE'RE ABLE TO SAVE MONEY, WE REMOVED THE RETIRED EMPLOYEES FROM THE SAME PLAN THAT THE OTHER EMPLOYEES ARE IN. BEING THAT IT'S AGED BASED, THAT BUMPED THE PREMIUM SKY HIGH BECAUSE OF THEIR AGE, SO WE REMOVED THEM OUT OF THE PLAN. BUT WE PAY THEM A STIPEND, IF YOU WILL, SO MUCH A MONTH THEM AND LET THEM BUY THEIR OWN INSURANCE. AND THAT WAS ALL PART OF THAT \$50,000 SAVINGS, THAT PACKAGE ADDED TOGETHER WAS REALLY A GOOD THING TO DO, BUT THAT'S ANOTHER PIECE OF IT.

**PAUL FRANCIS -(BEDFORD TOWNSHIP TREASURER)**

**COMMENTS ON PUBLIC ACT 152: STATE OF MICHIGAN HEALTHCARE LAW.**

**TRANSCRIPT FROM NOV,5TH 2013 TWP.BOARD MEETING**

In essence what this resolution does, it protects the township from losing some state revenue sharing that we don't qualify for anyway. The State, in it's best practices request, what you can call it, would like to LIMIT THE AMOUNT OF HEALTHCARE INSURANCE COSTS TO A CERTAIN AMOUNT.AND IT'S IN THE RESOLUTION,\$5500 DOLLARS FOR A SINGLE PERSON COVERAGE.\$11,000 DOLLARS FOR A INDIVIDUAL + SPOUSE.\$15,000 DOLLARS FOR FAMILY COVERAGE.OUR COVERAGE IS MORE THAN THAT!.THE WAY YOU LIMIT THAT IS TO HAVE THE EMPLOYEES PAY DOWN TO THAT AMOUNT. We adopted a resolution like this a year ago, when it first came out.

The reason that was done, up until last year the last 3 or 4 years we didn't grant raises to our people. Prior to that it was an inflation raise, maybe 2 to 2.5 %. Never any more than that, ever since I've been on the board. We have maintenance workers that are members of the teamsters union, there are 3 of them. We have a contract with them that is 3 years in length. That was effective February 1st 2012, it runs to January 31st 2015.We have in effect 1 more year and a couple months on that contract. I THINK WE OUGHT TO APPROVE



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**PAUL FRANCIS -(BEDFORD TOWNSHIP TREASURER)**

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RICHARD STEINER -(BEDFORD TOWNSHIP TRUSTEE)

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STATE OF

MICHIGAN HEALTHCARE LAW.

TRANSCRIPT FROM DEC 2ND, 2014 TWP.BOARD MEETING

I AGREE WITH WHAT PAUL SAID ABOUT POTENTIALLY LOOKING DOWN THE ROAD AT INCREMENTAL CHANGES. ONE THING WE ALSO HAVE TO CONSIDER IS, WE'RE ALSO NOT LOOKING AT EMPLOYEES THAT ARE MAKING EXTREMELY HUGH SALARIES. NOW WE DO HAVE A COUPLE THAT ARE PAID DEPENDING WHAT DEPARTMENT THEY ARE PAID A LITTLE HIGHER. BUT ON AVERAGE OUR SALARIES AREN'T \$60,000, \$70,000, \$80,000, \$90,000 SALARIES. AND WE TALK ABOUT OTHER HEALTH PLANS OUT THERE THAT MOST OF US ARE PAYING, GRANTED THERE ARE PEOPLE THAT ARE HURTING. THERE IS PEOPLE IN THE MIDDLE AND THERE IS PEOPLE ON THE TOP. BUT IF EVERYONE IS ON A SIMILAR PLAN. I WORK AT A COMPANY WITH WELL OVER 3,000 EMPLOYEES THAT ARE COVERED. AND THERE'S MANY PEOPLE THAT ARE PAYING MUCH MORE THAN I AM. THERE'S PEOPLE PAYING MUCH LESS THAN I AM AND COMPARATIVELY THOUGH WE'RE PAYING THE SAME AMOUNT BASED ON WHETHER WE'RE SINGLE, MARRIED, FAMILY ETC. SO WHEN I LOOK AT SOMEBODY THAT PAID MEDIUM RANGE OR LOWER IN SOME CASES FOR THE TOWNSHIP. TRUDY MADE A GOOD POINT THAT WE ALSO REDUCED SOME OF THE HEAD COUNT. WHICH MAKES THAT PAY EVEN LOWER AND THAT DOESN'T EVEN INCLUDE COVERAGE FOR INSURANCE. AND TO HIT SOMEBODY WITH A 10% INCREASE OVERNIGHT WOULD BE PRETTY DEVASTATING TO AN

**EMPLOYEE AND THEIR SALARY. GREG AND PAUL BOTH STATED IF WE'RE GOING TO DO ANYTHING OR EVEN CONSIDER ANY CHANGES, IT NEEDS TO BE DONE DURING BUDGET TIME AND BUDGET PLANNING. AND WE ALSO GIVE THE EMPLOYEES, IF THERE'S GOING TO BE, I AM NOT SAYING THERE IS, BUT IF THERE'S GOING TO BE AN INCREASE TO THE EMPLOYEE. GIVE THEM TIME TO UNDERSTAND WHAT THEIR BUDGETS ARE GOING TO BE AS WELL.**

TRUDY HERSHBERGER -(BEDFORD TOWNSHIP CLERK)

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80/20 IS NOT BAD, WHEN YOU LOOK AT OUR INSURANCE JUST DROPPED 4%. SO WE ARE GOING TO CHARGE OUR EMPLOYEES 10% MORE WHEN WE JUST GOT A 4% DISCOUNT. AND WE HAVE CUT OUR EMPLOYEES; WE HAVE EMPLOYEES DOING THE JOB OF 3 PEOPLE. BECAUSE WE'RE NOT BRINGING ON FULL-TIME PEOPLE ANYMORE. WE'RE BRINGING ON PART-TIME PEOPLE TO REPLACE FULL-TIME PEOPLE. WE'VE CUT ALOT. I'VE CUT BENEFITS TO AT LEAST THREE PEOPLE NOW. BECAUSE WE'VE CUT THOSE JOBS OUT AND BROUGHT IN PART-TIME PEOPLE. SO WE ARE CUTTING. SO WHY PENALIZE THE GOOD EMPLOYEES WE HAVE STILL, BY MAKING THEM PAY MORE, WHEN WE ALREADY GOT A BREAK FOR IT.