

Collaborative Governance Council

League of Minnesota Cities Building
145 University Avenue West, St. Paul

Wednesday, May 16

1 p.m. – 3 p.m.

Members Present

Mayor Mary Hamann-Roland, League of Minnesota Cities
Kyle Harnett, Minnesota Association of Townships
Tom Hesse, Minnesota Chamber of Commerce
Grace Keliher, Minnesota School Board Association
Ken Loeffler-Kemp, AFSCME
Valerie Rolstad, SEIU
Gary Westorff, Education Minnesota
Commissioner Jack Swanson, Association of Minnesota Counties (AMC)
Rebecca Otto, State Auditor, Chair

Others Present

Beau Berentson, Association of Minnesota Counties
Lee Johansen, Education Minnesota
Jennifer O'Rourke, League of Minnesota Cities
Alice Seuffert, Association of Metropolitan School Districts
Barbara Cox, Health Partners
Mark Kinney, Service Cooperatives
Sam Walseth, Service Cooperatives
Snezhana Bessonov, Minnesota School Boards Association
Nick deJulio, Ewald Consulting
Phil Griffin, Griffin Government Consulting

I. Call to Order

- a. Chair Auditor Rebecca Otto called the meeting to order.

II. Review and Approval of Meeting Minutes

- a. Gary Westorff moved to approve the previous meeting's minutes. Valerie Rolstad seconded; motion carried.

III. Presentation on Statewide Health Insurance for Public Employees

- a. Chair Otto introduced the topic. Commissioner Swanson said that the counties are looking to save money. Gary Westorff said that employees would have a venue for affordable health care, and that employees and school districts could save money.
- b. Lee Johansen of Education Minnesota was the first presenter. The issue of insurance reform for school employees has been discussed for many years. Health care coverage is dealt with by each school district, involving one billion dollars of costs each year. He referenced a study in 2004 for the School Employee Insurance Plan Study and Design

Committee, established by the Minnesota Legislature. There have been proposals at the legislature to create a statewide pool that have failed in the past, or have been vetoed.

- c. Issues identified during the discussion included that MCHA would no longer be paid by those covered in the pool which would create a greater burden on small businesses, and that some districts would save costs while others would see costs rise.
- d. There was a question regarding how many entities currently are self insured. It was suggested that the Council get more information from the Minnesota Self-Insurers' Association. Chair Otto recommended that the Council get more information on this. Mark Kinney of the Service Cooperatives pointed out that 600 local government units are self-insured regional pools. They are voluntary, and compete with the private insurers.
- e. Phil Griffin of Griffin Government Consulting then presented. He referenced a 2005 DOER study that pointed out the benefits of a pool and the issues, including new staff and reorganization costs.
- f. Chair Otto summed up the goals that Council members identified which included access to quality health care coverage, and stability of costs.
- g. When discussing whether a statewide pool for health care coverage is the best idea, Grace Keliher suggested that worker's compensation re-insurance might be a good model to replicate rather than a statewide mandated pool. It was also noted that the Supreme Court will be ruling in the near future on the federal health care act. This will have ramifications on health care. The Council decided that it would be wise to wait for the Court's decision before doing anything further on a statewide pool.

IV. Adjournment

- a. Chair Otto thanked all of the participants for the discussion and said the Council would briefly touch on this issue at the next meeting, and have the discussion on consolidation at that meeting as well. The Chair adjourned the meeting.