

RECORD OF PROCEEDINGS

**Minutes of Franklin Township
Franklin County, Ohio**

Special Meeting

**Held via Teleconference
COVID-19 Emergency Declaration
Ohio's Open Meeting Act**

November 19, 2020

Call Meeting to Order:

Vice-Chairman John Fleshman called a Special Meeting of the Franklin Township Board of Trustees to order at 4:35 p.m. on November 19, 2020, via teleconference (ZOOM).

Roll Call: Alex (excused), Fleshman, yes; Horn, yes.

Chairman Aryeh Alex was unable to attend.

The Pledge of Allegiance: Led by Trustee Horn

Approval of Prior Meeting Minutes:

Fleshman made a motion to suspend approval of prior meeting minutes.

Horn seconded the motion. With no discussion, the roll was called, and the vote was as follows:

Alex: (excused) **Fleshman:** YES/ NO **Horn:** YES/ NO

Motion passed.

Fleshman turned the meeting over to Fiscal Officer Mary Rhinehart.

Rhinehart began by re-introducing Resolution 2020-215 for a change of an agent of record for the 2021 Employee Health and Life Insurance to Preferred Benefits and making it effective today.

She stated the reason for doing this before the end of the year is due to not having a qualified HRA plan, being out of compliance and subject to concern from the insurance commissioner and IRS. She stated the need to resolve it and show they are aware of, attending to the problem and correcting it.

Rhinehart recommended the following resolution:

Resolution 2020-215

**CHANGE OF AGENT OF RECORD OF 2021 EMPLOYEE
HEALTH & LIFE INSURANCE TO PREFERRED BENEFITS**

BE IT RESOLVED by the Board of Trustees of Franklin Township, Franklin County, Ohio, that the Board approves a “**Change of Agent of Record**” to Preferred Benefits Services Agency, Inc., 611 S. Sandusky St., P.O. Box 868, Delaware, Ohio 43015 via their current representative Brian Lenzo (or successor) to provide all employee health and life insurance services on November 19, 2020, and:

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WHEREAS: A "Letter of Authorization", if necessary, will allow Brian Lenzo to represent the Township regarding the processing and conversion to the renewals of all policies from this date forward. Open enrollment for 2021 will be completed by Brian Lenzo.

WHEREAS: Brian Lenzo will provide a similar manual process of reimbursing HRA claims occurring between November 19, 2020 through December 31, 2020, so as to allow for a smooth transition to debit cards on January 1, 2021.

THEREFORE: Linda Faulk, of The Individual and Group Health Insurance Agency, LLC, shall:

Section 1: Complete all HRA service claims covered/incurred through November 18, 2020, and:

Section 2: Present a final invoice to the Fiscal Office per the June 9, 2020 Memorandum of Understanding (MOU) attached Exhibit A, by December 31, 2020.

All services are subject to review and acceptance by the Township Fiscal Officer.

Fleshman made a motion to adopt the above resolution. Horn seconded the motion. With no discussion, the roll was called for its adoption and the vote was as follows.

Alex: (excused) **Fleshman:** YES/ NO **Horn:** YES/ NO

Resolution passed

Fleshman asked Administrator Mark Potts to read a statement written by Chairman Aryeh Alex. Potts read:

"I have heard multiple rumors and allegations related to our current insurance broker over the past few weeks. While I am not sure if they are true, any perceived conflicts of interest or illegal behavior must not be tolerated and a proper authority should be notified, something I am told the State Auditor is looking into already.

It is clear that we must change our broker, and I am supportive of that. I would have preferred that we had the opportunity to look at multiple options and have representatives from our staff and bargaining units participate in the process. By not doing so, we set a bad precedent of

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ignoring those that work for us and act without knowing all of our options. We must get better at seeking multiple options, doing the research and taking our time to make decisions like this. The Board of Trustees are the decision-makers, and it is on us to do the right thing for our residents and employees.”

Fleshman asked Horn if he had any comment.

Horn replied “with all that has happened, in the best interest of the employees as well as the Township, this is in the best interest of all concerned”. He stated research has been done and he was satisfied with the research that was done.

Ron Delozier:

“I’m just kind of blown away. While the allegations are there, they have not been found, and we have never just randomly picked a person and gone with it on anything.

The Fire Department has to get multiple bids to replace a tire on an emergency vehicle, that’s a couple hundred dollars. This is over a million dollars, just going to pick one person, not interview multiple, and then go with that person, and change a service that has been provided to the Township for years.

While I understand the benefit level should not change, it cannot change contractually, but I understand it should not change. If it does, it is going to cause problems and we don’t know that it’s not going to. We haven’t set down and talked with these brokers yet to understand what is going on between the multiple bargaining units that we have in this Township. We allowed one person to go out on her own and find a single provider who she chose to do things the way she wants them to be done.

That is just not how things have been done in the past. It is disheartening to me, it is going to be disheartening to the members of the Local 1441, and it is going to be disheartening to every employee in Franklin Township to watch this happen, and to know that the people who have been chosen to lead us are allowing this to happen.

I am disappointed in everybody. Linda has been nothing short of amazing for the members of Local 1441. If there are issues, there are issues, and that stuff needs figured out, but none of that is founded right now, and all we are dealing with is rumors, and we are going to change a huge portion of our benefit package on rumors.

I am shocked, I am upset, and the members of the Fire Department are definitely going to notice it”.

Fleshman responded to Mr. Delozier’s comments:

“This change has been based on legal counsel as well as the State, that we needed to make this change. As a trustee of Franklin Township, I weigh the same, as I am sure do all the trustees, the decisions of the guidance that we are

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getting by legal counsel as well as the State, and when we are making that decision, we don't make it lightly.

If you recall, in the last meeting, we discussed it in an open meeting, as it should be. The trustees cannot talk amongst themselves outside of the meetings. You said you were proud of the trustees for the work they did at that meeting. Since then, when things were brought to light with legal counsel as well as the State, we had no choice.”

Horn mentioned that not much more should be said because of possible legal ramifications. He stated that in his opinion they have done 100% due diligence and that with the representation they have had, they should just move on. He stated that in time he hopes that Mr. Delozier will gain further understanding of the Board's decisions.

Linda Faulk asked to speak.

She stated “it has been an absolute pleasure servicing Franklin Township, and my apologies to the employees that the relationship is not going to continue. I am confident that Brian Lenzo will do a very good job for you in service.”

Fleshman commented to Linda that it had been a pleasure working with her.

Fleshman asked Brian Lenzo to introduce himself and to speak.

Brian Lenzo stated that he is with Preferred Benefits. He stated he wanted to reassure everybody that their goal is to help transition Franklin Township into a better place with regard to compliance issues. He stated he will be working starting the next day to get items in place and crossed off the list. He stated that as they go through open enrollment, some of the documentation and information they are able to provide employees to help them understand how the plans work, how to best navigate the plans, work within the system that we all have to live in with health insurance and employee benefits, everybody is going to have a good feeling about the level of service they provide. He stated that they will make sure every employee of Franklin Township has our contact list with e-mail addresses and cell phone numbers.

He stated they are able to come out and meet with any employee one-on-one. He mentioned to Firefighter Delozier that he would be happy to come to the Fire Department to answer any questions. He stated that employees will be able to reach them directly with any comments or questions. He stated that their goal is to make sure employees are comfortable with the programs and platforms in place.

Township Resident Michael Blevins asked a question of Fiscal Officer Mary Rhinehart. He asked Rhinehart if she would like to put to rest the rumor that she has or has not worked with this agent or this insurance company in the past.

Rhinehart replied: “no, he was referred to me by Paycor when we met with them. He sent over his references, we had seen all the references and the information. He offered all 300 clients as references. I feel confident that he

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can do the job. Any time in the next year, if we feel he is not what we need, we can do another change of agents, but our goal is that everyone will be happy with him and will be continuing with the same benefits, just enhanced with debit system that is very quick and less cumbersome.

Fleshman wanted to ask Brian Lenzo:

“Is there anyone in the past you have been affiliated with in the Township Trustees?”

He asked Brian to talk about what the contract means and how long he is contracted for, and “what binds us”?

Brian stated that he was not aware of anybody at Franklin Township he had ever spoken to or had any previous relationship with. He stated he does not know every employee in the Township at this time. He stated the first time he had an opportunity to speak with Mary Rhinehart was three and a half to four months ago and that Rhinehart has spent time vetting the organization.

He stated that they do not bind contracts with their clients. They will sign a BAA (Business Associate Agreement) associated with HIPPA rules and protection of data.

He stated that if they do not meet the clients' expectations, the client is under no obligation to remain with Preferred Benefits.

Fleshman asked if Brian felt the Township could do any better with what they currently have.

Brian responded by stating that from an employee standpoint, the Township could not do better as the employees have very little out-of-pocket expenses. He did state that the Township has not “shopped the market” in a number of years. He stated that does not mean another carrier would offer a better deal. He stated that most of his clients shop the market every year.

He stated that with his organization, they are able to assist in finding Franklin Township employees the best plans available.

Fleshman asked what is going to change starting now.

Brian replied the only change that is going to transpire is the change in the insurance broker, who the Township and employees will contact requesting additional information.

He stated that the plans themselves are renewing with all of the vendors effective January 1, 2021 on the same plan design and the same HRA structure. He stated the only other change will be the addition of debit cards.

Fleshman asked Brian to explain the debit cards for employees.

Brian began by stating that they are starting the process tomorrow, Ameriflex is going to build the plan in their system and create a plan document that outlines how the plan pays, who is responsible, basically a legal document when funds are changing hands. The Township will set up an imprest balance

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with Ameriflex and on a weekly basis will notify the Fiscal Officer that they are going to “sweep” the funds out of the account, the Fiscal Officer will be able to see who utilizes the funds, dates of service, the amount, etc.

He stated that between today and January 1, 2021, once they load the HRA plan design, the debit cards are going to be loaded with the amount of money the employees have access to, all of the deductible, all of the out-of-pocket, including co-pays, etc. He stated when the member gets the card on January 1, they will be able to start pulling the funds out of the HRA provided by Franklin Township.

Assistant Fiscal Officer Robyn Watkins asked Brian about employees needing assistance after regular business hours.

Brian responded that he would send a Preferred Benefits contact list with cell phone numbers and that employees can contact him at any time.

He stated that all employees will receive a Benefit Guide with information about Preferred Benefits.

He stated that any claims incurred before midnight tonight will go to Linda Faulk for reimbursement and that any claims incurred after midnight will be submitted to Brian Lenzo of Preferred Benefits.

He stated that claims incurred before the end of 2020 can be filed before the end of January 2021 for reimbursement.

Vice-Chairman Fleshman asked if there were questions.

Adjournment:

With no further discussion, Fleshman adjourned the meeting at 4:50 p.m.

Signature on file with original

Aryeh Alex, Trustee

Signature on file with original

John Fleshman, Vice-Chairman/Trustee

Signature on file with original

Ralph Horn, Chairman/Trustee

Signature on file with original

Assistant Fiscal Officer/Fiscal Officer