



Genesee County Board of Commissioners

Commissioners

October 24, 2019

Bryant Nolden
District 1

Genesee County Retirees,

Brenda Clack
District 2

The Genesee County Board of County Commissioners received a favorable response from our recent letter to retirees. We are hopeful that regular communication will dispel the rumors that are circulating regarding the Board's work in addressing this very complicated issue of retiree healthcare. We want you to know firsthand, so we will be sending out periodic updates as we move forward.

Ellen Ellenburg
Vice-Chair
District 3

Kim Courts
District 4

As you may be aware, the Board engaged with a consultant to help us review all of the healthcare options that are offered to our retirees. There are over twenty plans that we maintain for our retiree groups. As you can imagine, navigating the very confusing and complex world of health insurance is no small task. In order to get the best information consulting firm Plante Moran was hired to offer guidance to the Board. Plante Moran has been tasked with reviewing our plans in an effort to find cost savings. We expect this process to take until the end of the year. Once Plante Moran provides their findings to the Board, we will share them on our various social media sites, websites and via email so you can review the information at the same time as the Board. We encourage you to be part of that discussion when that happens by attending the VEBA workgroup meetings either in person or via the internet.

Mark Young
District 5

Shaun Shumaker
District 6

Martin Cousineau
District 7

Ted Henry
Board Chair
District 8

The Board also continues its work on the current budget for potential cost savings. Our fiscal year ending 2020 budget was adopted on September 25th. The budget included spending over \$10,000,000 from our fund balance (our savings account) to provide services to residents as well as maintaining healthcare for our retirees. While that may be OK on a one time basis, continuing to dip into our savings is not sustainable long term. On our current path, the county will run out of savings by 2023. My colleagues understand the urgency of the situation and will again be meeting with each department and office to prioritize spending. We often hear that we do things a certain way because that is how we have always done them. That stops with this budget. The Board recently met with experts from Michigan State University to better understand mandated vs. non-mandated services. The discussion related to understanding what the state constitution demands we do and at what level of funding. I know you will see more of this discussion in the media as we start to improve how our county government works. We must do this to survive financially. Not one Commissioner wants the State of Michigan to come in and dictate how we should run our government.

David Martin
District 9

Genesee County Administration Building

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Some of you were present for the financial overview that was given to the Board of Commissioners. This was followed up to current employees in town hall style meetings. In that presentation, which is available on the Board of Commissioners webpage, we saw that on an average month, Genesee County is spending nearly \$1,400,000 for retiree healthcare. A major driver of that cost is prescription drugs. On average, we spend \$160,000 a week for prescription drugs. As we have moved through this process, our Benefits Office provided information, which is also available on our website, showing the drastic difference in cost based on where you buy your drugs. For example, if you are like me, you may take a maintenance drug like Lipitor. The chart below shows how the cost for this pill that the county pays fluctuates drastically from one drug store to another. The column on the right represents the charges to the county:

Pharmacy	Cost
Benzer Pharmacy – Flint	\$200.31
Walmart	\$9.00
Walgreens – Flint	\$249.99
Express Scripts	\$11.00
Meijer	FREE

As you can see, decisions that we make as consumers mean real dollars to the county. I never knew there was such a drastic difference in price dependent on what pharmacy I used. After seeing this information, I've started to change my own buying habits to help ensure the long-term stability of the county.

My colleagues and I hope these updates are helpful for you. We know there are a lot of rumors circulating about what the Board is going to do. The best way to keep yourself informed is to engage in the process. The Board will take no action until it has been fully vetted with your help. The only reliable information is that which you verify. Fretting about rumors that have no basis in truth will just cause more wrinkles. I know that if you are like me, we don't need to do anything that promotes more wrinkle formation.

As always, please do not hesitate to reach out to our office with any questions, 810-257-3020. We are more than happy to talk with you and give you any information that we have.

On behalf of the entire Board of County Commissioners,

Ted Henry, Chairman