

**IONIA COUNTY BOARD OF COMMISSIONERS  
REQUEST FOR DISCUSSION/ACTION**

Resolution for Exemption Option for the Publicly Funded Health Insurance

December 2, 2020

**CONTACT:**

Stephanie Fox  
Linda Pique  
616-527-5300

**DESCRIPTION:**

The Publicly Funded Health Insurance Contribution Act (2011 Public Act 152) contains three options for complying with the requirements of the Act:

1. Hard Caps Option – limits a public employer’s total annual health care cost for employees based on coverage levels, as defined in the Act.
2. 80%/20% Option – limits a public employer’s share of total annual health care costs to not more than 80%. This option requires an annual majority vote of the governing body.
3. Exemption Option – a local unit of government, as defined in the Act, may exempt itself from the requirements of the Act by an annual 2/3 vote of the governing body.

The Resolution for Exemption Option for the Publicly Funded Health Insurance must be approved by 2/3 vote of the Board of Commissioners. Any local unit of government may exempt itself from the requirements of the Act.

**OTHER DEPARTMENTS/AGENCIES AFFECTED:**

All departments

**FINANCIAL ANALYSIS:**

The County’s 2021 total estimated annual health care costs for employees are in excess of the Hard Caps option. The 80%/20% option would place a significant financial burden on County employees.

The total estimated annual health care cost for employees was included in the 2021 County budget approved by the Board of Commissioners October 13, 2020. As a result, Option 3 is feasible and appropriate.

**LEGAL REVIEW:**

N/A

**DEADLINE:**

December 2, 2020

**SPECIFIC ACTION REQUESTED (PROPOSED BOARD MOTION):**

The Ionia County Board of Commissioners’ approves the Resolution for the exemption option for the Publicly Funded Health Insurance Contribution Act for 2021.

**ADMINISTRATOR’S RECOMMENDATION:**

County Administrator recommends approval of this request.