



OFFICE OF
COUNTY AUDITOR
HARRISON COUNTY COURTHOUSE
ROOM 326
MARSHALL, TEXAS 75670

To Whom It May Concern,

I am pleased to provide this unqualified Letter of Recommendation for P. Todd Dorton and his entire organization at Ethos Benefit Services. Harrison County has worked with Todd and his team, since approximately June of 2012, to correct what most thought to be an insurmountable political and financial burden on Harrison County.

After taking weeks to ascertain all of the variables surrounding the entirety of our situation, Todd developed a cost effective alternative, while at the same time getting "buy in" from the locals Hospitals and Physicians. By taking his recommendations, we not only lowered our medical plan liability by right at forty four percent (44%) using the Cost + model with ELAP; Todd also worked with Judge Hugh Taylor and Commissioners to also reduce our Other Post-Employment Benefits (OPEB) liability for 2013 by approximately eight million dollars (\$8,000,000), all in one (1) year, while actually improving benefits in many areas as well. This also included a major overhaul of the retiree program for those retirees over age sixty-five (65) that has been received exceedingly well by all of the affected retirees.

However, even after delivering on what we were told was a "no win situation", Todd also worked the political landscape of our East Texas County to help ensure that not only were the employees and Harrison County in a better place, but there has not been any political fallout that usually accompanies such major changes that Todd had to implement in order to meet our unique circumstances. Whether working with County Officials, employees, physicians or hospitals, we now have a plan that at maximum liability, came in significantly under budget for 2013; we can still use local facilities and physicians, at a fair price to all. Judge Taylor and Todd work in unison to get direct local contracts with local facilities that were less than fifty percent (50%) of what Harrison County had been paying one of the large national carriers to access the Carrier's network and "discounts", which were never allowed to be shared with us previously, as they were "proprietary" between the Carrier and the Hospitals, but it was Harrison County monies being spent.

Our 2014 renewal numbers came in and to surprise of all, except Todd, Harrison County effectively received a 0% increase in the rates from those being charge in 2013. As a matter of fact, just in the past several weeks, our outside auditors felt the need to review the numbers surrounding our Employee

Benefit Plan, as there was such a tremendous “turnaround” in our plan costs and OPEB from 2012, they needed the details on exactly how it was accomplished. Once received, the auditors confirmed the accuracy of the numbers shown in our financials and budgets. Year to date in 2014 through April, we are still running seven percent (7%) below the expected claims level and twenty six-percent (26%) below the maximum attachment point.

We originally started looking for a Consultant (licensed Counselor) that was not only transparent, but would take an active role in working with Harrison County to correct years of “renew as is” mentality. What we got was a multi-year “fee based” Consultant that we have come to rely on for many other issues than those spelled out in his Scope of Work, at no additional cost to us. Since contracting with Todd, he continues to work to correct issues not related directly to his arrangement to help ensure the current and future sustainability of the Employee Benefit Plan for Harrison County. No one likes change, but in our case, Todd had to change virtually every vendor, while ensuring a smooth transition for the County and our employees. Whether working with Judge Taylor, the Commissioners Court, the Insurance Committee, Human Resources, Purchasing or with me, the Auditor for Harrison County, Todd has always been responsive and accurate in his assessments. If you want straight answers, not necessarily the answers you want to hear, you cannot go wrong by selecting Todd and Ethos Benefit Services to represent your interests. The one thing that I do know based on previous “Consultants” that were hired, is that Todd did what he said he could do that all thought impossible for Harrison County.

Please do not hesitate to call me for any additional information or clarification, if needed.

Ps. I forgot to mention that amongst other benefits of strong fiscal management, getting control of our Employee Benefit costs in 2013-2014, including our Other Post-Employment Benefits, Standard & Poor’s Rating Services raised its rating of Harrison County, Texas’ general obligation (GO) debt two (2) notches to a “AA” from “A+”, in just one (1) year.

Sincerely,

A handwritten signature in cursive script that reads "Jana Cory". The signature is written in dark ink and is positioned above the printed name.

Jana Cory

Harrison County Auditor