

**CLARKSVILLE MONTGOMERY COUNTY EMPLOYEES**  
**INSURANCE TRUST MEETING**  
**February 21, 2012**

The meeting of the Clarksville Montgomery County Employees Insurance Trust was held Tuesday, February 21, 2012, in the Lecture Hall at Central Office. Members in attendance were Jeanine Chester, Cydney Miller, Danny Grant, Ada Mae Gaither, Sheryl Gossard, Patricia Bailey, Tommy Butler, Rebecca Jackman, Paula Louder, and Shedrich Webster. Also in attendance were Chris Fessenden and Kim Phelps of Fessenden Consulting Group, Carol Joiner, Attorney, Deanna Moore from County HR and Amy Wigington and Donna McIntosh from the Benefits Office and Shara Sohn from CMCSS HR.

The meeting was called to order at 4:20 p.m. by Jeanine Chester. Initially, there was not a quorum, however a quorum was established within a few minutes as other Trust members arrived.

Jeanine Chester introduced Carol Joiner, attorney for the school system. Carol Joiner addressed the Trust concerning the lawsuit that is pending against the Trust and others. The basis of the lawsuit is the allegation that the Trust violated the Open Meetings Act. A court date of February 24, 2012 is set for a summary judgment. Carol stated that there are four possible outcomes. First, the judge could find that the Trust is not subject to the Open Meetings Act and the case would be dismissed. Second, the judge could find that the Trust is subject to the Open Meetings Act, but did not violate the Open Meetings Act, and the case would be dismissed. Third, the judge could find that the Trust is subject to the Open Meetings Act and violated the Open Meetings Act, but there are no damages. Fourth, the judge could find that the Trust is subject to the Open Meetings Act, that the Trust violated the Open Meetings Act and that there are damages that the Trust would have to pay. The fourth outcome is the worst case scenario. Carol does not think there is a good basis in the law for damages being awarded. It was determined that on February 24, Carol would notify Jeanine when she had news to report and Jeanine (depending on time of day) would have Donna McIntosh email the Trust members the update.

Minutes from the December 13, 2011 meeting were reviewed. There were no corrections to the minutes. Cydney Miller made the motion to approve the minutes as written. Rebecca Jackman seconded. Motion carried.

Chris Fessenden gave an ERRP update. Chris was extremely disappointed and sad to say, that all the ERRP funds have been exhausted. It had been projected that the funds could be depleted before the end of the program, in 2014, but most projected the funds would be available through the end of calendar year 2012. There could be help on the way for those that missed the initial funding. There has been proposed legislation to fund the plan with another five billion. It is not known if this will take place or not. Chris will keep us informed if we need to do anything else.

Danny Grant presented the November and December 2012 Financial Statements. The news continues to be very positive in terms of where we are on the fund balance. Danny stated that as we build the first draft of the budget, our average over the past decade plus approximately 8% would be used in determining the insurance premium for next year. Danny asked if the Fessenden's could get with the actuary and be prepared to give us a recommendation for next year at our next meeting. Ada Mae Gaither made the motion to accept the financial statements. Cydney Miller seconded. Motion carried.

Chris Fessenden presented the experience report for November and December 2011. The loss ratios continue to be good. Chris pointed out an error on the December 2011 medical experience report. It should read zero, instead of \$85,073, on line item F for the County/Highway. There was discussion concerning the separation of the Board of Education employees and the County employees on the experience report. The County employees have been broken out under the heading of County/Highway. Blue Cross is working on making two separate retiree subgroups for the Board of Education and the County.

Jeanine Chester reviewed large claims. Jeanine pointed out that during the last twelve months there has only been one month in which claims were over three million, this is good. The tough decisions the Trust had to make last year, increasing the deductible, changing the prescription plan, were good choices and brought costs down.

Amy Wigington presented a sample incapacitated dependent letter from Blue Cross. Blue Cross notified us in January that they would begin sending these letters to subscribers that had a dependent listed on the plan that qualified as incapacitated. The letter informs the subscriber that they need to re-certify that their dependent is incapacitated by completing a certification of dependency and having a letter from their doctor.

Discussion was held regarding the next meeting time. Meeting was scheduled for Tuesday, March 20, 2012 at 4:15 p.m.

Meeting was adjourned at 5:00 p.m.