

**CLARKSVILLE MONTGOMERY COUNTY EMPLOYEES**  
**INSURANCE TRUST MEETING**  
**December 9, 2013**

The meeting of the Clarksville Montgomery County Employees Insurance Trust was held Monday October 21, 2013, in the Lecture Hall at Central Office. Members in attendance were Jeanine Chester, Cydney Miller, Danny Grant, Rebecca Jackman, Patricia Bailey, Kathie Betancourt, Tommy Butler, Blake Frerking, Tim Swaw, Shelly Lazowski, Paula Louder, Shedrich Webster, Kimberly Yarbrough and Jim Young. Also in attendance were Chris Fessenden and Kim Phelps of Fessenden Consulting Group, Deanna Moore from County HR, Kristin Butler from the OJI Department, Shara Sohn from HR, Amy Wigington and Jeanel Kohlen from the CMCSS Benefits Office.

The meeting was called to order at 4:16 p.m. by Jeanine Chester. A quorum was established.

Minutes from the October 21, 2013 meeting were reviewed. Rebecca Jackman made the motion to accept the minutes. Tim Swaw seconded motion. Motion carried.

Tommy Butler provided 3 handouts to review the Onsite Clinic Updates. The implementation of the clinic is steadily moving along. The in-house savings numbers thus far look good compared to the utilization of a third party. There has been very positive feedback regarding the clinic. He provided a timeline as to what they plan on implementing in the next couple of months at the Onsite Clinics for wellness. They have hired a new nurse practitioner, Ashley Hunt. Her focus will be on helping develop the wellness program.

Chris Fessenden reviewed the factors behind the Dental Premium increase in January 2014, which includes the utilization of the coverage as well as a tax that has been placed on dental care by Healthcare Reform. The Fessenden's believed that the dental premium increase was justified by Blue Cross Blue Shield. There was no recommendation of going to the marketplace to search for other providers for 2014 because the increase was reasonable based on the circumstances.

Jeanine Chester asked the members if they would like to consider preparing a RFP in the spring so that there would be time to determine if another provider could offer the quality benefits for a competitive premium and then possibly by January of 2015 change providers. She also commented that it's a good idea to continue to look at other providers every 2 to 3 years to try to find the best coverage for our employees. Motion to accept was made by Danny Grant. Shederich Webster seconded the motion. Motion Carried.

Chris Fessenden gave an update on Healthcare Reform. The Healthcare.gov website has had a lot of glitches and major problems. The goal is to try to have some type of affordable medical options. It seems that there haven't been many employees within

CMCSS or the County that have tried to utilize the marketplace coverage because their coverage is optimal. The employer mandate has been delayed until 2015, which means in September 2015 the Trust will have to provide a plan that meets the affordability criteria. A big issue that has risen is the younger generations are not interested in buying medical insurance through the marketplace. Therefore, that's a problem with the financial viability of the Affordable Care Act. Another issue is that the medical network isn't as broad and the medical community is really pushing back.

There is an annual \$544,000 tax that will be applied in 2014 that the Trust will have to pay due to Healthcare Reform. Since medical plans have done away with pre-existing conditions, the medical plans are being taxed. This tax will fund the risk pool in order to create a big pot of money to help cover people that come onto the plans with pre-existing conditions. If the Affordable Care Act doesn't change, this tax will probably increase.

Jeanine Chester stated there will be some discussion with the Fessenden's regarding the discrimination analysis regarding the premiums that the board pays towards the employees. There are concerns that the employer has to pay the same amount of premium for all employees. There have been some conflicting answers, so this is an issue that will need to be addressed.

Jeanine Chester provided a handout of all the positive feedback that was received from CMCSS employees regarding the premium holiday.

Danny Grant reviewed the Financial Statement. Assets are in balance with liabilities. The fund balance has increased from September. The fund is in good position to adjust for the holiday premium. This is a positive statement. Motion to accept was made by Cydney Miller. Shedrich Webster seconded the motion. Motion carried.

Chris Fessenden presented the experience report for September 2013. The medical plan is in very good shape. The loss ratio is good. There is a 93.22% loss ratio on the dental plan, which was a big driver for the premium increase.

Chris Fessenden provided a handout regarding the Disease Management Program offered through BCBS, which costs \$139,000. BCBS reports the return on investment is 1 to 3, however, there is really no way of verifying this data. It was suggested possible options be explored through the Onsite wellness program instead of paying the program costs through BCBS. The Disease Management Program is paid month to month, to terminate the program it would be a good to give BCBS a 60 day notice.

Tommy Butler discussed possible ways the \$139,000 could be used, such as health risk assessments or forming partnerships with local fitness centers.

Jeanine Chester asked Tommy Butler to provide a cost analysis at the next meeting to show how Onsite can utilize this money if CMCSS were to terminate the Disease Management Program with BCBS.

Chris Fessenden provided a handout regarding same-sex marriage benefits. At this time, it is the opinion of Fessenden Consulting Group that the Trust should avoid making elective benefit changes due to the instability of the ACA.

Jeanine Chester stated CMCSS will continue to follow the State Plan; as of now, the State Plan excludes coverage for same-sex marriage. If in 2015 the State recognizes same-sex marriage coverage, then the Trust would have to review its plan since we have to be equal or superior to the State plan.

Cydney Miller reviewed large claims and the monthly claims payment history. There was only one large claim to review. The medical claims and prescriptions increased from September.

Discussion was held regarding the next meeting time. Meeting was scheduled for Monday, February 10, 2014, at 4:15 p.m. at Central Office in the Lecture Hall.

Meeting was adjourned at 5:09 pm.