

**CLARKSVILLE MONTGOMERY COUNTY EMPLOYEES**  
**INSURANCE TRUST MEETING**  
**May 9, 2016**

The meeting of the Clarksville Montgomery County Employees Insurance Trust was held Monday, May 9, 2016 in the Lecture Hall at Central Office. Members in attendance were Jeanine Johnson, Danny Grant, Patricia Bailey, Mark Banasiak, Tommy Butler, Blake Frerking, Charli Hall, Leslie Helmig, Pat Martin, PT Miller, Jackson Smith, Tim Swaw, and Jeff Taylor. Also in attendance were Chris Fessenden and Kim Phelps of Fessenden Consulting Group, Donna McIntosh and Amy Wigington from the CMCSS Benefits Office, Sharla Smith from Onsite, and Pam Clark from County HR.

The meeting was called to order at 4:15pm by Jeanine Johnson. A quorum was established.

Minutes from the March 14, 2016 meeting were reviewed. Motion to accept the minutes, was made by Mark Banasiak. PT Miller seconded. Motion carried.

Tommy Butler gave the Trust members a copy of an article, "Real-World Lessons in What Makes Worksite Clinics and Wellness Programs Work" from the January 2016 HR News magazine, in which the CMCSS Onsite Clinic was one of the workplace clinics featured. Tommy Butler and Kristen Butler were interviewed for and quoted in the article.

Tommy Butler addressed the Trust members concerning the Tiered Health Plan next steps. Tommy stated communication was to begin in August and HRA's thereafter. There have been a number of concerns. The impact to the Onsite program with the addition of conducting 6000 HRA's and Biometrics each year and probably could not be ready in a year to do the health assessments. At this time, with a healthy fund balance, it would be a "hard sell" to communicate why we need to go to a Tiered Health Plan. Other Counties had unhealthy fund balances when they moved to a Tiered Health Plan. Tommy recommends delaying the Tiered Health Plan. Members discussed the recommendation. Danny Grant made a motion to delay the start of the Tiered Health Plan and review in a year. Blake Frerking seconded. Motion carries. Jeanine Johnson reminded the Trust members that a new position, Benefits Administrative Assistant, is in the 2016-2017 budget with the Trust paying 50% and CMCSS paying 50% of the salary. This position is still needed due to the addition of an additional medical plan to meet the affordability ACA requirement.

Tommy Butler informed the Trust members that Kristen Butler had resigned. Tommy introduced Sharla Smith as the interim Onsite Manager. Onsite has experienced some employee turnover recently, but there have been several new employees hired to fill the vacancies. Tommy is confident that the new hires will be a great asset to Onsite.

Chris Fessenden gave a PPACA update. Effective July 1, 2016 CMCSS will offer two medical plan options. Chris provided the Trust members with an exhibit that showed the comparison of the existing medical plan, named the Preferred PPO Plan and the newly added Standard PPO Plan. The offer of the Standard plan complies with ACA's requirement, regardless of enrollment results. Once a year, during open enrollment, employees will have the choice to enroll in either the Preferred or the Standard plan. An employee's eligible dependents must be enrolled in the same plan as the employee. Amy Wigington shared the document that is being used to explain the two plan options to Certified employees hired for the 2016-2017 school year. The CMCSS Benefits Office will continue to work on the communication of the two medical plan options to existing and new employees.

Danny Grant presented the Financial Statement for February 2016. Financials for February were made available to the Trust members. The statement showed the fund balance is up from January. Revenue taken in over claims paid improved by approximately \$1 million. Jeff Taylor made a motion to accept the financial statement. Tommy Butler seconded. Motion carries.

Chris Fessenden presented the medical and dental experience reports for March 2016. The experience reports were made available to the Trust members. The medical loss ratio is down from 106% to 105%. There will not be a premium increase for the 2016-2017 year. The plan has had some large claims, but overall the fund is in good shape. The dental plan loss ratio remains high.

Donna McIntosh provided Trust members with a copy of the January meeting minutes, in which there was an error and a copy of the correction to the January minutes. Tommy Butler's recommendation to increase the no-show fee to \$20 and "require appointments be cancelled a minimum of 2 hours before appointment time" was incorrectly typed as "eliminate the 2 hour minimum". Tommy agreed with the wording of the correction to the minutes and Danny Grant made a motion to approve the correction.

Chris Fessenden provided information to Trust members on evaluating the RX plan. The current RX plan requires some up front dollars from plan members for brand name medications and pays 100% of generic medications with no deductible to meet for generic medications. Typically, significant cost reductions require plan variations which shift the cost to the plan members that utilize the benefit, and the utilizers are the cost drivers. Plan models will be looked at to determine plan variations that will reduce overall RX spending, keeping in mind the requirement to be equal or superior to the State of Tennessee Plan. As a start, Wells Fargo is preparing an analysis for it 1 pill program and a luncheon meeting has been set with AmeriClear RX to discuss its pass-through model.

The BC-BS Administrative Services Renewal was not discussed at this meeting, but moved to the agenda for the next Trust meeting, scheduled for August 8, 2016.

Chris Fessenden presented information concerning a Dependent Eligibility Verification audit. The primary goal of an audit of this type is to ensure that covered dependents are eligible for coverage based on the plan's eligibility provision. Most employers rely on the "honor system" concerning the eligibility of dependents. Many employers do periodically conduct dependent audits. Audits may be a one-time event, performed on a regular schedule or performed randomly, typically take 90 to 125 days to complete and 3 to 8% of the plan members reviewed may prove to be ineligible for dependent health benefits. Divorced spouses, step children, and members of extended families tend to be the ineligible plan members most commonly identified by the audit. The estimated audit cost is \$50,000 with a 3:1 ROI guarantee. If the Trust elects to proceed, FCG would prepare an RFP and solicit proposals without obligation to purchase services. Tommy Butler made a motion that we do an RFP for a Dependent Eligibility Verification. Tim Swaw seconded. Motion carries.

Jeanine Johnson presented 2 positive feedback comments from employees concerning the no increase in the medical premium and the service at Onsite.

Jeanine Johnson reviewed large claims and the Monthly Claim Payment History. There was one large claim to review. Jeanine cautioned Trust members, if they recognize who a large claim is for, please keep large claim information confidential.

Each Trust member was provided with a signed copy of the revised Agreement and Declaration of the Clarksville Montgomery County Insurance Trust.

Next Meeting will be held Monday, August 8, 2016 at 4:15 pm at Central Office in the Lecture Hall.

Meeting was adjourned at 5:08pm