

CLARKSVILLE MONTGOMERY COUNTY EMPLOYEES
INSURANCE TRUST MEETING
October 2, 2017

The meeting of the Clarksville Montgomery County Employees Insurance Trust was held Tuesday, October 2, 2017 in the Lecture Hall at Central Office. Members in attendance were Jeanine Johnson, Carol Joiner, Danny Grant, Patricia Bailey, Mark Banasiak, Amanda Beck, Tommy Butler, Blake Frerking, Leslie Helmig, Donna Mahoney, Tim Swaw, Jeff Taylor, and Kim Yarbrough. Also in attendance were Chris Fessenden of Fessenden Consulting Group, Donna McIntosh, Amy Wigington, and Faye Tryon from the CMCSS Benefits Office, and Pam Clark from County HR.

Jeanine Johnson called the meeting to order at 4:20 pm. A quorum was established.

Minutes from the August 28, 2017 meeting were reviewed. Motion to accept the minutes, was made by Mark Banasiak. Carol Joiner seconded. Motion carries.

Sharla Smith, Onsite Supervisor, was on vacation, Tommy Butler provided a brief update. The Tennova partnership is moving forward. One of the mid-level employees at Onsite will be leaving. There were no new items presented for the clinic.

Chris Fessenden provided an update on the Dependent Eligibility Audit. The final report showed a 97% participation rate and indicated there were 411 ineligible dependents. The number of ineligible dependents most likely be much lower than 411 after each one is reviewed, by the Benefits Department.

The topic of offering medical insurance to the employees of the Two Rivers Company was re-visited. Two Rivers Company is a joint venture organization whose employees are not paid by County Government. Chris Fessenden confirmed with BlueRe that they would accept the additional risk for reinsurance purposes. BlueRe may want disclosure forms completed for an employee with large ongoing claims. Danny Grant made a motion to add Two Rivers to the plan effective November 1, 2017. Mark Banasiak seconded. Motion carries with a vote of 12 for and 1 opposed.

Jeanine Johnson presented the Trust members with three options to achieve a 4:1 ratio among CMCSS and County representatives on the Trust. Trust members were given time to review each option. Mark Banasiak made a motion to adopt option number 3. Danny Grant seconded. Motion carries. Revised by-laws will be presented at the next meeting for review. Revised by-laws will be presented to the Board of Education at the December meeting.

Danny Grant provided Trust members with copies of the Financial Statements for July and August 2017. He presented the August 2017 Financial Statement to the Trust.

Danny noted revenue will begin to increase again as insurance deductions have resumed. Fund balance is \$8.9 million. Financials indicate the premium increase was needed. Overall the Trust Fund is doing well. Motion to accept the Financial Statements was made by Jeff Taylor. Kim Yarbrough seconded. Motion carries.

Chris Fessenden provided the Trust members with Medical and Dental Plan Experience Reports for August 2017. The medical loss ratio was 111.4%. The dental loss ratio was 88.65%. Chris noted the dental rates for the 2018 will not change.

Jeanine Johnson presented information concerning the LEA Superior or Equal Rating. The Preferred medical plan received a superior rating, however the Standard medical plan received an inferior rating. If two plans are offered, the State requires that both plans receive an equal or superior rating. Chris Fessenden represented the Trust on September 28, 2017, at a meeting with the State concerning the Standard plan and its rating. Chris presented the Trust members with a revised Standard plan that would meet the State's guidelines. At this time, there will not be a change in premium for the Standard plan. Danny Grant made a motion to accept the revised Standard plan with an effective date of January 1, 2018. Mark Banasiak seconded. Motion carries.

Chris Fessenden presented information for pharmacy consideration. Two new programs, Compound Exclusion and Smart Start, were recommended to the Trust. Beginning January 1, 2018, compound medications will no longer be covered by BC-BS insured plans, due to availability of commercial products, lack of approval by the FDA, exceptionally high cost, and questionable drug efficacy. Danny Grant made a motion to exclude compound medications from the plan, effective January 1, 2018. Leslie Helmig seconded. Motion carries. The Smart Start program provides a two week supply of a specialty drug. This serves a couple of purposes – it makes sure the patient adapts to the drug properly, but if not, the member and the plan saves money and since the program pertains to new patients only, there is no disruption to existing members. There is no cost to the plan to implement this program. Amanda Beck made a motion to implement the Smart Start program effective January 1, 2018. Carol Joiner seconded. Motion carries.

Chris Fessenden presented a third pharmacy consideration. The Generics First/Step Therapy was phased out by BC-BS effective September 1, 2017. With so many drugs going generic, this program has run its course. Chris reported that most groups are turning their attention the OTC program to make sure any drugs offered OTC are not run through the health plan. This results in no cost to the plan. Danny Grant made a motion to implement the OTC program. Tommy Butler seconded. Motion carries with a vote of 12 for and 1 opposed.

Jeanine Johnson presented information concerning the BCBS Pharmacy rebate. The rebate was in the amount of \$453,587.58 which reflects claims from the fourth quarter of 2016 through the fourth quarter of 2015.

Jeanine Johnson presented one large claim and the claims history for the last year. Jeanine reminded Trust members to keep the large claims information confidential.

Next meeting will be held November 20, 2017 at 4:15 pm in the Board Room.

The meeting was adjourned at 5:10 p.m.