

CLARKSVILLE MONTGOMERY COUNTY EMPLOYEES
INSURANCE TRUST MEETING
February 5, 2018

The meeting of the Clarksville Montgomery County Employees Insurance Trust was held Monday, February 5, 2018 in the Lecture Hall at Central Office. Members in attendance were Jeanine Johnson, Danny Grant, Carol Joiner, Patricia Bailey, Mark Banasiak, Amanda Beck, Tommy Butler, Blake Frerking, Leslie Helmig, Donna Mahoney, Tim Swaw, and Jeff Taylor. Also in attendance were Chris Fessenden and Kim Phelps of Fessenden Consulting Group, Michele Cilurzo and James Armistead with the State of TN, Bailey Martin from Jack Turner and Associates, Donna McIntosh, Amy Wigington, and Faye Tryon from the CMCSS Benefits Office, Sharla Smith from Onsite and Pam Clark from County HR, Kellie Jackson and John Smith from County Government.

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

Minutes from the November 20, 2017 meeting were reviewed. Motion to accept the minutes, was made by Mark Banasiak. Tim Swaw seconded. Motion carries.

Michele Cilurzo from RetireReadyTN/Empower and James Armistead from State of Tennessee presented an overview of the State of Tennessee 401(k) plan. Michele's presentation included some advantages of the State 401(k) plan:

- Reduce fiduciary liability
- Already administratively utilizing the plan
- Education provided qualified counselors/advisors
- Potential lower costs
- Performance of investments monitored

In addition, Michele provided a time line for terminating the existing 403(b) plan. BOE approval is required before any changes to the existing 403(b) plan can be made. A sample resolution was provided for use with the BOE. Michele mentioned "freezing" contributions to the 403(b) plan and terminating the plan at a later date. However, participants would not be allowed to move money from their 403(b) account to the 401(k) plan until the 403(b) plan is terminated. Accounts must be liquidated within 12 months of the termination date of the 403(b) plan. Jeanine Johnson reminded the Trust members that the Trust has already voted to transition to the 401(k) plan, but a specific date hasn't been set to do so.

Tommy Butler gave a brief Onsite update. BCBS has approved the use of our \$20,000 Wellness Credit to reward member achievements in the Alive and Well employee wellness program.

Sharla Smith from Onsite advised that the hours for the Onsite clinic will be from 7:00am -6:30pm. Sharla learned that the OTC Savings change to our prescription plan was not being administered correctly. Sharla spoke with Todd Hodge about this and BCBS is working to rectify the situation. Sharla reported the total number of employees seen at Onsite was down in January due to snow days. But she is working on bringing the numbers back up. The BCBS Bus will be coming to Onsite in April. This is an educational opportunity for employees on the BCBS medical insurance.

Jeanine Johnson informed the Trust Members that the Board of Education approved the "Amended Trust Agreement" on December 12, 2017. Jeanine introduced Kellie Jackson and John Smith from County Government. With approval from the County Commission, Kellie and John will represent the County as members of the Insurance Trust.

Chris Fessenden provided Trust members with a handout concerning True Life Care follow up topics from the November Trust meeting. TLC has saved the Trust over \$8,000.00 from July through November 2017. TLC has a protocol for referring any members with a communication issue to a different coach and monitoring this transfer for success. BCBS's data indicates that TLC participants are getting better and cost the plan less than the diabetics that are not TLC participants. Based on the data collected, FCG has a positive, unbiased assessment of the TLC program. Kent Barnes with BCBS reviewed the TLC report and agrees the report is unbiased and reflects positive results.

Amy Wigington presented the final results from the Consova dependent audit. Consova reported 411 dependents that were not eligible to be on the plan with a savings of \$1.18 million. However, the original census that was sent to Consova was not the most up to date information; it was determined there were 323 dependents in question. One hundred of them had already been removed from the insurance. Our research indicated proper documentation had not been provided for 223 dependents. Letters by mail, school courier and email were sent to these 223. Final results indicated 65 dependents needed to be removed from the plan. Ten of these were dependents of County employees. There was an estimated/potential savings of \$202,500.00.

Danny Grant provided Trust members with copies of the Financial Statement for October 2017, November 2017, and December 2017. Danny presented the December statement to the Trust. Fund balance is \$11.7 million. This is a \$1.4 million improvement since October. Motion to accept the Financial Statement was made by Jeff Taylor. Tommy Butler seconded. Motion carries.

Chris Fessenden provided the Trust members with Medical and Dental Plan Experience Reports for November and December 2017. The medical loss ratio was 108.5%. The dental loss ratio was 84.62%. The actuary did a projection concerning the medical premiums. An 18.62% rate increase was recommended beginning September 1, 2018

to stabilize the Trust fund. At this time, Danny Grant recommends a 9% medical premium increase this year and another 9% increase next year. Jeanine Johnson stated that Danny Grant and Jeff Taylor would use the 9% increase for budgeting purposes. At the next Trust meeting, members will review the fund balance before making a final decision concerning the amount of the increase.

Jeanine Johnson presented a copy of the BCBS prescription rebate in the amount of \$532,499.25.

Jeanine Johnson presented two large claims and the claims history for the past year. Jeanine reminded Trust members that claim information is confidential.

Next meeting will be held Tuesday, March 13, 2018 at 4:15 pm.

The meeting was adjourned at 5:27 p.m.