

CLARKSVILLE MONTGOMERY COUNTY EMPLOYEES
INSURANCE TRUST MEETING
March 13, 2018

The meeting of the Clarksville Montgomery County Employees Insurance Trust was held Tuesday, March 13, 2018 in the Lecture Hall at Central Office. Members in attendance were Jeanine Johnson, Patricia Bailey, Mark Banasiak, Amanda Beck, Tommy Butler, Blake Frerking, Leslie Helmig, Donna Mahoney, Pat Martin, John Smith, Tim Swaw, and Jeff Taylor. Also in attendance were Chris Fessenden and Kim Phelps of Fessenden Consulting Group, Carol Joiner CMCSS General Counsel, Donna McIntosh, Amy Wigington, and Faye Tryon from the CMCSS Benefits Office, Sharla Smith from Onsite and Pam Clark from County HR.

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

Jeanine Johnson introduced John Smith, from the Sheriff's Department, who will represent the County as a member of the Insurance Trust.

Minutes from the February 5, 2018 meeting were reviewed. Motion to accept the minutes, was made by Mark Banasiak. Tim Swaw seconded. Motion carries.

Sharla Smith from Onsite advised that the providers now have iPads to record information for each patient. The EHR (Electronic Health Record) has been free, but now there will be a charge of \$9,000 or less per year, which is low compared to other options. This will begin May 1, 2018. Kayla Shelton is a new provider who comes from Premier Walk-in Clinic. Sharla reported the total number of employees seen at Onsite is down due to the decrease of flu appointments. Onsite is in the process of increasing the awareness of the facility to both CMCSS and County employees.

The next item in Old Business is the medical premium increase. Jeanine Johnson tabled this item until the Financial Statement was reviewed.

The Trust members were provided the January and February 2018 Financial Statements. Jeanine Johnson reviewed the February statement in Danny Grant's absence. Fund balance is \$16.1 million. This is a \$4.4 million improvement since December 2017. Jeanine, Danny Grant, Tommy Butler and Chris Fessenden are planning to meet concerning a better format to present financial and experience report information to Trust members.

Tommy Butler provided the Trust members with a chart showing the YTD Gain/Loss for the last five years for the month of February. There is an improvement in February 2018 from February 2017.

Chris Fessenden provided the Trust members with Medical and Dental Plan Experience Reports for January and February 2018. The medical loss ratio was 100.6%. Good news is costs are trending down and the medical loss ratio has decreased from December 2017. The dental loss ratio was 93.56%.

Jeanine Johnson presented copies of the proposed 9% Medical premium increase rate sheets for CMCSS and a copy of the premium history since 1995. Trust members discussed the budget deadline and whether to vote on the premium increase or wait. It was decided the Trust should vote on the increase and if needed, an adjustment to the increase amount could be made later. Mark Banasiak made a motion to approve the 9% Medical premium increase, effective September 1, 2018. Tim Swaw seconded. Motion carries.

Chris Fessenden provided Trust members with a handout concerning Reference Based Pricing (RBP) including a comparison of a charge by a hospital verses the average actual cost to the hospital and also what Medicare would pay.

- RBP is industry speak for a medical plan that sets a dollar limit on benefits for a given medical service.
- RBP's are in their infancy and the insurance companies do not play in this space at this time.
- The employer's plan is structured to reimburse providers based on Medicare payment.
- First year estimated savings is \$1,500.00 per employee
- Reimbursements are based on "Fairness", i.e. reasonable profit and the reimbursements are defensible.
- Elap is the oldest and largest provider.

RBP is the next "thing" that will actually reduce plan costs, but it is still in it's infancy. Chris recommends waiting and allow RBP to evolve.

Tommy Butler presented information concerning Healthcare 21 Business Coalition. This coalition is a non-profit, member driven organization committed to improving the quality and cost of healthcare in Tennessee. Currently there are 75 clients in Tennessee. The Trust has become a member of this coalition.

Jeanine Johnson presented a copy of the BCBS prescription rebate in the amount of \$64,455.43.

Jeanine Johnson presented the claims history for the past year.

Next meeting will be held Monday, April 16, 2018 at 4:15 pm.

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