

**CLARKSVILLE MONTGOMERY COUNTY EMPLOYEES**  
**INSURANCE TRUST MEETING**  
**April 16, 2018**

The meeting of the Clarksville Montgomery County Employees Insurance Trust was held Monday, April 16, 2018 in the Lecture Hall at Central Office. Members in attendance were Jeanine Johnson, Patricia Bailey, Mark Banasiak, Amanda Beck, Tommy Butler, Blake Frerking, Danny Grant, Charli Hall, Kellie Jackson, Donna Mahoney and Tim Swaw. 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 Kellie Jackson, County Clerk, who will represent the County as a member of the Insurance Trust.

Minutes from the March 13, 2018 meeting were reviewed. Motion to accept the minutes, was made by Mark Banasiak. Tommy Butler seconded. Motion carries.

Sharla Smith from Onsite reported that Kelly Foley, head PA at Onsite made a study and comparison of the medications most written at the clinic. He grouped the medications into usage categories to compare the cost of each one for the same medical condition. The outcome of the comparison indicated a potential savings of \$100,000 per year if the lower cost medications in the same category (with the same effectiveness) were selected by the providers. A preferred medications list has been developed for the providers to use when prescribing medication for patients.

Jeanine Johnson provided the Trust members with copies of the communication for the 9% medical premium increase that will be sent by email to employees on the medical plan and will be communicated in the eNewsletter. The premium increase will be effective September 1, 2018.

Danny Grant presented the March 2018 Financial Statement to Trust members. The Fund balance is \$16.6 million. This is an improvement from March 2017. Danny also presented a graph showing the Insurance Trust Monthly Comparison Data for March for the past 5 years. Trust members found the Monthly Comparison to be helpful. Motion to accept the Financial Statement was made by Tim Swaw. Amanda Beck seconded. Motion carries.

Chris Fessenden provided the Trust members with Medical and Dental Plan Experience Reports for March 2018. The medical loss ratio for March was 96.4%. The loss ratio continues to trend downward. The Dental plan is in a good position.

At this time, Trust members discussed the 9% medical premium increase with regards to the County and CMCSS budget planning. There wasn't a motion made to change the amount of the premium increase.

Sharla Smith announced that effective September 1, 2018 the medical director at Onsite will be Dr. Wade Huffman. Dr. Huffman will have the same duties as the current director, Dr. Herman, but will add seeing patients a few hours per week. Dr. Huffman will be paid \$4500.00 per month, which is the rate currently being paid to Dr. Herman.

Chris Fessenden addressed the Trust concerning a RFP for a medical third party administrator and provided the Trust members with handout showing the plan expenses in the form of a pie chart.

- Medical/RX plan claims account for 91.8% of the total expenses
- BCBS administrative expense is the second largest at 3.7% of total expenses

Proposals will be solicited from major insurance carriers and applicable TPA's. The RFP process will be in-depth and will take approximately 90-120 days. Proposed effective date if change is warranted is September 1, 2019. The key evaluation points will be:

- PPO discounts
- Member disruption
- RX plan contract
- ASO services/fees

A motion to have FCG conduct a RFP with medical and Rx combined and Rx carved out was made by Danny Grant. Mark Banasiak seconded. Motion carries. Jeanine Johnson asked Trust members if they would be interested in serving on a sub-committee concerning the RFP. Tommy Butler, Charli Hall and Tim Swaw expressed interest in serving with Jeanine on the sub-committee.

Jeanine Johnson reviewed the BCBS prescription rebate of \$712,036.47.

Jeanine Johnson presented one large claim and the claims history for the past year.

Jeanine Johnson assured Trust members that Tennova still participates in the Select (S) network. Tennova has contracted with Valley Emergency Physicians (VEP) to manage their ER physicians. Negotiations are being conducted between VEP and BCBS. In the meantime, VEP has agreed to bill at the in-network rate.

Next meeting will be held Tuesday, July 24, 2018 at 9:00 am.

The meeting was adjourned at 5:15 p.m.