

**CLARKSVILLE MONTGOMERY COUNTY EMPLOYEES**  
**INSURANCE TRUST MEETING**  
**April 9, 2019**

The meeting of the Clarksville Montgomery County Employees Insurance Trust was held Tuesday, April 9, 2019 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, Leslie Helmig, Kellie Jackson, Ed Long, Pat Martin, Jeff Taylor, John Smith, and Tim Swaw. Also in attendance were Chris Fessenden and Kim Phelps of Fessenden Consulting Group, Marcia Demorest CMCSS Finance Director, Carol Joiner CMCSS General Counsel, Duane Meyer and Adam Terry of EpiphanyRX, 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 p.m. A quorum was established.

Minutes from the March 19, 2019 meeting were reviewed. Motion to accept the Minutes was made by Jeff Taylor. Tommy Butler seconded. Motion carries.

Chris Fessenden introduced Adam Terry and Duane Meyer, representatives of EpiphanyRX. Shannon Ambrose was also available to answer questions via the telephone. Chris Fessenden indicated that this was the Trust member's opportunity to ask questions concerning the termination of the grandfather status of certain medications that members are currently using. Many employers have this clause for six months to make the transition from one pharmacy administrator to another as smooth as possible. If passed, the grandfather clause will terminate July 1, 2019. Also, transitioning from grandfathering, puts all members on the same benefit level. EpiphanyRx would begin notifying the affected members May 1, 2019. Duane Meyer provided a breakdown of the 100 members that would be affected:

- 56 members on medication that a generic is available
- 19 members on brand name medications that have less expensive brand name alternatives on tier 2 – if member chooses to move to a tier 2 medication they may pay the same or potentially less – If member doesn't choose a tier 2 alternative medication they will see an increase in their cost.
- 12 members on PEN needles – which will move to tier 3, member cost will go from 10% to 20%.
- 5 members on specialty medications will have no impact due to co-pay assistance
- 8 members will experience an increase in co-pay from 10% to 20%.

Shannon Ambrose discussed the clinical management process for prior authorization involving the physician and an EpiphanyRX pharmacist to make any changes, if needed, in the choice and/or dosage of the medication prescribed. A discussion followed concerning the process if the EpiphanyRX pharmacist and physician do not

agree on which medication is best for the member. EpiphanyRX representatives state that peer to peer reviews are usually effective, but if they don't agree the claim is denied if not medically supported. Member could request an appeal. Motion to terminate the grandfather status, effective July 1, 2019 was made by Danny Grant. Tommy Butler seconded. Motion carries.

Jeanine Johnson introduced Marcia Demorest. Marcia will assume the position of CMCSS Chief Financial Officer upon the retirement of Danny Grant on July 31, 2019.

Chris Fessenden gave an update concerning the HSA RFP. Five proposals were received. Chris is reviewing the proposals and preparing his report of the results. The HSA sub-committee will meet with Chris to review his report.

Marcia Demorest provided the Trust members with documentation covering the history of the fund balance and projections through August 2020. In the past year, there has been a 10-13% increase in expenses. Revenue increased 14% during the same time period. It was noted that a fund balance of \$17 million is only a little over 3 months of claims expense. After reviewing the data, a 2.5% premium increase would keep the fund balance at status quo. Discussion followed. Mark Banasiak made a motion to increase the medical premium 2.5% effective September 1, 2019. Danny Grant seconded. Motion carries by a vote of 9 for and 6 opposed.

Jeanine Johnson reminded Trust members that it was already voted on to have a RFP for the medical administration. Blue Cross Blue Shield is currently our medical administrator. The Fessendens will start the RFP process.

Danny Grant provided Trust members with copies of the Financial Statement for March 2019. Fund Balance is \$17.8 million. This is a decrease of \$850,000.00 from last month. Overall, the fund is in good shape. Motion to accept the Financial Statement was made by John Smith. Amanda Beck seconded. Motion carries.

Chris Fessenden provided the Trust members with the Medical and Dental Plan Experience Reports for March 2019. The medical loss ratio for March was 106.4%, which is up from the February loss ratio of 100.9%. This follows the actuarial projections. The Dental Plan loss ratio for March was 80.70%.

Jeanine Johnson presented the claims history for the past year. The EpiphanyRX prescription drug expense was added to the report by Kim Phelps. Drug expense continues to run over \$1 million per month.

The next meeting will be held June 11, 2019 at 3:00 p.m.

The meeting was adjourned at 5:29 p.m.