

CLARKSVILLE MONTGOMERY COUNTY EMPLOYEES
INSURANCE TRUST MEETING
June 11, 2019

The meeting of the Clarksville Montgomery County Employees Insurance Trust was held Tuesday, June 11, 2019 in the Board Room at Central Office. Members in attendance were Jeanine Johnson, Patricia Bailey, Mark Banasiak, Amanda Beck, Tommy Butler, Charli Hall, Leslie Helmig, Kellie Jackson, Ed Long, Donna Mahoney, John Smith, Tim Swaw and Jeff Taylor. Also in attendance were Chris Fessenden and Kim Phelps of Fessenden Consulting Group, Marcia Demorest CMCSS Finance Director, Carol Joiner CMCSS General Counsel, Kimberly Wiggins County Trustee, Donna McIntosh, Amy Wigington, and Faye Tryon from the CMCSS Benefits Office, Sharla Smith from Onsite, and Heather Harte of HSABank.

Jeanine Johnson called the meeting to order at 3:01 p.m. A quorum was established.

Minutes from the April 9, 2019 meeting were reviewed. Motion to accept the Minutes was made by John Smith. Tommy Butler seconded. Motion carries.

Jeanine Johnson provided Trust members with the HSA RFP Sub-Committee Meeting Minutes. The two finalists were HealthEquity and HSABank. The Sub-Committee recommended HSABank. Chris Fessenden reviewed the highlights of why the Sub-Committee chose HSABank.

- Lower fees
- One card for HSA and FSA
- More investment options

Chris advised the Trust members that initially, the HSA would be most likely be more popular with low utilizers. The first year probability will be the law of small numbers and the actuary confirms the plan can easily absorb 5% migration with the employer providing a \$500 HSA contribution for employees that open an HSA. The Trust's current Standard plan is comparable with the State's CDH/HSA plan. BCBS, HSABank and EpiphanyRx have confirmed integration compatibility.

Chris stated that the next steps are:

- Trust approval
- Execute application
- Confirm transition timeline
- Develop communication strategy

Heather Harte with HSABank provided the Trust members with a copy of her power point presentation as she reviewed the highlights of the HSA plan.

Marcia Demorest provided the Trust members with an analysis of the possible effect to contributions to the Trust Fund and savings to the employer that may occur with the implementation of the HSA plan.

Jeanine Johnson summarized the effect the HSA would have on the Trust Fund. The Trust will receive a lower amount of premiums from the employee, but ideally, there will be a lower amount of claims. With the cost savings to the employer, the employer may elect to provide a \$500.00 HSA contribution to participating employees. It will be the employee's decision whether or not to enroll and how much they will contribute to the HSA account, keeping within the IRS guidelines. The HSA account is allowed only with the Standard Medical plan. It was noted that if an employee chose the HSA plan, the employee would only be able to have limited services (preventive only) at the Onsite clinic. Tommy Butler made a motion to implement the HSA plan using HSABank as the administrator, effective January 1, 2020. Jeff Taylor seconded. Motion carries.

Sharla Smith gave an Onsite update. A new PA is being hired which will give the clinic four providers. Utilization of the clinic continues to increase.

Jeanine Johnson reviewed the Medical Premium History with Trust members and provided a handout documenting the history. Originally, the 2.5% medical premium increase would be for the Preferred and the Standard plans. Jeanine suggested the Trust consider not applying the 2.5% increase to the Standard plan. This would create more of a cost differential between the 2 plans. Chris Fessenden had consulted the actuary and learned that leaving the Standard rate flat, would not have a negative impact on the Trust fund. Tim Swaw made a motion to apply the 2.5% premium increase to the Preferred Plan only, effective September 1, 2019. Kellie Jackson seconded. Motion carries.

Chris Fessenden provided an update on the Medical Administration RFP. The RFP is almost finalized and will likely be released in the next 7 – 10 days.

In the absence of Danny Grant, Marcia Demorest provided Trust members with copies of the Financial Statement for April 2019. Fund balance is \$19.5 million, which is roughly 3.5 months of claims expense. Motion to accept the Financial Statement was made by Tim Swaw. Mark Banasiak seconded. Motion carries.

Chris Fessenden provided the Trust members with the Medical and Dental Plan Experience Reports for April 2019. The medical loss ratio for April was 94.9%, which is down from March loss ratio of 106.4%. The Dental Plan loss ratio for March was 86.81%. The plans are in good shape.

Sharla Smith provided the Trust members with a handout documenting the growth at Onsite, as well as the needs of the clinic. Utilization of the clinic continues to increase,

which is good. In an effort to accommodate the increased utilization, the clinic hours have been expanded and some satellites have added an additional day to be open. Long-term plans for the clinic include, expanding the clinic size to accommodate the increase in volume of patients and to provide space for more providers to work at the same time. In the interim, Sharla is requesting two additional staff members, a lab assistant and a medical office assistant. Mark Banasiak made a motion to add the lab assistant and the medical office assistant, effective July 1, 2019. Donna Mahoney seconded. Motion carries.

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

The next meeting will be held August 13, 2019 at 4:15 p.m.

The meeting was adjourned at 4:20 p.m.