

APPROVED MINUTES

LOUISIANA CLERKS OF COURT INSURANCE TRUST BOARD OF TRUSTEES MEETING OCTOBER 25, 2021 2:00 PM via ZOOM

A meeting of the Board of Trustees of the Louisiana Clerks of Court Insurance Trust was held on Monday, October 25, 2021, at 2:00 pm via Zoom.

The meeting was called to order by President Bridget Hanna.

MEMBERS PRESENT:

President Bridget Hanna
Robin Hooter
Rick Arceneaux
Shane LeBlanc
Annette Fontana
Susan Racca
Holli Vining
Randy Deshotel

Jeff Skidmore
Amy Patin
Brian Lestage
Dot Lundin
Debbie Hudnall, Executive Director

ABSENT:

Marion Hopkins

ALSO, PRESENT: Kim Breard, Ron LaBorde, Lana Labourdette, Kelly Layrisson and Ryan Hamilton with Gallagher Insurance, Chris Kershaw, and Dagmar Hebert

2022 RENEWALS

Ron LaBorde reviewed the current year to date cost of the plan through August 2021 at \$932 per employee per month (PEPM). He also informed the Board that the increase in claims during 2021 was partially due to several large claimants. The Trust as of September 30, 2021, has paid \$262,959 of the \$475,000 corridor. He explained four quotes were received on the Stop Loss renewal and the current carrier, Excess Re, offered the lowest increase at 1.8% with no lasers.

Ron reviewed the medical claim projection for 2022 with a projected incurred claims per employee per month of \$912.33. He then reviewed the fixed costs of the Base Administrative Fee and stop loss with a projected fixed cost of \$77.45 PEPM. The total projected cost PEPM for 2022 is \$989.78, which is a 14.4% increase compared to 2021.

He presented the following cost savings options for the Board to consider:

1. Medical Plan Design Changes: Implementation of the Blue Connect Network with lower deductibles and co-insurance and increases in the deductible and out of pocket on both Option 1 and Option 2. The Blue Connect network is comprised of Ochsner doctors and facilities, as well as other providers and hospitals. The Blue Connect network allows for the reimbursement of claims to those providers at a lower cost to the Plan. This would provide an annual savings estimate of -4.3%.

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2. Managed RX Formulary: The Trust would move from an open formulary to a managed formulary with BCBS which would provide -1.2% savings to the plan. The impact of this change would only affect 70 members and BCBS would notify each individual member affected to give them time to contact their doctors to provide alternative medications. The managed formulary provides a covered drug list that will help employees get the drugs they need to safely manage their health, keep costs down and follow the guidance of Louisiana doctors/pharmacists who help make formulary and utilization decisions.

3. RX Rebates in lieu of administrative fee rebate: The Trust currently receives a credit of \$28 PEPM on the BCBS administrative fee. However, Gallagher believes that the Trust would likely receive larger savings if they accepted the RX Rebates in lieu of the administrative credit. BCBS has offered a \$29 credit for 2022 renewals. Gallagher has projected a conservative estimate of \$50,000 in annual savings if the Trust opts to receive the RX rebates instead of the credit. However, there would be a lag in receiving the RX rebates. This is an estimated savings of -0.4%.

4. Stop Loss Aggregating Specific Funding: The Trust currently absorbs the entire \$475,000 aggregating specific corridor. By accepting the additional risk, the stop loss premium is lower. If the Trust continues to fund the entire corridor, the estimated savings is -4.2%.

5. Digital Medicine: A program offered through Ochsner that allows for additional tracking of two conditions prevalent in the Trust's population of members – high blood pressure and diabetes. This program provides a Bluetooth blood pressure cuff and/or glucose monitor and communicates those results to your physician to help better monitor these conditions and get them under control to prevent further larger claim issues in the future. This would be an optional program for those who are eligible.

Ron then presented three proposed options regarding the Medical Rates for 2022:

- Option A: Increase of 14.5% which represents the full cost to the plan.
- Option B: Increase of 9.8%, with the Trust funding the Stop Loss Aggregating Specific and receiving the RX rebates in lieu of the administrative credit.
- Option C: Increase of 4.2%, with the Trust funding the Stop Loss Aggregating specific, RX Rebates in lieu of administrative credit, implementing the Tiered

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Network (Blue Connect & Deductible/Out of Pocket changes), implementing the Managed RX Formulary, and Digital Medicine Program.

There was discussion regarding the implementation of the Blue Connect Tier and the availability of providers across the State. Bridget Hanna questioned if the Blue Connect tier was added if there was an option to maintain the deductibles/out of pocket on Option 1 and 2. Kim Breard explained that Ochsner requires a spread on the amounts to incentivize members to utilize that network. She explained that in 2021 the Trust had paid over \$2 million in claims to Ochsner/Blue Connect providers. This amount would have been less if the Trust added this tiered network.

There was discussion on the affordability of larger premium increase on the smaller parishes versus plan design changes.

Ron reported that there would be no changes to the ancillary lines of coverage – Dental, Vision and Life/Disability. He also explained that the Retiree United Health Care Medicare Advantage plan would have a premium reduction from \$213.61 to \$209.34.

There was discussion regarding the Managed RX Formulary and if a list of affected drugs could be provided. Debbie explained that the list changes often, however, there are only 70 members out of 1,700 that would be affected. Robin asked if BCBS would be reaching out directly to those members. Kim explained that BCBS would reach out directly with those members affected and the implementation of the managed formulary is a 90-day time frame to allow for that communication.

The Board asked Gallagher to add an additional option as follows:

- Option D: Increase of 8.5% with the implementation of the Managed RX Formulary, Digital Medicine, RX rebates in lieu of the administrative credit, and the Trust funding the aggregating specific. There would be no plan design changes to the deductibles/out of pocket amounts and no implementation of the Blue Connect tiered network. The estimated premium rates would be as follows:

	Option 1 (HDHP)	Option 2 (PPO)
Employee Only	\$ 600	\$ 785
Employee + Spouse	\$1,210	\$1,575
Employee + Child	\$1,090	\$1,410
Employee + Family	\$1,390	\$1,810

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After discussion, the Board agreed that the Trust would continue to fund the aggregating specific for 2022 and would accept the RX rebates in lieu of the administrative credit.

At this time, there was a roll call vote on the proposed options for the 2022 Renewals.

President Bridget Hanna – Option D
Robin Hooter – Option D
Rick Arceneaux – Option D
Shane LeBlanc – Option D
Annette Fontana – Option D
Susan Racca – Option D
Holli Vining – Option C
Marion Hopkins – Not Present
Randy Deshotel – Option D
Jeff Skidmore – Not Present
Amy Patin – Option C
Brian Lestage – Abstained
Dot Lundin – Option C

There were 7 votes for Option D and 3 votes for Option C. By roll call vote, the Board voted to implement Option D for the 2022 Medical Renewal.

Ron then reviewed the State and Federal Required Plan Changes for 2022:

- Expanded Breast MRI Coverage (Act 45) and Minimum Mammography Coverage not subject to applicable deductibles.
- Change to Prescription Day Supply Limitations at Retail Pharmacies for 2-Tier Prescription Drug Benefits
- Exclusion Language for Selected Cost Outlier Prescription Drugs
- Additions and Changes to Preventative Services governed by USPSTF: Colorectal Cancer Screening, Counseling for Healthy Weight and Weight Gain in Pregnancy, Screening for Lung Cancer, Ervebo Vaccination
- Changes to Plan Documents Resulting from Federal Consolidated Appropriations Act (CAA): Continuity of Care, Non-Emergency Services: Prohibition on Balance Billing, Air Ambulance: Prohibition on Balance Billing, Emergency Medical Services: Definition Expanded & Non-Network Cost Sharing Prohibited for Non-Network Emergency Medical Services.

These required plan changes are increased benefits to the members.

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Lana Labourdette reported on the new worksite coverages that will be offered by Aflac. There will be 3 lines of coverage offered on the group platform: Accident/Critical Illness/Hospital Indemnity. Parishes can opt in or out. Offering these on a group platform provide rich benefits and better group rates. Gallagher proposes offering these on an off-anniversary date of April 1, 2022. Aflac will also offer value added services and marketing solutions. Debbie reminded the Board that at the previous Board meeting when Gallagher presented their contract renewal at the same rate, they asked to implement these worksite benefits and retain the commissions. Lana also noted that the billing for these benefits would be on the regular monthly invoice through Benefits Connect. It would be completely voluntary and a member could maintain their current coverage if it is better than the new coverage. There was discussion regarding an active enrollment versus passive enrollment.

The Board confirmed Gallagher's offering of the worksite coverages through Aflac with an effective date of April 1, 2022, with an active enrollment.

Ron LaBorde reviewed the timeline for the 2022 Renewals with Open Enrollment scheduled to be November 15th – December 10th.

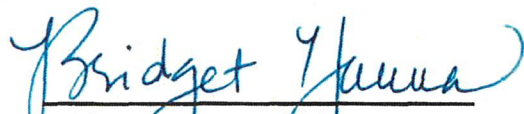
Dot Lundin asked if she needed to renew her membership with AARP, to maintain her UHC Medicare Advantage plan. Gallagher explained that she would not need to renew as that was for the previous coverage.

Lana Labourdette then updated the Board on an appeal that was received regarding non-emergency ambulance transportation for a member on dialysis. Lana explained that she requested further information BCBS and had not yet received a complete response. She noted that it would be necessary for another Board Conference Call soon on this appeal.

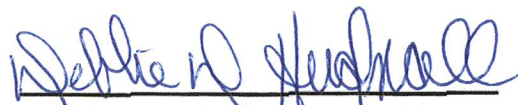
Bridget Hanna thanked Gallagher for their work on the 2022 renewals and the Board Members for their participation.

There being no other business, the meeting adjourned.

APPROVED:


Bridget Hanna, President

Respectfully submitted,


Debbie D. Hudnall, Executive Director