

## APPROVED MINUTES

**LOUISIANA CLERKS OF COURT INSURANCE TRUST  
BOARD OF TRUSTEES MEETING  
JUNE 15, 2022  
9:00 AM  
BATON ROUGE, LA**

A meeting of the Board of Trustees of the Louisiana Clerks of Court Insurance Trust was held on Wednesday, June 15, 2022, at 9:00 am in Baton Rouge, LA.

The meeting was called to order by President Bridget Hanna. An opening prayer was given by Dot Lundin and the Pledge of Allegiance was led by Brian Lestage.

### MEMBERS PRESENT:

President Bridget Hanna	Jeff Skidmore
Robin Hooter	Amy Patin
Rick Arceneaux	Dot Lundin
Shane LeBlanc	Brian Lestage
Annette Fontana	
Susan Racca	
Holli Vining	
Marion Hopkins	
Randy Deshotel	

### ABSENT:

**ALSO, PRESENT:** Erin Hebert, Connie Desselle, Cherie Lott, Chelsey Richard Napoleon, Chris Kershaw, Dagmar Hebert, Ron LaBorde, and Charlie Groves with Gallagher Insurance.

**APPROVAL OF MINUTES:** A motion was made by Robin Hooter to approve the minutes of the meeting April 13, 2022. The motion was seconded by Rick Arceneaux. **MOTION CARRIED.**

**FINANCIALS: (Report on file in office)** Treasurer Rick Arceneaux presented the financial report as of April 30, 2022.

Balance Sheet		Income Statement	
Total Assets	\$ 7,089,435	Total Revenues	\$ 1,340,842
Total Current Liabilities	\$ 400,003	Total Claims & Admin	(\$ 1,357,334)
Incurred but Not Reported	\$ 1,069,000	Gross Profit (Loss)	(\$ 16,492)
		Total Expenses	\$ 30,885
		Total Other Income	\$ 1,668
		Net Income (Loss)	(\$ 45,709)

A motion was made by Jeff Skidmore to receive the financial report as presented. The motion was seconded by Dot Lundin. **MOTION CARRIED.**

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**GALLAGHER INSURANCE:**

**Medical and Prescription Claims Experience (on file in office):** Ron LaBorde stated that performance from January to May of 2022 is better as compared to the same time period last year. He noted fewer large claimants. He also reported that the Trust has started to receive the RX rebates, which were chosen in 2022 instead of a credit on the monthly administration fee. He reminded the Board that typically claims are higher in the last quarter of the year as member's meet deductibles and out of pocket. He explained that RX paid claims per member have increased year over year.

**MEDICAL AND PRESCRIPTION CLAIMS EXPERIENCE – 2020**

	Enrolled	Admin	Stop Loss	Medical	RX	Ineligible	Claims Paid	Plan Cost	PEPM
<b>TOTAL</b>	13,046	\$63,664	\$473,748	\$6,766,873	\$2,753,051	---	\$9,519,924	\$10,057,337	\$771

**MEDICAL AND PRESCRIPTION CLAIMS EXPERIENCE – 2021**

	Enrolled	Admin	Stop Loss	Medical	RX	Ineligible	Claims Paid	Plan Cost	PEPM
<b>TOTAL</b>	13,063	\$64,009	\$ 479,947	\$9,079,616	\$3,189,836	---	\$12,269,452 <i>Stop Loss Reimbursement (\$1,591)</i>	\$12,811,817	\$981

**MEDICAL AND PRESCRIPTION CLAIMS EXPERIENCE – 2022 (through May 2022)**

	Enrolled	Admin	Stop Loss	Medical	RX	RX Rebate	Claims Paid	Plan Cost	PEPM
<b>TOTAL</b>	5,496	\$181,093	\$208,072	\$2,764,854	\$1,401,073	<i>(\$48,611)</i>	\$4,117,315	\$4,506,480	\$820

Ron explained that a drug recently paid for by a clinical trial for one of the large claimants is FDA approved and now paid by the Trust. Debbie questioned any feedback on the closed formulary that took effect February 2022. Ron replied that there had been very few issues- mostly prior authorization requirements and new scripts that were not on the impact list from the prior year. He continued his report noting that the spouse cost is higher than the subscriber(employee) cost. The PPO plan always runs with a slightly higher cost than the HDHP.

He reported the stop loss is at 66.2% for the current year. The Trust did receive reimbursement from the stop loss carrier of \$1,591 in 2021.

**Dental Claims Experience (on file in office):** The dental plan current loss ratio is 80.3% with a \$52,000 surplus.

**DENTAL CLAIMS**

	Enrolled	Paid Claims	Admin	Plan Cost	Premiums	Loss Ratio
<b>2020</b>	---	\$537,786	\$47,179	\$584,966	\$749,556	78.0%
<b>2021</b>	---	\$614,374	\$50,298	\$664,672	\$753,944	88.2%
<b>2022 (Jan - May)</b>	---	\$194,156	\$18,226	\$212,382	\$264,630	80.3%

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**Ancillary Lines of Coverage:**

**The Hartford**

Plan	Premiums	Claims	Loss Ratio
• Basic Life	\$1,178,722	\$1,407,848	119%
• Vol Life	\$221,871	\$60,000	27%
• Basic AD&D	\$51,917	\$0	0%
• Vol AD&D	\$8,685	\$0	0%
• LT Disability	\$92,447	\$0	0%
• ST Disability	\$50,378	\$22,845	45%
<b>Totals</b>	<b>\$1,604,020</b>	<b>\$1,490,693</b>	<b>93%</b>

**AFLAC**

Plan	Enrolled
• Accident	12
• Hosp. Indemnity	3
• Critical Illness	18

**Ochsner Digital Medicine**

Plan	Enrolled
• Hypertension	2
<i>Enrolling</i>	1

Ron informed the Board that 5 parishes elected to participate in the AFLAC coverage and that a 6<sup>th</sup> parish would be coming on board. The Ochsner Digital Medicine program has a low enrollment and he reminded the Board that the Trust picks up the cost of this program for eligible participants.

**Vision:** No report given.

**Communication Campaign:** A list of the monthly text campaign topics was given and a reminder to all parishes that their employees can still participate if they would like to opt in this text campaign program.

**Pharmacy Carve Out/Alternate Funding/ TPA & RPM RFP:** Ron brought before the Board for consideration a potential savings on the pharmacy coverage. An alternative funding mechanism for specialty drugs is a program that provides for RX Companies who have trusts, foundations, and grants to cover the costs of particular medications. They would utilize an alternative funding vendor who would work with the member to get these drugs covered at little to no cost through these programs. The member would have to qualify as it is based on income. This mechanism offers a potential savings of \$1 million to the Trust. There would be a 90-day implementation time line. However, alternative funding cannot be done with the current TPA/PBM, Blue Cross Blue Shield of LA and Express Scripts. Gallagher would issue an RFP to search for a new claims administrator and pharmacy benefit manager. There is the possibility to move to the BCBS national alliance with BCBS of South Carolina which would maintain the same BCBS network that is currently in place. The pharmacy side of the plan would then be carved out to a smaller manager which Gallagher would negotiate the terms of that contract to include the alternative funding mechanism, as well as other potential savings.

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Debbie asked if there was a way to estimate the potential savings. Ron further explained that Gallagher has an RX team that would under take the RFP process and evaluate the Pharmacy Benefit Managers (PBM) and claims. There is a fee for this service of \$60,000, which would be negotiated to be paid by the winning PBM. If the Trust would decide not to go this route, then the cost would be paid by the Trust.

There was discussion on the changing of third-party administrator and pharmacy benefit manager. After discussion, a motion was made by Amy Patin to proceed with the Alternative Funding and PBM evaluation of claims. The motion was seconded by Jeff Skidmore. **MOTION CARRIED.**

**Spousal Education – Target Education for Spouses 65+:** Retirees and their spouses who are Medicare Eligible move off the BCBS to the UHC Medicare Advantage Plan. He explained that there are some members on the Active plan whose spouses are Medicare Eligible. The Trust cannot incentivize or push them off the BCBS plan but the spouse could choose to enroll in the UHC plan if they wanted. There is a potential cost savings to the Trust. The Trust cannot require them to move but can educate them on the UHC plan for them to make the best decision regarding their coverages.

**EXECUTIVE DIRECTOR REPORT:** Debbie Hudnall stated that Board member per diems can now be paid via ACH and asked the members to get with Chris Kershaw to provide the appropriate information.

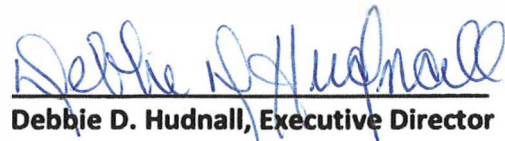
**COMMENTS BY BOARD MEMBERS:** President Bridget Hanna expressed her appreciation to the Board and thanked them for their dedication during her term as President.

There being no further business, a motion to adjourn was made by Rick Arceneaux and seconded by Amy Patin. **MOTION CARRIED.**

**APPROVED:**

  
Bridget Hanna, President

**Respectfully submitted,**

  
Debbie D. Hudnall, Executive Director