

PROPOSED MINUTES

**LOUISIANA CLERKS OF COURT INSURANCE TRUST
BOARD OF TRUSTEES MEETING
DECEMBER 1, 2022
9:00 AM
NATCHITOCHES, LA**

A meeting of the Board of Trustees of the Louisiana Clerks of Court Insurance Trust was held on Wednesday, December 1, 2022 at 9:00 am in Natchitoches, LA.

The meeting was called to order by First Vice President Kim Turlich-Vaughan. An opening prayer was given by Dagmar Hebert and the Pledge of Allegiance was led by Jeff Skidmore.

MEMBERS PRESENT:

President Robin Hooter
Kim Turlich-Vaughan
Holli Vining
Connie Desselle
Jeff Skidmore
Bridget Hanna
Jim Martin
Debbie Hudnall, Executive Director

ABSENT:

Annette Fontana
Shane LeBlanc
Lance Marino
Diane Meaux Broussard
Amy Patin

ALSO, PRESENT: Cherie Lott, Susan Racca, Jason Harris, Chelsey Richard Napoleon, Charles Jagneaux, Darren Lombard, Chris Kershaw, Dagmar Hebert, Kim Breard, Lana Labourdette, and Tony Murray with Gallagher Insurance.

APPROVAL OF MINUTES: A motion was made by Jeff Skidmore to approve the minutes of the meetings August 31 and October 6, 2022. The motion was seconded by Bridget Hanna.

MOTION CARRIED.

FINANCIALS: (Report on file in office) Treasurer Rick Arceneaux presented the financial report as of October 31, 2022.

Balance Sheet		Income Statement	
Total Assets	\$ 7,547,576	Total Revenues	\$ 1,376,659
Total Current Liabilities	\$ 1,295,461	Total Claims & Admin	(\$ 1,494,809)
Incurred but Not Reported	\$ 800,000	Gross Profit (Loss)	(\$ 118,150)
		Total Expenses	\$ 29,307
		Total Other Income	\$ 9,121
		Net Income (Loss)	(\$ 138,336)

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A motion was made by Jim Martin to receive the financial report as presented. The motion was seconded by Holli Vining. **MOTION CARRIED.**

2023 BUDGET PROPOSAL (Attachment A): Controller Chris Kershaw presented the 2023 budget proposal. Both Gallagher and Chris prepare portions of the budget that are then compiled into the proposal. Chris noted an increase in rent expense by \$50/month and an increase in reimbursement to the Association of \$425/month. After discussion, a motion was made by Jeff Skidmore to approve the budget proposal for 2023 as presented. The motion was seconded by Holli Vining. **MOTION CARRIED.**

GALLAGHER INSURANCE:

Kim Breard informed the Board that Ron LaBorde was no longer with Gallagher and she introduced Tony Murray who would be joining the team working with LCCIT.

Medical and Prescription Claims Experience (on file in office):

MEDICAL AND PRESCRIPTION CLAIMS EXPERIENCE – 2020

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

MEDICAL AND PRESCRIPTION CLAIMS EXPERIENCE – 2021

	Admin	Stop Loss	Medical	RX	Ineligible	Claims Paid	Plan Cost	PEPM
TOTAL	\$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 Oct 2022)

	Admin	Stop Loss	Medical	RX	RX Rebate	Claims Paid	Plan Cost	PEPM
TOTAL	\$360,737	\$414,495	\$6,041,032	\$3,090,316	<i>(\$549,977)</i>	\$9,131,348	\$9,356,602	\$855

Tony reported that claims cost from 2021 through current 2022 has decreased, however, he noted that claims in quarter 4 likely will exceed the previous year's quarter 4 claims. There was a reduction in inpatient, outpatient, and ancillary claims from 2021 to 2022. He reviewed the claims by plan and by member type. Tony also reviewed the large claimants for 2022 and the pharmacy claims. Kim explained that 24 gene therapy drugs are coming on the market as well as a biosimilar "generic" for Humana in 2023. The plan does not allow for off label use of Ozempic.

Dental Claims Experience (on file in office): The dental plan current loss ratio is 85.3% with a \$85,000 surplus.

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DENTAL CLAIMS

	Enrolled	Paid Claims	Admin	Plan Cost	Premiums	Loss Ratio
2020	---	\$537,786	\$47,179	\$584,966	\$749,556	78.0%
2021	---	\$614,374	\$50,298	\$664,672	\$753,944	88.2%
2022 (Jan - July)	---	\$348,079	\$31,345	\$379,424	\$450,976	94.1%

Ancillary Lines of Coverage: No report given.

Vision: No report given.

AFLAC: Lana Labourdette reviewed the AFLAC lines of coverage including Accident, Critical Illness and Hospital Indemnity, as well as the benefits of participating on the group level platform. There are 19 parishes participating for the 2023 plan year.

Ochsner Digital Medicine: Lana reminded the Board members to inform their districts about the digital medicine for high blood pressure and diabetes with Ochsner and that it is free to those who qualify for the program.

Renewals: Lana Labourdette provided a renewal recap noting that there was no change in medical premiums or plans; Vision coverage moved The Standard with the EyeMed network; UHC Medicare Advantage premiums reduced and there were no rate changes to the ancillary lines of coverage.

EXECUTIVE DIRECTOR REPORT:

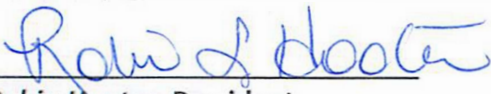
Eligibility: Lana informed the Board that she had reached out to compliance regarding the eligibility issue for retirees on the UHC Plan who had been incarcerated. Compliance suggested that the Trust's attorney review the contracts as there is some ambiguity as to the language and eligibility.

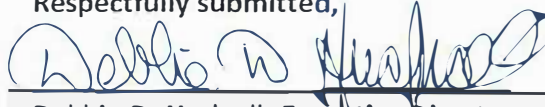
There was discussion regarding Spouse coverage and the possibility of adding a parameter that a spouse must be on the plan for a certain number of years to be eligible to continue coverage at the member's retirement.

COMMENTS BY BOARD MEMBERS: None

There being no further business, a motion to adjourn was made by Jim Martin and seconded by Jeff Skidmore. **MOTION CARRIED.**

APPROVED:


Robin Hooter, President

Respectfully submitted,

Debbie D. Hudnall, Executive Director

LCCIT
Budget for 2023 and 2022

	2022 Annual Budget	2023 Annual Budget
Revenues		
Income - Medical	12,319,300	12,463,300
Income - Medicare Advantage	791,300	763,700
Income - Life	1,016,400	1,030,000
Income - Dental	757,000	767,700
Income - Disability	97,900	106,423
Income - Vision	79,400	77,200
Income - Workplace Benefits		24,000
Income - Rebates	430,056	430,848
Total Revenues	15,491,356	15,663,171
Claims and Claims Admin		
Claims - Medical	9,228,792	8,231,707
Claims - Prescription	3,076,264	4,115,866
Claims - Dental	703,900	713,700
Stop Loss Premiums	485,400	558,200
IBNR - Medical Exp	0	0
IBNR - Dental Expense	0	0
Claims Adm - Medical	429,400	457,500
Medicare Advantage	791,300	763,700
Digital Medicine Program		6,000
Premium Exp - Workplace Benefits		24,000
Claims Adm - Dental - Delta	53,100	54,000
Claims Adm - Vision	79,400	77,200
Premium Exp - Life & AD&D	1,016,400	1,030,000
Premium Exp - Disability	97,900	106,423
Total Claims and Claims Admin	15,961,856	16,138,296
Gross Profit (Loss)	(470,500)	(475,125)
Expenses		
Trust Admin Fees	241,512	240,286
Audit & Tax	14,750	14,750
Bank Fees	2,000	2,500
Bonds & Insurance	15,000	15,000
Legal	5,000	5,000
Meeting Exp	5,500	5,500
Office Supplies	1,000	1,000
Other Prof Fees / Actuary	0	0
PCORI Fee	4,500	5,875
Postage	1,000	1,000
Reimb to Assn	94,500	99,600
Rent - Ret Bldg	10,200	10,800
Travel / Per Diem	4,000	5,000
Total Expenses	398,962	406,311
Other Income		
Interest Earned	4,000	50,000
Net Aprr (Depr) on Investments	0	0
Other Income	4,000	50,000
Net Income (Loss)	(865,462)	(831,436)



Louisiana Clerks of Court Insurance Trust

2023 Budget Projection

			Income				Expenses	Net	
Medical	Premiums	\$	12,463,300	Claims Aggregating Specific		\$	12,347,573		
	Rx Rebates	\$	430,848			Admin	\$	457,500	
						SL Premiums	\$	558,200	
						PCORI	\$	5,875	
			\$		12,894,148		\$	13,369,148	\$ (475,000)
Dental	Premiums	\$	767,700		Claims	\$	713,700		
					Admin	\$	54,000		
			\$	767,700		\$	767,700	\$ -	
Vision	Premiums	\$	77,200		Premiums	\$	77,200	\$ -	
Medicare Advantage	Premiums	\$	763,700		Premiums	\$	763,700	\$ -	
Life Insurance	Premiums	\$	1,030,000		Premiums	\$	1,030,000	\$ -	
Disability	Premiums	\$	106,423		Premiums	\$	106,423	\$ -	
Product Sub-Total							\$	(475,000)	
Gallagher Fee						\$	290,000	\$ (290,000)	
Commision Off Set		\$	49,714					\$ 49,714	
Fee Sub-Total							\$	(240,286)	
Balance							\$	(715,286)	

9-Nov-22