

## **APPROVED MINUTES**

### **LOUISIANA CLERKS OF COURT INSURANCE TRUST BOARD OF TRUSTEES MEETING SEPTEMBER 30, 2024 10:00 AM ZOOM**

A meeting of the Board of Trustees of the Louisiana Clerks of Court Insurance Trust was held on Monday, September 30, 2024, via Zoom.

The meeting was called to order by Chairman Jeff Skidmore.

#### **MEMBERS PRESENT:**

Chairman Jeff Skidmore  
Randy Briggs  
Jill Sessions  
Stewart Hughes  
Dodi Eubanks  
Tifani Thomas  
Connie Desselle  
Shelly Salter  
Jim Martin  
Debbie Hudnall, Executive Director

#### **ABSENT:**

Lance Marino  
Diane Meaux Broussard  
Bridget Hanna  
Kim Turlich-Vaughan

**ALSO, PRESENT:** Chris Kershaw, Dagmar Hebert, Kim Breard, Lana Labourdette, Tony Murray, Richelle Pierre, Magan Babin and Charlie Groves with Gallagher Insurance.

#### **2025 RENEWALS**

Kim Breard gave a brief overview of the items requiring a Board decision for the 2025 renewal. She noted that Life and Disability through the Hartford have rate holds for the 2025 plan year.

#### **MEDICARE ADVANTAGE**

Lana Labourdette provided the negotiated renewal from United Health Care (UHC) from \$188.70 to \$274.17 or a 45% increase. She explained that due to the Inflation Reduction Act Advantage plan benefits had been enhanced by federal regulations. Advantage plans are subsidized by Medicare and that funding has also decreased. For 2025, the maximum out of pocket for the Part D RX Drugs will reduce from \$5,030 to \$2,000. There is also a cap on the amount a member pays for insulin. Carriers will have to provide payment plan options for prescriptions. UHC provided 3 alternate options including plan design changes that increased deductibles and co-pays. Currently, retirees have no deductibles and copays for the medical. There was discussion regarding the increase and cost share moving to the retirees. It was also noted that retirees Part B premiums will increase for 2025. A motion was made by Jim Martin to maintain status quo with the United Healthcare Medicare Advantage with an increase in premium to \$274.17. The motion was seconded by Dodi Eubanks. **MOTION CARRIED.**

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**PHARMACY RFP**

Kim Breard informed the Board that Gallagher's pharmacy team had conducted the RFP for the Pharmacy Benefit Manager (PBM). Blue Cross Blue Shield (BCBS) only integrates with certain PBM, so the field of possible new managers was limited. There were 4 respondents that were ranked by the dollar amount of savings to the plan. BCBS was the top respondent with a one-year savings of \$1.3 million dollars and potential 3 years savings of \$4.8 million dollars. BCBS would cause no disruption to the membership. The contract with BCBS would be for a three-year agreement and the terms of the contract enhance over the term of the contract. Kim explained that CVS had a significant savings as well but more disruption than BCBS. She commented on the Board's decision for Gallagher to do the RFP and the savings it will provide to the Trust. There is no cost to the Trust, as the winning PBM pays the fee for the RFP. A motion was made by Jim Martin to approve Blue Cross Blue Shield as the pharmacy benefit manager. The motion was seconded by Randy Briggs. **MOTION CARRIED.** Debbie Hudnall thanked Gallagher for their diligent work on the pharmacy RFP and negotiations.

**MEDICAL**

Tony Murray presented the medical claim projections for 2025 as well as the funding amount required with a potential 22.3% increase in premiums. Selecting BCBS as the pharmacy benefit manager provides a \$1.3 million dollar savings. Kim explained the required plan design changes. The IRS requires the deductible to increase on the HDHP so that it remains a qualified plan. With the addition of the Ochsner tier last year, the differential between the Tier One (Ochsner Network) and the Tier Two (BCBS Broad Network) must be 20%. Gallagher recommends the following plan design changes with savings of \$212,000 to the HDHP (Blue Saver) and the PPO plans:

BlueSaver	All	Deductible	Tier 1   Tier 2 Individual: \$1,600   \$1,700 Family: \$3,000   \$3,400	Tier 1   Tier 2 Individual: <b>\$1,700</b>   <b>\$2,050</b> Family: <b>\$3,400</b>   <b>\$4,100</b>
PPO	All	Deductible	Tier 1   Tier 2 Individual: \$800   \$1,000 Family: \$2,200   \$3,000	Tier 1   Tier 2 Individual: <b>\$1,000</b>   <b>\$1,200</b> Family: <b>\$3,000</b>   <b>\$3,600</b>
		Copays	Tier 1   Tier 2 PCP: \$15   \$30 Specialist: \$30   \$50 Urgent Care: \$30   \$50	Tier 1   Tier 2 PCP: <b>\$20</b>   <b>\$40</b> Specialist: <b>\$35</b>   <b>\$55</b> Urgent Care: <b>\$35</b>   <b>\$55</b>
		MOOP	Tier 1   Tier 2 Individual: \$3,000   \$3,500 Family: \$6,000   \$7,000	Tier 1   Tier 2 Individual: \$3,000   <b>\$4,000</b> Family: \$6,000   <b>\$8,000</b>
		Rx Copays	\$10 / \$40 / \$60 / \$75	<b>\$15</b> / <b>\$45</b> / <b>\$70</b> / <b>\$85</b>

If the Board continues to fund the aggregate specific corridor of \$475,000 along with the new enhanced PBM contract and the plan design changes, the Trust will have a 7% increase to premiums versus a 22.3% increase with no changes. Current trend is an increase of 10%. Kim Breard stated that by making incremental changes to plan designs is prudent to not have huge cost shift changes in the future.

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A motion was made by Randy Briggs to approve the recommendation of Gallagher for the 2025 plan with the plan design changes and funding the aggregate specific for a premium increase of 7%. The motion was seconded by Jim Martin. **MOTION CARRIED.**

### **STOP LOSS/REINSURANCE**

Kim Breard informed the Board that the stop loss quote is still being finalized. However, the medical projections included the preliminary renewal with a 12% premium increase and 11% increase on the attachment point. There is one laser of one member from the prior year with an increase from \$475,000 to \$525,000. A decision on stop loss coverage will need to be made at a later date – possibly mid-October.

### **BCBS NOTICE OF PLAN CHANGES**

Magan Babin brought to the Board three notice of plan changes requiring a decision by the Board.

- (1) Telehealth Services Cost Share Differential for Network Office Copay Eligible Providers – This would allow the Trust to change the copay for a Primary Care Physician’s Telehealth visit to a different amount than the copay for an in-office visit. Gallagher recommends maintaining the current copays, which are the same for either visit.
- (2) Buy up Option for Sleep Studies – BCBS offers an option to add a program benefit, cost of \$0.30 per employee per month for sleep studies. Gallagher recommends maintaining the current benefit and not opt-in to this program.
- (3) Gender Affirmation or Sex Transformation Services – BCBS offers plans to include these services as covered benefits. Gallagher recommends maintaining the current exclusion.

A motion was made by Dodi Eubanks to approve the recommendations of Gallagher for the Notice of Plan Changes maintaining the current benefits for all three options. The motion was seconded by Connie Desselle. **MOTION CARRIED.**

### **VISION & DENTAL COVERAGE**

Lana Labourdette presented the renewal from The Standard with a 24% increase to premiums, with a two-year rate guarantee. BCBS had submitted a proposal, but it was not competitive with the renewal received by the Standard.

Tier	Current Rates	Renewal Rates – The Standard
EE	\$3.34	\$4.16
EE+ spouse	\$6.80	\$8.48
EE+child(ren)	\$7.36	\$9.20
EE+Family	\$10.18	\$12.72

Gallagher recommends maintaining the dental coverage at status quo with no rate increase for 2025.

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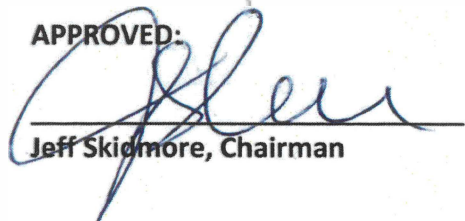
A motion was made by Connie Desselle to accept the vision renewal with The Standard at a 24% increase with a two-year rate guarantee and the dental coverage to remain status quo with no increase for 2024. The motion was seconded by Tifani Thomas. **MOTION CARRIED.**

Kim Breard explained that Orleans Civil District Clerk's office had reached out regarding joining the ancillary benefits effective January 1, 2025, offered by the Trust including Dental, Vision, Disability and AFLAC. Orleans currently maintains health and life policies through Office of Group Benefits. Gallagher's fee is offset by the commissions they receive on the Disability coverage. The dental program is self-funded but Gallagher's actuary projects no affect on the plan as the addition of Orleans is less than 10% of the total participation. Gallagher reported that they are not sure at this time if Orleans will join but wanted to get the Board's approval if the office decided to pursue joining the Trust. A motion was made by Randy Briggs to approve the addition of Orleans Parish Civil District to the Trust for the ancillary lines of coverage. The motion was seconded by Jill Sessions. **MOTION CARRIED.**

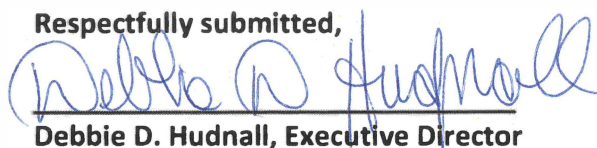
The timeline for open enrollment including parish surveys was reviewed with open enrollment projected to begin early November.

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

**APPROVED:**

  
Jeff Skidmore, Chairman

**Respectfully submitted,**

  
Debbie D. Hudnall, Executive Director