

PROPOSED MINUTES

LOUISIANA CLERKS OF COURT INSURANCE TRUST BOARD OF TRUSTEES CONFERENCE CALL

OCTOBER 23, 2018

2:00 PM

A conference call of the Board of Trustees of the Louisiana Clerks of Court Insurance Trust was held on Tuesday, October 23, 2018 at 2:00 pm.

The conference call was called to order by President Steve Andrews.

MEMBERS PRESENT:

| | |
|----------------|------------------|
| Steve Andrews | Laura Culpepper |
| Brian Lestage | Connie Couvillon |
| Randy Deshotel | Randy Briggs |
| Darlene Landry | Mark Graffeo |
| Susan Racca | Rick Arceneaux |
| Dodi Eubanks | Dot Lundin |

MEMBERS ABSENT: Lance Marino

ALSO PRESENT:

Debbie Hudnall, Executive Director
Chris Kershaw
Dagmar Hebert
Kim Breard, Gallagher
Ron LaBorde, Gallagher
Lana Labourdette, Gallagher
Ryan Hamilton, Gallagher

RENEWALS (on file in office):

MEDICAL

Ron LaBorde with Gallagher presented to the Board the Medical Claims projection for 2019 with Gallagher's underwriter projecting a 6% decrease in claims versus the current rates. There was discussion regarding a one month premium holiday for medical premiums versus a monthly premium discount. Gallagher recommends a monthly premium reduction of 4.6% from the current rates. The cost of a one month premium holiday was approximately \$868,000 and the premium reduction would cost \$477,540. Even with the monthly reduction, there is a projected increase to the surplus in 2019 of \$147,000. Kim Breard informed the Board that there would be no changes to the benefit plan structures.

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STOP LOSS

Ron LaBorde then presented the Stop Loss Proposal from the current provider ExcessRe. He stated that the renewal maintains the specific deductible at \$180,000 with a corridor of \$475,000 with no lasers. The premiums remain the same except for a slight increase in the aggregate premium from \$2.23/member to \$2.41/member. The stop loss renewal has to be accepted by October 24th. Ron commented that these rates are already included in the proposed medical premium rates. Debbie Hudnall also commented that Gallagher would present some options in the future regarding the stop loss coverage for the 2020 plan year.

DENTAL

Ron then presented the renewal rates for the dental. The plan is a self-insured plan and would remain with the Delta Dental network. The rates have been rounded slightly for 2019, however the previous broker fee has been removed. He commented that while you will not see a rate reduction with the removal of the fee, the additional amount collected will help to offset claims increases, as the claims are up 6.7% from 2017 to 2018. He stated that the claims increase is in-line with trends and the industry benchmark. The dental program is running at a 98% loss ratio.

VISION

The vision is a fully insured program through Eyemed (The Standard). There is a rate hold from Eyemed for the 2019 plan year. However, the current rates include a 10% commission fee that was previously remitted to the current administrator. The recommendation is that the commission built into the rate be removed in order for a decrease in the rates for 2019. The commission that would have been paid to the new administrator would have offset their fee, however, the amount is not significant.

MEDICARE SUPPLEMENT AND PART D

Ron informed the Board that the rates for the United Healthcare Medicare Supplement Plan F vary by member. Debbie reported that she had already received her 2019 rates from United Healthcare. There was discussion regarding the removal of the \$5 administrative fee that was charged for the Medicare Supplement by the current administrator. Debbie also stated that based on the information received from United Healthcare, half of the retirees would receive an increase and the other half would receive decreases in their rates.

Ron presented an increase in the AETNA Part D coverage for 2019. The 2019 premium will be \$195 per retiree. The Board currently subsidizes the premium by \$17. The proposed recommendation is to round the subsidy from \$17 to \$20 to help offset

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the increase to the retirees. The increased cost to the Trust would be an additional \$10,225. The total annual cost of the entire subsidy is approximately \$68,000.

RENEWAL DECISION

After discussion, a motion was made by Rick Arceneaux to approve the renewals as presented for the Medical, Stop Loss, Dental, Vision, Medicare Supplement, including removal of the administration fee and Part D coverages, including the retiree subsidy for Part D. The motion was seconded by Susan Racca. **MOTION CARRIED.**

Debbie reported that there were no changes for the life insurance or disability premiums for the 2019 plan year. Kim with Gallagher did inform the Board that for the Short term and Long term disability coverage, The Standard is willing to offer a true open enrollment period for those parishes who did not originally enroll in the coverage when it was first offered. Debbie stated that there are currently 10-12 parishes participating and there are options for this coverage to be on a voluntary or employer paid basis.

PLAN DOCUMENT

Debbie presented to the Board revised language regarding a surviving spouse for the 2018 and 2019 plan document with Blue Cross Blue Shield. The current language allows for a surviving spouse of any active employee to continue benefits. The recommended revised language would narrow the scope of eligibility to allow a surviving spouse of any active employee, who was eligible for retirement at the time of death of the employee, to be eligible to continue coverage. A surviving spouse of retiree is already allowed to continue coverage under the plan. The surviving spouse would be eligible to continue coverage until the following occurred: survivor is legally re-married, becomes eligible to participate in another group health plan, or becomes Medicare eligible.

After discussion, a motion was made by Brian Lestage to approve the plan document language revision for 2018 and 2019 for the surviving spouse as presented. The motion was seconded by Darlene Landry. **MOTION CARRIED.**

OPTIONAL BLUE CROSS BLUE SHIELD(BCBS) PLAN CHANGES

Kim Breard presented the optional changes provided by BCBS for the 2019 plan year. Currently the plan already offers the Care Management for High Tech Imaging (MRI, CT Scans, PET scans, etc.). BCBS is now including a AIM Shopper to allow a member to shop different providers for the best price on these services. This addition adds \$0.05 to the fee of \$0.50 for a total fee of \$0.55, which is already factored into the premium rates for 2019. Gallagher recommends continuing this program.

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She reviewed two other new options including Musculoskeletal Care Management and Cardiac Services. As both of these options are new to BCBS, there is no significant data to review to determine the outcomes of providing these services. Gallagher does not recommend electing this coverage for 2019.

She also commented on three items already covered by the plan with BCBS recommending expansion of the coverage for Childhood Obesity Benefit beginning at age 3, Adult Obesity visits from 12 per lifetime to 12 per year, and to provide one Registered Dietitian visit to be covered at 100% as a preventative wellness service. Gallagher recommends the approval of those three expansions of coverage. A motion was made by Dodi Eubanks to approve the recommendations for the optional BCBS plan changes as presented by Gallagher. The motion was seconded by Randy Briggs. **MOTION CARRIED.**

OPEN ENROLLMENT TIMELINE

Kim explained that Gallagher had sent out to the participating Clerks an introductory email along with contact information for their team. Gallagher will be finalizing the new rate sheet and electronic survey to send out to the Clerks by the end of the week with a deadline to return those surveys by November 2nd. She reminded the Board that Gallagher is here to provide any assistance with navigating the survey. They will also include training dates available for the new system, benefitsconnect. Open enrollment is scheduled to begin November 12th and end on November 30th.

ADDITIONAL ITEMS

Debbie brought to the Board's attention that she had spoken with Scott Hunt at Hunt Insurance Group and he stated that Hunt will do everything they can to make this a smooth transition. She further explained that he provided a report of the data that can be retrieved from the current system, BenefitSolver. However, it would not include the extensive case notes that have been entered into the system. She also stated that not all of the beneficiary information has been entered into the system and she has requested from Scott that all the beneficiary information be sent to the Association.

Debbie stated that Gallagher had suggested it would be prudent to maintain administrative access to the current system, Benefit Solver for a short period of time after January 1, 2019 to ensure that the transfer is complete. Debbie received a quote of \$750 per month per administrator access with the contract being a month-to-month basis. Kim suggests a minimum of 3 months would be sufficient. A motion was made by Rick Arceneaux to approve the proposal and authorize the Executive Director to enter into a month-to-month agreement on an as needed basis. The motion was seconded by Mark Graffeo. **MOTION CARRIED.**

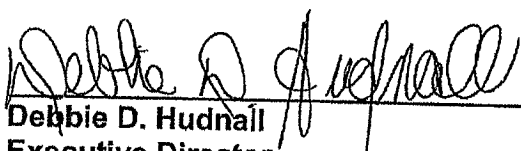
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At this time, Debbie informed the Board that currently there is a \$7.00 LCCA fee that is charged to each member and remitted by Hunt to the LCCA office. The total amount of that fee annually is approximately \$125,000. The administrative fund has a surplus. She commented that Controller Chris Kershaw will now be maintaining the accounting for the Insurance Trust in addition to the administrative side. Debbie recommended that the \$7.00 be removed. Steve Andrews questioned if it would be added back again in the future. Debbie stated that the current surplus could cover approximately 3 years. She also stated that in the future she sees potential additional savings to the Trust. After discussion, a motion was made by Darlene Landry to approve the removal of the \$7.00 LCCA administrative fee effective January 1, 2019. The motion was seconded by Connie Couvillon. **MOTION CARRIED.**

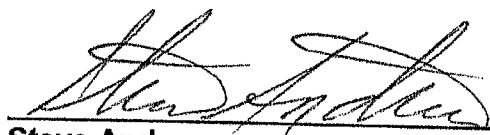
There being no other business, a motion was made by Rick Arceneaux to adjourn. The motion was seconded by Brian Lestage. **MOTION CARRIED.**

The conference call adjourned.

Respectfully Submitted,


Debbie D. Hudnall
Executive Director

APPROVED:


Steve Andrews
President