

APPROVED MINUTES

LOUISIANA CLERKS OF COURT INSURANCE TRUST BOARD OF TRUSTEES MEETING

MARCH 20, 2018

9:00 AM

BATON ROUGE, LA

A meeting of the Board of Trustees of the Louisiana Clerks of Court Insurance Trust was held on Tuesday, March 20, 2018 in Baton Rouge, LA.

The meeting was called to order by President Rick Arceneaux. Randy Briggs then gave the invocation. Randy Deshotel then led the Pledge of Allegiance.

MEMBERS PRESENT:

Rick Arceneaux	Mark Graffeo
Steve Andrews	David Dart
Randy Deshotel	Kay Bolding
Johnny Crain, Jr.	
Lance Marino	
Becky Patin	
Dodi Eubanks	
Connie Couvillon	
Randy Briggs	

ALSO PRESENT:

Debbie Hudnall, Executive Director	Dagmar Hebert
Tamara Volkert, Hunt Insurance Group	Chris Kershaw
Darlene Landry	
Kim Turlich-Vaughan	
Jeff Skidmore	

APPROVAL OF MINUTES

Steve Andrews moved that the minutes of November 30, 2017 be approved as presented. Motion seconded by Mark Graffeo. **MOTION CARRIED.**

FINANCIALS: (Report on file in office) Treasurer Randy Deshotel presented the financial reports for the Insurance operations fund for December 2017, January and February 2018.

Dec 2017-	Total Assets:	\$ 390,680
	Monthly Revenue	10,961
	Monthly Expenses	(10,327)
	Monthly Net Income	\$ 634

LA CLERKS OF COURT INSURANCE TRUST
MARCH 20, 2018
PAGE 2

Jan 2018-	Total Assets:	\$ 396,138
	Monthly Revenue	13,144
	Monthly Expenses	(7,686)
	Monthly Net Income	\$ 5,457
Feb 2018-	Total Assets:	\$ 401,339
	Monthly Revenue	11,643
	Monthly Expenses	(6,442)
	Monthly Net Income	\$ 5,201

Randy Briggs moved to receive the financial report as presented. Motion seconded by David Dart. **MOTION CARRIED.**

ADMINISTRATORS' REPORT: (Report on file in office)

Billing Issues: Tamara Volkert explained that the billing issues were the effect of Mark Gibson leaving employment with Hunt Insurance and his replacement not completing things correctly. The January billing is usually delayed but then there were many errors and issues that Hunt is still trying to correct. The bills for March are currently being finalized. There was also discussion on the billing errors with the implementation of the Short Term and Long Term disability coverage that some parishes selected back in July 2017. She explained that a new employee to replace Mark is starting April 2nd and that an additional billing/eligibility coordinator is being hired as well to allow for Angela Kersey to be solely on the Clerks account. She stated that Hunt is making strides to bring the service level back to what the Clerks expect and overcome what has been lacking. Tamara stated that she will be the lead manager on the Clerks account from now on.

Enrollment/Change Forms – Supplemental Life/AD&D: Tamara presented a draft version of a new enrollment/change form to show that a member can elect the Supplemental life only with or without the AD&D. She also stated Hunt was trying to consolidate the active & retiree forms into one form. Debbie pointed however the draft version presented doesn't include all the information regarding retirees including date of retirement and the supplemental life increment choice of \$5,000 or \$10,000. Tamara reminded the Clerks to be careful when entering employee elections in to Benefit Solver.

2018 Plan Document (Exhibit A)

Continuation of Coverage during Disability and Leave of Absence: There was discussion regarding maintaining eligibility for 12 weeks leave either unpaid or paid leave. The current language follows FMLA guidelines. Tamara stated that 3 clerks offices' are required to follow the FMLA guidelines due to size. She explained that in 2010 there was a change to the plan document language to bring the continuation of coverage more in line with the FMLA guidelines. There was further discussion as to

LA CLERKS OF COURT INSURANCE TRUST
MARCH 20, 2018
PAGE 3

whether a Clerk could then pay for the COBRA coverage for someone who exceeds the 12 weeks and is no longer eligible. Debbie explained that she had spoken with Attorney Sheri Morris that morning regarding that question. Sheri stated that a Clerk's employment policy is considered a contract with the employee and the Clerk would be required to abide by that policy. Debbie suggested having your office employment policy reviewed by Attorney Renee Culotta if your parish participates in LCCRMA.

There was further discussion that the Clerks need to be educated about the 12 week continuation of coverage possibly at the next Clerks only meeting and that the current plan document language doesn't need to be changed but that Debbie would have attorney review this policy.

Surviving Spouse Continuation of Coverage: Tamara explained that the current plan document language is applicable to non-COBRA employers, however COBRA does apply to LCCIT. Tamara stated that she doesn't believe the age limit of 50 or older applies the LCCIT plan and will have Debbie Smith with Blue Cross review. She further explained that the surviving spouse coverage is applicable to both retirees and active members at a complete cost to the survivor.

A motion was made by Lance Marino to maintain the language in the plan document as applicable to Continuation of Coverage during disability and leave of absence. Motion was seconded by Connie Couvillon. **MOTION CARRIED.**

FINANCIALS: Tamara Volkert gave the financial reports for the Insurance Trust for the month of December 2017 and January 2018.

Dec 2017 Statement of Net Assets

Total Assets	\$ 7,334,574
Total Liabilities	(1,073,443)
Net Assets	\$ 6,261,130

Cash Analysis (as of Dec 2017)

Annual Funds Received	\$ 13,695,169
Annual Total Expenses	(\$ 14,711,381)
Cash Balance	\$ 1,681,034

Chris Kershaw requested more information on the negative accounts receivable number for December 2017. Tamara stated that she will check on that and report back to the Board. Lance Marino questioned the change in cash from 2016 to 2017. Tamara explained the difference was due to additional investments.

LA CLERKS OF COURT INSURANCE TRUST
MARCH 20, 2018
PAGE 4

Tamara explained that the total claims paid for 2017 was \$8.7 million as compared to the catastrophic funding factor of 125% or \$11.4 million. The dental reserves ending December 31, 2017 were at \$203,736.

Jan 2018 Statement of Net Assets

Total Assets	\$ 7,240,968
Total Liabilities	(1,091,725)
Net Assets	\$ 6,149,243

Cash Analysis (as of Jan 2018)

Annual Funds Received	\$ 1,209,089
Annual Total Expenses	(\$ 1,336,415)
Cash Balance	\$ 1,553,707

Investments: Tamara reported the market value of Investments as of December 31, 2017 was \$4,613,938. She also reported that \$1 million dollars had been transferred into LAMP as requested at the previous meeting. She further reported that the market value of Investments as of January 31, 2018 was \$4,594,798 and \$1,001,750 in LAMP. There was discussion regarding amending the Investment policy for the transfer of excess cash into LAMP on a monthly basis.

David Dart questioned if the billing issue affected the premium numbers on the January financials. Tamara explained that those corrections will reflect in future month's statements but will not be a materially significant issue.

Tamara further reported that in April 2018 the Trust will receive a reimbursement from the federal transitional fee that was debited twice from the account. It has taken over a year to get this overpayment corrected.

CLAIMS EXPERIENCE: Tamara then reviewed the Claims experience as follows:

CLAIMS EXPERIENCE - 2018

	Prescriptions	Medical	Monthly Totals	Aggregate
Jan 18	\$ 121,963	\$ 773,729	\$ 895,692	\$ 895,692

Tamara reported that claims for January 2018 were slightly under January 2017's claims. She reported that several parishes had moved from Option 1 to Option 2 for 2018. She reviewed the total cost of the plan by tier and enrollment with a decrease in the total cost PEPM for 2018 on Option 2 as compared to 2017. She also reported that there are no specific claimants as of January 2018. She stated that for 2017 there were two claimants who satisfied the deductible amount, however no one exceeded the corridor amount.

LA CLERKS OF COURT INSURANCE TRUST
MARCH 20, 2018
PAGE 5

CLAIMS EXPERIENCE - 2017

	Prescriptions	Medical	Monthly Totals	Aggregate
Jan 17	\$ 111,867	\$ 470,373	\$ 582,240	\$ 582,240
Feb 17	\$ 103,587	\$ 574,280	\$ 677,867	\$ 1,260,108
Mar 17	\$ 96,940	\$ 756,993	\$ 853,933	\$ 2,114,041
Apr 17	\$ 117,765	\$ 529,716	\$ 647,481	\$ 2,761,522
May 17	\$ 106,958	\$ 640,010	\$ 746,968	\$ 3,508,490
June 17	\$ 99,850	\$ 730,909	\$ 830,759	\$ 4,339,249
July 17	\$ 121,432	\$ 355,262	\$ 476,694	\$ 4,815,944
Aug 17	\$ 104,266	\$ 779,891	\$ 884,157	\$ 5,700,101
Sept 17	\$ 107,972	\$ 534,973	\$ 642,945	\$ 6,343,045
Oct 17	\$ 110,858	\$ 723,087	\$ 833,945	\$ 7,176,991
Nov 17	\$ 103,361	\$ 675,685	\$ 779,046	\$ 7,956,037
Dec 17	\$ 115,373	\$ 700,538	\$ 815,912	\$ 8,771,948
TOTALS	\$ 1,300,229	\$ 7,471,717	\$8,771,948	

CLAIMS EXPERIENCE - 2016

	Prescriptions	Medical	Monthly Totals	Aggregate
Jan 16	\$ 86,395	\$ 590,919	\$ 677,314	\$ 677,314
Feb 16	\$ 79,006	\$ 298,430	\$ 377,436	\$ 1,054,749
Mar 16	\$ 71,866	\$ 300,450	\$ 372,316	\$ 1,427,065
Apr 16	\$ 85,415	\$ 542,412	\$ 627,827	\$ 2,054,892
May 16	\$ 100,647	\$ 521,600	\$ 622,247	\$ 2,677,139
June 16	\$ 95,592	\$ 480,383	\$ 575,974	\$ 3,253,113
July 16	\$ 97,813	\$ 443,347	\$ 541,160	\$ 3,794,273
Aug 16	\$ 118,729	\$ 817,967	\$ 936,696	\$ 4,730,969
Sept 16	\$ 88,952	\$ 627,783	\$ 716,735	\$ 5,447,704
Oct 16	\$114,047	\$ 564,239	\$ 678,286	\$ 6,125,990
Nov 16	\$124,283	\$ 689,323	\$ 813,606	\$ 6,939,596
Dec 16	\$ 122,193	\$ 950,747	\$ 1,072,940	\$ 8,012,536
TOTALS	\$1,184,938	\$6,827,600	\$8,012,536	

Tamara then reviewed the Dental claims and reported that because the dental is self-funded the reserve is kept by the Trust only paying administrative fees to the carrier to use their network and for claims processing.

DENTAL CLAIMS- 2018 (SELF FUNDED AS OF JANUARY 1, 2014)

Date	Lives	Total Claims	Premiums	Delta/Hunt Admin	Reserves	Loss Ratio
Jan 18	1,345	\$ 49,803	\$59,542	\$3,712 \$2,269	\$3,758	94%

LA CLERKS OF COURT INSURANCE TRUST
MARCH 20, 2018
PAGE 6

DENTAL CLAIMS- 2017 (SELF FUNDED AS OF JANUARY 1, 2014)

Date	Lives	Total Claims	Premiums	Delta/Hunt Admin	Reserves	Loss Ratio
Jan 17	1,207	\$36,246	\$53,925	\$3,345 \$2,044	\$12,289	77%
Feb 17	1,200	\$46,612	\$53,905	\$3,329 \$2,037	\$1,927	96%
Mar 17	1,198	\$47,309	\$53,933	\$3,326 \$2,037	\$1,262	98%
Apr 17	1,200	\$40,438	\$53,293	\$3,295 \$2,016	\$7,544	86%
May 17	1,201	\$45,815	\$53,294	\$3,309 \$2,021	\$2,149	96%
June 17	1,200	\$49,159	\$53,309	\$3,309 \$2,022	(\$1,181)	102%
July 17	1,201	\$34,656	\$52,671	\$3,306 \$2,011	\$12,698	76%
Aug 17	1,204	\$53,048	\$53,263	\$3,331 \$2,029	(\$5,145)	110%
Sept 17	1,204	\$41,482	\$52,804	\$3,282 \$2,034	\$6,006	89%
Oct 17	1,206	\$40,735	\$53,418	\$3,342 \$2,035	\$7,306	86%
Nov 17	1,208	\$42,061	\$53,198	\$3,334 \$2,028	\$5,775	89%
Dec 17	1,217	\$47,722	\$53,204	\$3,370 \$2,031	\$81	100%
TOTAL	14,441	\$525,284	\$640,218	\$39,879 \$24,344	\$50,712	92.1% avg

DENTAL CLAIMS- 2016 (SELF FUNDED AS OF JANUARY 1, 2014)

Date	Lives	Total Claims	Premiums	Delta/Hunt Admin	Reserves	Loss Ratio
Jan 16	1,182	\$ 31,365	\$ 52,247	\$ 3,254 \$ 1,985	\$ 15,642	70%
Feb 16	1,179	\$ 35,678	\$ 52,371	\$ 3,260 \$ 1,989	\$11,435	78%
Mar 16	1,178	\$ 49,020	\$ 52,060	\$ 3,265 \$ 1,986	(\$2,211)	104%
Apr 16	1,190	\$ 42,836	\$ 52,001	\$ 3,246 \$ 1,978	\$ 3,941	92%
May 16	1,191	\$ 34,700	\$ 52,528	\$ 3,298 \$ 2,006	\$ 12,524	76%
June 16	1,184	\$ 41,566	\$ 52,669	\$ 3,287 \$ 2,003	\$ 5,812	89%
July 16	1,187	\$ 33,376	\$ 52,087	\$ 3,260 \$ 1,984	\$13,467	74%
Aug 16	1,196	\$ 50,739	\$ 52,088	\$ 3,290 \$ 2,003	(\$3,944)	108%
Sept 16	1,195	\$ 32,910	\$ 53,100	\$ 3,315 \$2,020	\$14,854	72%
Oct 16	1,194	\$ 40,403	\$ 53,101	\$ 3,304 \$ 2,012	\$7,382	86%
Nov 16	1,199	\$ 41,258	\$ 52,430	\$ 3,279 \$ 1,997	\$5,896	89%
Dec 16	1,200	\$ 39,804	\$52,431	\$ 3,318 \$2,019	\$7,290	86%
TOTAL	14,270	\$473,664	\$629,110	\$ 39,374 \$ 23,983	\$92,088	85.36%

LA CLERKS OF COURT INSURANCE TRUST
MARCH 20, 2018
PAGE 7

Tamara provided an update on the Short Term and Long Term Disability coverage. There have been no claims at this point but there is an IBNR (Incurred but Not Reported). Debbie Hudnall stated that there had been a miscommunication from Hunt Insurance in prior discussions regarding the disability. She clarified that there is no premium waiver on the short term disability. On the long term disability, there is a waiver of premium for the disability premium and a waiver on the life insurance premium if you are deemed totally disabled. Tamara stated that you can be on long term disability and not be deemed totally disabled. There are further limitations with mental conditions, substance abuse and other conditions listed in the policy. There was discussion regarding the "other expenses".

DISABILITY	SHORT TERM	LONG TERM
Earned Premium	\$ 4,656	\$14,939
Paid Claims	0	0
Change in IBNR	978	9,168
Change in Reported Reserves	0	0
Premium Tax	105	336
Other Expenses	1,015	4,046
BALANCE	\$2,558	\$1,389

Tamara provided a report on the Life Insurance including Term Life (basic & supplemental), Dependent Life and the AD&D.

LIFE INSURANCE: 07/01/08 – 12/31/17

	Term Life	Dependent Life	AD&D
Earned Premium	\$ 6,602,870	\$227,535	\$471,282
Paid Claims	6,366,500	392,000	32,000
Change in IBNR	185,121	1,520	3,849
Change in Reported Reserves			
Total Incurred Claims	6,551,621	393,520	35,849
Total Expense & Risk Charges	1,423,997	52,116	97,661
BALANCE	(\$1,372,748)	(\$218,101)	\$337,772

VISION INSURANCE - 2018

Date	Lives	Premium	Claims	Hunt Adm	Total Loss Ratio
Jan 18	944	\$ 7,998	\$ 2,093	\$ 800	36.20%

LA CLERKS OF COURT INSURANCE TRUST
MARCH 20, 2018
PAGE 8

VISION INSURANCE - 2017

Date	Lives	Premium	Claims	Hunt Adm	Total Loss Ratio
Jan 17	923	\$ 7,030	\$ 1,760	\$ 781	36.15%
Feb 17	925	\$ 6,975	\$ 7,238	\$ 775	114.89%
Mar 17	917	\$ 6,993	\$ 3,138	\$ 777	55.99%
Apr 17	915	\$ 7,723	\$ 4,390	\$ 773	66.85%
May 17	918	\$ 7,669	\$ 4,226	\$ 767	65.11%
June 17	918	\$ 7,725	\$ 4,885	\$ 773	73.24%
July 17	919	\$ 7,653	\$ 5,461	\$ 766	81.36%
Aug 17	920	\$ 7,734	\$ 5,481	\$ 774	80.88%
Sept 17	923	\$ 7,651	\$ 3,604	\$ 765	57.11%
Oct 17	927	\$ 7,750	\$ 4,036	\$ 775	62.08%
Nov 17	931	\$ 7,787	\$ 3,991	\$ 779	61.30%
Dec 17	939	\$ 7,054	\$ 5,085	\$ 772	83.00%
TOTAL	11,075	\$ 89,744	\$ 53,295	\$ 9,278	69.70%

VISION INSURANCE - 2016

Date	Lives	Premium	Claims	Hunt Adm	Total Loss Ratio
Jan 16	892	\$ 6,415	\$ 2,972	\$ 714	57.45%
Feb 16	890	\$ 6,358	\$ 6,373	\$ 710	111.41%
Mar 16	890	\$ 6,358	\$ 4,462	\$ 707	81.30%
Apr 16	902	\$ 6,389	\$ 2,816	\$ 711	55.20%
May 16	902	\$ 6,447	\$ 5,802	\$ 717	101.12%
June 16	898	\$ 6,439	\$ 3,617	\$ 716	67.30%
July 16	898	\$ 6,361	\$ 4,024	\$ 708	74.38%
Aug 16	907	\$ 6,405	\$ 5,584	\$ 713	98.31%
Sept 16	904	\$ 6,430	\$ 4,087	\$ 720	74.76%
Oct 16	907	\$ 6,425	\$ 5,006	\$ 715	89.04%
Nov 16	909	\$ 6,438	\$ 4,671	\$ 716	83.68%
Dec 16	913	\$ 6,433	\$ 3,424	\$ 716	64.35%
TOTAL	10,812	\$ 76,898	\$ 52,838	\$ 8,563	79.85%

At this time, Debbie asked that Tamara step out of the room. Concerning issues were discussed at this time.

Debbie then asked Tamara to rejoin the meeting. President Rick Arceneaux conveyed to Tamara the Board's expectation that Hunt Insurance correct the issues that have been identified, reconfirm her commitment as the manager of LCCIT's account and that the level of service provided by Hunt Insurance return to what it once was or other options will be considered if improvements are not seen.

Tamara stated that she on behalf of Hunt Insurance is fully committed to make those corrections and return the level of service to what LCCIT expects and what was once provided. She will provide an update at the next meeting or at the conference.

LA CLERKS OF COURT INSURANCE TRUST
MARCH 20, 2018
PAGE 9

ATTORNEY: There was no report at this time.

EXECUTIVE DIRECTOR REPORT

Opiod Litigation: Debbie requested from Tamara the Opiod statistics for the plan. Tamara had provided statistics from 2015-2017. However the data from 2010 is archived with Scriptcare and a fee would be required to retrieve that information. Tamara has contacted Scriptcare for an estimate to do so. Debbie asked if the information provided from 2015-2017 showed any increases and that looking back further allows you to spot any trends. Debbie stated that other attorneys have contacted her regarding litigation. She has asked Attorney Sheri Morris to get additional information and will not require any action at this time.


COMMENTS BY BOARD MEMBERS: President Rick Arceneaux stated that this was his last meeting to serve as President and thanked the Board for the opportunity to serve and appreciated their support.

OTHER BUSINESS: None


There being no further business, David Dart moved that the meeting be adjourned. Motion seconded by Johnny Crain. **MOTION CARRIED.**

Meeting adjourned.

APPROVED:


Rick Arceneaux
President

Respectfully submitted,


Debbie D. Hudnall
Executive Director

ARTICLE XVIII.

CONTINUATION OF COVERAGE RIGHTS

A. Surviving Spouse Continuation

If eligibility for Group coverage ceases upon the death of the Employee, a surviving spouse covered as a Dependent who is fifty (50) years of age or older, has ninety (90) days from the date of the Employee's death to notify the Plan of his election to continue the same coverage for himself, and if already covered, for his Dependent children.

Coverage is automatic during the ninety (90) day election period. Fees are owed for this coverage. If continuation is not chosen, or if fees are not received for the ninety (90) days of automatic coverage, the ninety (90) days of automatic coverage is terminated retroactive to the end of the billing cycle in which the death occurred.

If the continuation coverage is chosen within the ninety (90) day period, coverage will continue without interruption. Fees are owed from the last date for which fees have been paid. No physical exams are required. Fees for continuing coverage will not exceed the fees assessed for each Employee by class of coverage under the Plan.

V. Continued Coverage During a Leave of Absence**1. Family Medical Leave**

The Family Medical Leave Act (FMLA) allows eligible Employees to take up to twelve (12) weeks of unpaid FMLA leave in a 12-month period for the following reasons:

1. a serious health condition that makes You unable to perform Your job;
2. to care for a seriously ill dependent child, spouse or parent; or
3. for the birth, placement for adoption or foster care of a child.

A serious health condition is an illness, injury, impairment, or physical/mental condition involving either inpatient care or continuing treatment by a health care Provider. Leave may be taken intermittently or on a reduced schedule only if Medically Necessary. If leave is taken on an intermittent basis, the arrangement must be agreed to in advance by the Employee and the Group. Certification of a serious health condition must be provided in writing to the Group. To be eligible for FMLA, an Employee must have completed twelve (12) months of employment and have worked at least 1,250 hours during the 12-month period preceding the leave requested.

The Plan will continue coverage for Employee during any leave of absence the Group is required to provide by applicable federal or state law, including FMLA and any amendments or successor provisions, as long as eligibility criteria under the law continues to be met. If Employee's coverage is terminated during a leave under the FMLA, upon return to active full-time employment, Employee is entitled to re-enroll for coverage so long as the Group maintains coverage with Company. If the Employee is not restored to active full-time employment by the end of the leave of absence period, the Employee will cease to be eligible and coverage for the Employee and any Dependents will terminate at the end of the billing period in which the leave of absence period expires, or as otherwise described in "Termination of a Plan Participant's Coverage."