

APPROVED MINUTES

LOUISIANA CLERKS OF COURT INSURANCE TRUST BOARD OF TRUSTEES MEETING

JULY 28, 2016

8:30 AM

BATON ROUGE, LA

A meeting of the Board of Trustees of the Louisiana Clerks of Court Insurance Trust was held on Thursday, July 28, 2016 in Baton Rouge, LA.

The meeting was called to order by President David Dart. Dodi Eubanks then gave the invocation. Johnny Crain, Jr. then led the Pledge of Allegiance.

MEMBERS PRESENT:

President David Dart	Tammy Foster
Rick Arceneaux	Mark Graffeo
Robin Hooter	Kay Bolding
Johnny Crain	Holli Vining
Lance Marino	
Dodi Eubanks	
Ann Johnson	
Randy Deshotel	

ALSO PRESENT:

Debbie Hudnall, Executive Director
Tamara Volkert, Hunt Insurance Group
Darlene Landry
Dagmar Hebert

APPROVAL OF MINUTES

Holli Vining moved that the minutes of May 26, 2016 and June 13, 2016 Conference Call be approved as presented. Motion seconded by Johnny Crain, Jr.. **MOTION CARRIED.**

FINANCIALS: (Report on file in office) Treasurer Robin Hooter presented the financial reports for the Insurance operations fund for June 2016.

June 2016-	Total Assets:	\$ 373,713
	Monthly Revenue	9,915
	Monthly Expenses	(10,380)
	Monthly Net Income	\$ (465)

Rick Arceneaux moved to receive the financial reports as presented. Motion seconded by Tammy Foster. **MOTION CARRIED.**

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ADMINISTRATORS' REPORT: (Report on file in office)

Actuary Report (On file in office): Tamara Volkert presented the Actuary report, projections and funding status for 2016-2018 prepared by L&E Actuaries. Tamara reviewed the actuary's projection for no increase in medical and dental premiums for the 2017 plan year and a projected increase of 9% for Medical and 3% for Dental for 2018. Tamara commented that the surplus the Trust has worked to build could sustain a passing rate for 2017. This projection takes into account further additions to the surplus. Debbie Hudnall brought to the Board's attention the change in the IBNR (incurred but not reported) claims number which has decreased from the previous year's projections. Tamara further stated the Plan's claims experience has been much better and Blue Cross Blue Shield's (BCBS) discount rate also factors in to the claims cost.

Financial Reports: Tamara gave the financial reports for the Insurance Trust for the month of June 2016.

June 2016 Statement of Net Assets

Total Assets	\$ 7,216,488
Total Liabilities	(857,065)
Net Assets	\$ 6,359,423

Cash Analysis (as of June 2016)

Annual Funds Received	\$ 7,646,216
Annual Total Expenses	(\$ 8,495,098)
Cash Balance	\$ 2,627,424

Tamara reported on the increase in cash from the plan inception with Hunt Insurance and where the Trust stands today. Debbie commented on the previous history of the Trust's finances.

Investments: Tamara reported the market value of Investments as of June 2016 was \$4,571,136. Tamara stated that there was a decrease in cash due to the additional investment purchases.

Tamara reviewed how the self-insured plan and stop loss coverage with a specific deductible of \$180,000 and corridor of \$475,000 works for the Board Members.

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

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	\$ 1,427,066
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	\$ 3,253,114

It was noted that there was a change in the accounting method for the claims due to a change in the monthly reports received from BCBS versus the actual claims paid. Hunt Insurance will now recognize claims actually paid by the Trust and accrue any known payables.

CLAIMS EXPERIENCE - 2015

	Prescriptions	Medical	Monthly Totals	Aggregate
Jan 15	\$ 159,614	\$ 388,486	\$ 498,100	\$ 498,100
Feb 15	\$ 93,278	\$ 328,875	\$ 422,153	\$ 920,253
Mar 15	\$ 138,316	\$ 596,374	\$ 734,691	\$ 1,654,944
Apr 15	\$ 109,535	\$ 325,182	\$ 434,716	\$ 2,089,660
May 15	\$ 151,207	\$ 300,660	\$ 451,867	\$ 2,541,527
June 15	\$ 174,375	\$ 481,916	\$ 656,291	\$ 3,197,818
July 2015	\$ 158,811	\$ 389,944	\$ 548,756	\$ 3,746,574
Aug 2015	\$ 205,282	\$ 802,413	\$ 1,007,695	\$ 4,754,269
Sept 2015	\$ 182,533	\$ 456,665	\$ 639,198	\$ 5,393,467
Oct 2015	\$ 177,870	\$ 554,025	\$ 731,895	\$ 6,125,362
Nov 2015	\$ 135,150	\$ 546,598	\$ 681,748	\$ 6,807,110
Dec 2015	\$ 180,092	\$ 582,947	\$ 763,039	\$ 7,570,149

There was discussion regarding Medicare eligibility and the effect on the Plan. The retirees have few complaints about the UHC AARP Medicare Supplement and AETNA prescription coverage.

Generic prescription utilization on the BCBS remains at a high percentage.

Tamara reminded the Trustees of their access to the HR360 site provided by Hunt Insurance to the Clerks at no cost.

Tamara continued by explaining the recent issue with BCBS and the claims processing structure. Effective January 2016, Health Care reform required individual deductibles and family aggregates for the high deductible option. BCBS interpretation of the law differed from how the Trust requested it be applied. BCBS had to move the entire Option 1 processing to a new platform and new cards were reissued to all members.

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BCBS is manually reprocessing claims to correct the issue for those affected. David asked how long this process would take. Tamara will follow up with BCBS for a status update on completion. She also commented there would be no added expense to the Plan for the claim reprocessing.

Debbie suggested to the Board about the possibility of having Hunt Insurance do a presentation about the Insurance program possibly at the next Institute. Tammy Foster, chairman of the Education Committee will bring that suggestion to the next meeting of the Education Committee.

Johnny Crain, Jr. asked for more information regarding Health Savings Accounts.

Tamara updated the Board on Calcasieu Parish and the application of the deductibles the members had met through UHC for January, February and March. It took longer to get this information from UHC in order for it to be applied to the BCBS plan. Tamara stated that she could provide better claims data on Calcasieu at the October Board meeting.

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%
TOTAL	7,104	\$ 235,174	\$ 313,874	\$19,610 \$11,947	\$ 47,143	84.98%

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LA CLERKS OF COURT INSURANCE TRUST**July 28, 2016****PAGE 5****DENTAL CLAIMS- 2015 (SELF FUNDED AS OF JANUARY 1, 2014)**

Date	Lives	Total Claims	Premiums	Delta/Hunt Admin	Reserves	Loss Ratio
Jan 15	1,162	\$ 32,007	\$ 49,859	\$ 3,204 \$ 1,945	\$12,703	75%
Feb 15	1,162	\$ 40,026	\$ 49,365	\$ 3,213 \$ 1,931	\$ 4,195	92%
Mar 15	1,171	\$ 47,356	\$ 50,054	\$ 3,224 \$ 1,959	(\$ 2,485)	105%
Apr 15	1,172	\$ 52,521	\$ 50,114	\$ 3,232 \$ 1,959	(\$ 7,598)	115%
May 15	1,176	\$ 40,119	\$ 50,359	\$ 3,260 \$ 1,972	(\$ 5,008)	90%
June 15	1,170	\$ 44,101	\$ 49,488	\$3,224 \$ 1,941	\$ 222	100%
July 15	1,173	\$ 44,713	\$ 50,239	\$ 3,240 \$ 1,961	\$ 325	99%
Aug 15	1,178	\$ 37,694	\$ 49,713	\$ 3,232 \$ 1,953	\$6,834	86%
Sept 15	1,179	\$ 47,543	\$ 50,323	\$ 3,268 \$1,976	(\$2,463)	105%
Oct 15	1,178	\$ 25,258	\$ 49,861	\$ 3,254 \$ 1,964	\$ 19,386	61%
Nov 15	1,174	\$ 37,578	\$ 49,976	\$ 3,246 \$ 1,962	\$ 7,190	86%
Dec 15	1,171	\$ 37,068	\$ 49,857	\$ 3,237 \$ 1,958	\$ 7,594	85%
TOTAL	14,066	\$ 485,984	\$ 599,208	\$ 38,834 \$ 23,480	\$ 50,910	91.5%
Average	\$ 40,499	\$ 40,499	\$ 49,934	\$ 3,236 \$ 1,957	\$4,243	

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%
TOTAL	5,374	\$ 38,406	\$ 26,042	\$4,276	78.94%

Tamara informed the Board on the 79% loss ratio for the vision plan and the likelihood of an increase for 2017. There was discussion regarding self-funding of the vision plan. Debbie reminded the Board that not everyone participates in the vision coverage and the need, if self-funded, for the vision plan to stand alone just as the dental. Tamara stated that she could shop the vision coverage for renewal. Debbie commented that both the vision coverage is with The Standard, the same insurer that provides the life coverage and is experiencing a loss on the life plan since inception.

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VISION INSURANCE - 2015

Date	Lives	Premium	Claims	Hunt Adm	Total Loss Ratio
Jan 15	865	\$ 6,038	\$ 3,726	\$ 672	72.84%
Feb 15	860	\$ 6,018	\$ 3,097	\$ 672	62.63%
Mar 15	871	\$ 6,142	\$ 3,456	\$ 683	67.39%
Apr 15	874	\$ 6,178	\$ 3,762	\$ 687	72.01%
May 15	873	\$ 6,162	\$ 4,443	\$ 690	83.30%
June 15	874	\$ 6,184	\$ 3,660	\$ 684	70.24%
July 15	878	\$ 6,202	\$ 4,923	\$ 691	90.53%
Aug 15	881	\$ 6,162	\$ 4,082	\$ 686	77.38%
Sep 15	880	\$ 6,215	\$ 4,858	\$ 698	89.40%
Oct 15	877	\$ 8,150	\$ 3,443	\$ 684	67.11%
Nov 15	875	\$ 6,164	(\$84)	\$ 686	9.76%
Dec 15	872	\$ 6,159	\$ 3,506	\$ 685	68.05%
TOTAL	10,480	\$ 73,773	\$42,872	\$8,218	69.25%

LIFE INSURANCE: 01/01/2016 – 06/31/2016

Earned Premiums	\$ 469,164
Paid Claims	215,000
Change in IBNR	1,353
Change in Reported Reserve	
Total Incurred Claims	216,353
Total Expense & Risk Charges	102,253
BALANCE	\$ 150,558

Darlene Landry commented on a situation in her office regarding an employee not enrolled in the life coverage. Tamara reminded the Trustees that even if an employee declines all coverages, if the parish pays 100%, the parish is required to enroll the active employee in the life coverage.

Tamara reminded the Board of the upcoming Benefit Solver Training Webinar on August 3rd at 2:00 pm and strongly encourages the use of Benefit Solver.

HEALTH SCREENINGS: Tamara presented a handout on two possible vendors, HealthFair and Prevention Health Screenings, for the health screenings. There was discussion regarding the differences in tests provided and available locations. There was a consensus that the screenings would be offered in the first quarter of 2017.

Tammy Foster moved that HealthFair be selected to provide the screenings in the first quarter of 2017. Motion was seconded by Johnny Crain, Jr. **MOTION CARRIED.**

There was discussion about the percentage of participation required and the possibility of a premium increase for those parishes who do not reach the percentage of participation.

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Lance Marino moved to include spouses enrolled in the plan for the screenings at no cost to the member. Motion was seconded by Tammy Foster. **MOTION CARRIED.**

WELLNESS PROGRAM (WHO – Wellness, Health, Outcome):

No report at this time.

STEWARDSHIP REPORT: Tamara presented the Stewardship Report on behalf of Hunt Insurance Group and reviewed the items for renewal in 2017. There was discussion on the items to shop for the 2017 renewal to include the reinsurance. Tamara will bring proposals on Lifelock (Identity Protection) and Disability coverage.

Tamara also reported to the Board that the Cadillac Tax with Health Care reform had been postponed.

ATTORNEY: Debbie reported that Attorney Sheri Morris had sent the request letter for a determination to the Department of Labor. Sheri received a response stating that the request had been received and assigned to a certain person. Sheri continues to try and contact that person for an update on the status.

Blue Cross Contract: Debbie commented that the finalization of this contract is dependent on the ERISA/MEWA issue.

Regulation 66: Debbie stated that LACCRMA is still on going with Regulation 66 and LCCIT will follow after LACCRMA has been completed.

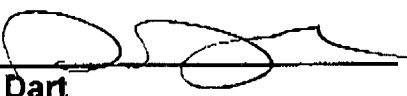
COMMENTS BY BOARD MEMBERS: None.

OTHER BUSINESS:

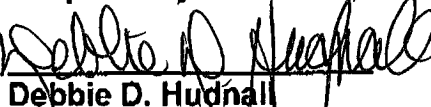
There being no further business, Mark Graffeo moved that the meeting be adjourned. Motion seconded by Robin Hooter. **MOTION CARRIED.**

Meeting adjourned.

APPROVED:


David Dart
President

Respectfully submitted,


Debbie D. Hudnall
Executive Director