

**APPROVED MINUTES
LOUISIANA CLERKS OF COURT INSURANCE TRUST
BOARD OF TRUSTEES CONFERENCE CALL
OCTOBER 14, 2014
10:00 AM**

A conference call of the Board of Trustees of the Louisiana Clerks of Court Insurance Trust was held on Tuesday, October 14, 2014.

The meeting was called to order by President Diane Meaux Broussard.

MEMBERS PRESENT:

President Diane Meaux Broussard	Holli Vining
Carl Broussard	Lanell Landry
Mark Graffeo	Steve Andrews (joined call at 10:50 am)
Tammy Foster	David Dart
Dot Lundin	Kay Bolding
Rick Arceneaux	

ALSO PRESENT:

Debbie Hudnall, Executive Director
Tamara Volkert, Hunt Insurance
Gretchen Coon, Hunt Insurance
Dagmar Hebert

COMMENTS BY CHAIRMAN

Diane Meaux Broussard thanked everyone for their attendance and participation on the call.

OATH OF OFFICE

Diane Meaux Broussard administered the oath of office to District 8 Member David Dart.

RENEWALS

Tamara began her presentation with a review of the current specific deductible of \$160,000 and the aggregate corridor of \$475,000. Based on Hunt's analysis of incidence and coverage for groups similar to LCCIT, the Trust could easily take on additional risk and exposure based on the current surplus.

Tamara then reviewed the Stop Loss alternatives and explained the composite rate versus the projected rates based on the 4 tiers (EE only, EE+spouse, EE+child(ren), Family). Two carriers offered proposals for re-insurance: Symetra, the current provider, and Highmark, an affiliate of Blue Cross Blue Shield.

Tamara provided a summary of the current plan year and reminded the Board that the actuarial analysis provided at the last meeting projected the Trust could sustain a passing rate for medical premiums.

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Tamara addressed the BCBS Admin Fee and the Trust Administration Fee for Hunt Insurance Group. Hunt has asked for a \$1.00 increase to their fee, which equates to approximately an additional \$1,000 per month.

She further explained that BCBS has proposed a reduction in their fee, if the Trust allows them to retain the RX rebates. Current RX rebates since September 2013, are approximately \$44,000. Tamara commented that BCBS fee reduction is a fixed cost reduction, where as, the RX rebates are difficult to track and harder to project because of variances in utilization and whether or not drugs come off patent or not. Debbie asked Tamara to explain the difference between the RX rebates from FYE 2013 vs. FYE 2012. Tamara explained that the Trust moved from Script Care to Express Scripts and that Script Care was sometimes a half year behind in paying out the RX rebates.

Tamara presented 6 different proposals including the re-insurance coverage through Symetra, Highmark and including the Trust Fee (Hunt Insurance) and the BCBS Fee as is or with the RX rebate reduction. There was discussion on each proposal. Mark asked if the Trust should take into consideration the relationship between Blue Cross Blue Shield and Highmark. Tamara commented that Hunt Insurance Group does not have experience with Highmark and how they pay claims. There was further discussion regarding the increase of the Stop Loss Deductible to \$170,000, maintaining the corridor at \$475,000.

A motion was made by David Dart to move forward with the proposal maintaining Symetra as the stop loss provider with an increase in the specific deductible to \$170,000, allowing BCBS to retain the RX Rebate and reduce their administration fee, and to further increase the Trust Administration Fee (Hunt Insurance Group) by \$1.00. Lanell Landry seconded the motion. **MOTION CARRIED.**

Tamara continued her presentation with an explanation of the Medicare Supplement and Part D Coverage for Retirees. The AARP Medicare Supplement underwritten by United Health Care is an individualized based plan, while the current Part D coverage through United Health Care is a group plan. The AARP Medicare Supplement will experience an increase between 1- 4%. Some of the retirees are losing a subsidy in 2015. Tamara commented that there are 80 retirees who will have a less than 1% increase, while 126 will have no increase at all. The Medicare Supplement are individual rates and there is no consistency across the group of retirees.

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Tamara presented proposals regarding the Part D Coverage. United Health Care has an increase of 4%, while the other quotes had reductions (HUMANA – (2%) and AETNA- (7%)). There was discussion regarding each proposed quote. AETNA cannot provide a rate guarantee or premium cap because of Federal regulations.

A motion was made by Tammy Foster to move the Retiree Part D RX coverage to AETNA with a 7% premium reduction. Lanell Landry seconded the motion. **MOTION CARRIED.**

Tamara further continued her presentation with the Dental Renewals. She commented that Morgan had updated the dental claims numbers from the last Board meeting to include the administration fee along with the premiums, so the Trust has built a surplus of approximately \$22,000. Delta has provided a projection of a 4% increase in premiums for the 2015 plan year. Debbie commented historically the last quarter of the year sees an increase in dental claims because individuals have met deductibles, etc. Mark Graffeo stated that he would like to see the self-funded dental program at least project to break-even.

Lanell Landry moved the dental premium be increased by 4% for the 2015 plan year. Holli Vining seconded the motion. **MOTION CARRIED.**

Standard Insurance Company has provided a passing rate on the life insurance for the last several years, even though they have experienced a loss based on the life claims. Standard has proposed an increase from \$0.29 per thousand to \$0.38 per thousand, with AD&D the same. Tamara went to the market and received quotes from \$0.44 to \$0.465 per thousand. The retiree supplemental life will increase from \$3.99 per thousand to \$4.75 per thousand affecting only 12 retirees.

Tammy Foster moved that the Trust maintain the life insurance through The Standard at the proposed increase to \$0.38 per thousand and the retiree increase in supplemental life. Mark Graffeo seconded the motion. **MOTION CARRIED.**

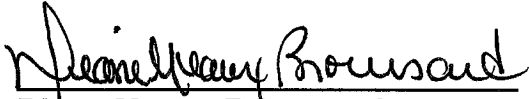
Tamara commented that the HealthFair screenings were still taking place and asked for feedback as to how the screenings were going. Those Clerks on the call commented that the screenings were going much better than the previous screenings and that the screening itself was more thorough. Tamara commented on the Board's decision that those parishes without 80% participation would receive a 5% premium increase. Lanell asked if further discussion regarding the matter be postponed until the October Board Meeting, so that HealthFair can provide their report on the screenings and participation based on each parish.

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There being no further business, a motion was made by Steve Andrews to adjourn the conference call. Mark Graffeo seconded the motion. **MOTION CARRIED.**

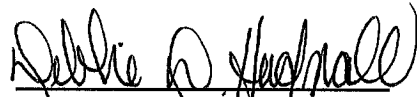
MEETING ADJOURNED.

APPROVED:



Diane Meaux Broussard
President

Respectfully submitted,



Debbie D. Hudnall
Executive Director