

APPROVED MINUTES

LOUISIANA CLERKS OF COURT INSURANCE TRUST BOARD OF TRUSTEES MEETING

MAY 23, 2012

9:00 AM

BATON ROUGE, LOUISIANA

A meeting of the Board of Trustees of the Louisiana Clerks of Court Insurance Trust was held on Wednesday, May 23, 2012, Baton Rouge, Louisiana.

The meeting was called to order by Chairman Tammy Foster who then asked Carol Jones to give the invocation. Steve Andrews then led the Pledge of Allegiance.

MEMBERS PRESENT:

Chairman Tammy Foster	Rick Arceneaux
Diane Meaux Broussard	Holli Vining
Jim Martin	Carol Jones
Darlene Landry	Steve Andrews
Vernon Rodrigue	Cliff Dressel
ALSO PRESENT:	Lanell Landry
Debbie Hudnall	Mark Graffeo
Tamara Tretter, Hunt Insurance	Guest – Carl Broussard

Tammy Foster administered the oath to Darlene Landry and Carol Jones.

APPROVAL OF MINUTES

Jim Martin moved to accept the minutes of the meeting of March 7, 2012, as presented. Motion seconded by Cliff Dressel. **Motion carried.**

COMMENTS BY PRESIDENT

Chairman Tammy Foster said she was pleased to be serving as Chairman and welcomed the new members to the Board: Darlene Landry, Rick Arceneaux, Carol Jones & Steve Andrews.

FINANCIALS: (Report on file in office) Treasurer Jim Martin presented the financial reports for Insurance operations fund for February, March, and April 2012.

Feb 2012-	Total Assets:	\$ 294,004.26
	Monthly Revenue	11,915.37
	Monthly Expenses	(8,230.01)
	Monthly Net Income	\$ 3,685.36
Mar 2012-	Total Assets:	\$ 296,342.82
	Monthly Revenue	8,778.00
	Monthly Expenses	(6,450.87)
	Monthly Net Income	\$ 2,338.56

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Apr 2012-	Total Assets:	\$ 298,935.33
	Monthly Revenue	8,754.21
	Monthly Expenses	<u>(6,161.70)</u>
	Monthly Net Income	\$ 2,592.51

Cliff Dressel moved that the Financial Statements be received. Motion seconded by Mark Graffeo. **Motion carried.**

ADMINISTRATORS' REPORT: (Report on file in office)

Financial Reports: Tamara Tretter gave the financial reports for the Insurance Trust for the period ending February and March 2012.

Feb 2012 Statement of Net Assets

Total Assets	\$2,268,868
Total Liabilities	<u>\$ 184,961</u>
Net Assets	\$ 2,142,277

Cash Analysis (as of Feb 2012)

Annual Funds Received	\$ 2,128,178
Annual Total Expenses	<u>\$ 2,037,787</u>
Cash Balance	\$ 1,353,009

Mar 2012 Statement of Net Assets

Total Assets	\$ 2,442,523
Total Liabilities	<u>\$ 302,518</u>
Net Assets	\$ 2,140,005

Cash Analysis (as of Mar 2012)

Annual Funds Received	\$ 3,262,869
Annual Total Expenses	<u>\$ 3,300,311</u>
Cash Balance	\$ 1,495,176

Investments: Tamara reported the market value of the investments as of March 31, 2012 was \$906,307. The investments have more than doubled since 2009.

She also related that in comparison at the end of fiscal year June 30, 2008 the fund had a negative \$222,702 in net assets and as of December 31, 2011, the fund had net assets of \$2,344,240.

CLAIMS EXPERIENCE: The claims experience for 2011 and 2012 are as follows:

CLAIMS EXPERIENCE - 2011

Month	Prescriptions	Medical	Monthly Totals	Aggregate
Jan 11	\$91,601	\$404,459	\$496,060	\$ 496,060
Feb 11	\$74,933	\$463,485	\$538,418	\$1,034,478
Mar 11	\$81,666	\$343,467	\$425,133	\$1,459,611
April 11	\$106,519	\$540,370	\$646,889	\$2,106,500
May 11	\$102,674	\$652,095	\$754,769	\$2,861,269
June 11	\$105,782	\$435,735	\$541,517	\$3,402,786
July 11	\$114,390	\$577,815	\$692,205	\$4,094,991
Aug 11	\$119,145	\$1,386,671	\$1,505,816	\$4,845,451
Sep 11	\$150,117	\$792,358	\$942,475	\$5,784,293
Oct 11	\$133,165	\$542,501	\$675,666	\$6,429,784
Nov 11	\$138,162	\$520,434	\$658,596	\$7,043,619
Dec 11	\$151,624	\$681,499	\$833,123	\$7,798,479

CLAIMS EXPERIENCE - 2012

Month	Prescriptions	Medical	Monthly Totals	Aggregate
Jan 12	\$92,748	\$754,194	\$846,942	\$ 846,942
Feb 12	\$92,412	\$650,802	\$743,214	\$1,590,156
Mar 12	\$101,070	\$586,552	\$687,622	\$2,277,778

Tamara reported that the average plan cost per employee for the first quarter was \$2,609.

Tamara explained the \$150,000 Specific attachment point and the \$10,039,153 Aggregate attachment point to the new Board members.

She reported that the claims are higher in 2012 than they were in 2011. In 2011, the first 4 months of 2011, the Inpatient Facility claims were \$496,074 compared to 2012 \$904,577. The claims for each of the first 4 months in 2012 have exceeded the first 4 months in 2011.

Tamara reported that we already have one member that has exceed the specific stop loss and has utilized a large portion of the additional corridor for 2012. Four other members have been added to the spec list for 2012.

She reported that the claims have been in a timely manner with no claims were processed more than 30 days old.

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Tamara informed the Board that Blue Cross Blue Shield would be taking over the claims payment from BMS in January which should be an advantage to the plan.

She reviewed the Stewardship Report reviewing the team at Hunt that works with the Insurance Trust along with the services they provide to the Trust.

DENTAL INSURANCE - Tamara reminded the Board that the Dental had been changed to Delta Dental in 2012 and that it seemed to be going very smoothly because they haven't been receiving many calls from members.

2011 Claims

Date	Lives	Premiums	Claims	Ratio
Jan 11	1,163	\$47,193.00	\$42,318.00	89.67%
Feb 11	1,167	47,272.00	38,930.00	82.35%
Mar 11	1,150	46,630.00	46,017.00	98.69%
Apr 11	1,150	46,569.00	34,769.00	74.66%
May 11	1,154	46,636.00	40,569.00	86.99%
June 11	1,154	46,724.00	44,867.00	96.03%
July 11	1,156	46,716.00	37,358.00	79.97%
Aug 11	1,152	46,568.00	47,410.00	101.81%
Sept 11	1,152	46,656.00	43,060.00	92.29%
Oct 11	1,153	46,574.00	37,508.00	80.53%
Nov 11	1,150	46,622.00	44,636.00	95.74%
Dec 11	1,152	46,669.00	39,339.00	84.29%
TOTAL	13,853	\$560,829.00	\$496,781.00	88.59%

DENTAL INSURANCE - 2012

Date	Lives	Premiums	Claims	Ratio
Jan 12	1,164	\$48,187.00	\$11,838.00	24.57%
Feb 12	1,159	47,797.00	33,593.00	70.28%
Mar 12	1,160	48,205.00	36,970.00	76.69%
Apr 12	1,158	48,054.00	33,392.00	69.49%
TOTAL	4,641	\$192,243.00	\$115,793.00	60.3%

DELTA DENTAL UTILIZATION (January – March 2012)

Paid Claims	Claims Paid	% of Claims Paid	Unique Claims	DDIC %
Delta Dental PPO	\$19,849.20	24.1%	150	43.3%
Delta Dental Premier	\$29,821.35	36.2%	186	36.6%
Non-Delta Dental	\$32,730.30	39.7%	270	20.1%
TOTALS	\$82,400.85		606	

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VISION INSURANCE - 2011

Date	Lives	Premium	Claims	Ratio
Jan 11	787	\$ 5,428.00	\$ 2,840.00	52.32%
Feb 11	792	5,462.00	2,612.00	47.82%
Mar 11	793	5,466.00	6,687.00	122.34%
April 11	795	5,480.00	9,905.00	180.75%
May 11	797	5,483.00	5,306.00	96.77%
June 11	800	5,509.00	3,258.00	59.14%
July 11	806	5,519.00	5,431.00	98.41%
Aug 11	804	5,505.00	7,580.00	137.69%
Sept 11	805	5,511.00	252.00	4.57%
Oct 11	807	5,545.00	4,986.00	89.92%
Nov 11	806	5,519.00	2,991.00	54.19%
Dec 11	806	5,522.00	4,483.00	81.18%
TOTAL	9,598	\$66,949.00	\$56,331.00	85.43%

VISION INSURANCE - 2012

Date	Lives	Premium	Claims	Ratio
Jan 12	838	\$ 5,463.00	\$ 1,930.00	35.33%
Feb 12	839	5,825.00	1,049.00	18.01%
Mar 12	834	5,789.00	4,197.00	72.50%
Apr 12	834	5,789.00	5,865.00	101.31%
TOTAL	3,345	\$22,866.00	\$13,041.00	56.79%

LIFE INSURANCE:

July 1, 2008 to March 31, 2012

Earned Premiums	\$ 2,476,279
Paid Claims	1,967,500
Change in IBNR	142,724
Change in Reported Reserve	63,000
Total Incurred Claims	2,173,224
Total Expense & Risk Charges	483,956
BALANCE	(\$180,901)

She said the Life insurance will be up for renewal in January and she is expecting increase in premiums because the claims have exceeded the premiums. She said if there was any wellness topic they would like for them to focus on they would be happy to do so.

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Tamara presented a new report which showed a comparison of prevention cost to treatment costs for 2011. The number of claims without wellness was 38,523 compared to 2,601 wellness claims. The total claims cost without wellness was \$8,373,449 and total wellness claims were \$248,709. She said if we could improve the number of wellness claims it could improve the other claims rate.

HEALTH ADVOCACY:

Tamara reported that out of 1,230 employees there were 288 interactions with the Health Advocacy. They cover Benefits Education, Claims Assistance, Fee Negotiation, Routine Care Locator, Specialty Care Locator and many other topics. She said that the biggest aid the members had received was on claims assistance. She reminded the Clerks to please utilize the service and to remind their employees. Health advocacy will also help with dental and vision.

Tamara reminded the Board that the renewal would be coming up and although it is early she said she wanted to provide enough information to the Board so they can make educated decisions on the renewals. She said she would like to have the Board's permission to go out to the market on any insurance in which there would be a premium increasing like the re-insurance, life insurance, vision and prescription drugs. She said that Scriptcare is a regional company and she feels that we might get better results from a national company. Cliff Dressel moved that Tamara be authorized to go out to other markets. Motion seconded by Mark Graffeo. **Motion carried.**

Tamara said Tammy had asked her to get some information on some cancer policies. She said that she went out to Allstate and she could go out to other carriers. Allstate provided a group policy for the Trust which would include voluntary accident, cancer policy and critical illness policy. She said bringing it under a group policy could be a tremendous cost savings. She also said that Hunt insurance could administer any Section 125 plans. It was suggested that you compare the Allstate plan to your current plans or send your plan to Tamara to compare for you.

Wellness Program:

Tamara said the Board had asked her to look into Wellness Programs. She said Blue Cross is looking into Biometric Screenings and that would be the most advantageous to the Clerks, but they are still in the process of working on it. She said there is another company that has Biometric Screening for \$125 per person and they will come to your place, but you have to have at least 25 participants at the location. The Blue Cross plan would be easier to manage because they could send you to a lab that is close by the members. Tamara said she would like to caution the Board that 2012 claims are already higher than usual and whenever you have a Wellness program, the claims usually go up because members are responding to the findings. Debbie reminded the Board that with 10 new clerks coming in office in July, she thought a Wellness program might be difficult this year.

REPORT OF THE EXECUTIVE DIRECTOR

Debbie reported that one of the struggling Clerks had to be terminated for non-payment, but they have now paid up to date and were re-instated.

SITE SELECTION COMMITTEE:

Tammy Foster reported that Tommy Sullivan, Chairman of the Site Selection Committee; Michelle Cunningham, Auditor; and Gary Curran, Actuary, provided information to the Retirement Board and Association Board on whether or not to proceed with the purchase and funding of a new building for the Association, Insurance and Retirement operations. The Retirement Board would like for all 3 Boards to be in agreement on the issue. She reminded the Board that the Insurance Trust had originally paid \$100,000 toward the current building. Tammy reported that the Retirement Board had passed a motion to buy the property in the name of the Retirement Fund and to build a new building that would be held by the Retirement Board subject to the approval of the Association Board & Insurance Board. She further informed them that the Association Board would be having a conference call on May 29th to make their final decision.

After further discussion, Jim Martin moved that the Insurance Trust report to the Association and Retirement Boards that they have reviewed the proposal and approve moving forward with the purchase of the land and with the construction of the building and agree to participate in the funding, to be determined by the Insurance Board. Further the Insurance Trust agrees that the building be in the name of the Retirement Fund and that the Purchase Agreement be assigned from the Association to the Retirement Board. Motion seconded by Rick Arceneaux. **Motion carried.** One nay vote – Diane Meaux Broussard.

OTHER BUSINESS: None

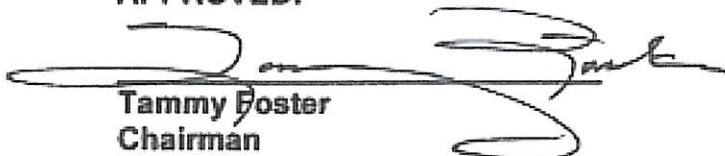
COMMENTS BY BOARD MEMBERS:

Carl Broussard stated that, although he was not a Board member, he wanted to personally thank the Board for the stand the Board took in reference to claims on behalf of one of his employees whose son was injured in an automobile accident. He said his employee asked that he personally thank the Board on her behalf.

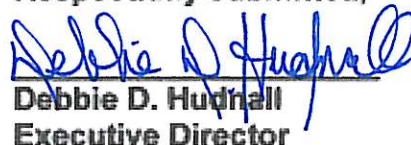
There being no further business, Cliff Dressel moved that the meeting be adjourned. Motion seconded by Steve Andrews. **Motion carried.**

Meeting adjourned.

APPROVED:


Tammy Foster
Chairman

Respectfully submitted,


Debbie D. Hudnall
Executive Director