

APPROVED BOARD MINUTES
LOUISIANA CLERKS OF COURT INSURANCE TRUST
BOARD OF TRUSTEES MEETING
MARCH 3, 2011
9:00 AM
VIDALIA, LOUISIANA

A meeting of the Board of Trustees of the Louisiana Clerks of Court Insurance Trust was held on Thursday, March 3, 2011, Vidalia, Louisiana.

The meeting was called to order by Chairman Louie Bernard who then asked Kay Bolding to give the invocation. ElRay Lemoine then led the Pledge of Allegiance.

MEMBERS PRESENT:

Chairman Louie Bernard
Mark Graffeo
Tammy Foster
Felicia Ann Hendl
Dot Lundin
Jim Martin

Kay Bolding
Carolyn Ryland
ElRay Lemoine
Charlie Jagneaux
Michael Thibodeaux

Also present:

Debbie Hudnall, Executive Director
Tamara Tretter with Willis Insurance Group
Suzanne Prowse with United Health Care
Darlene Landry
Greg Brown

APPROVAL OF MINUTES

Jim Martin moved to accept the minutes of the meetings of December 10, 2010 as presented. Motion seconded by Michael Thibodeaux. **Motion carried.**

COMMENTS BY PRESIDENT

President Bernard asked Michael Thibodeaux to give an update on Allen Blanchard. He reported that Allen is about the same, just sleeps a lot. He reported that Hospice is now assisting with Allen.

President Bernard reported that Robby Barousse had contacted him about meeting with representatives from BLP Plus who sell voluntary life insurance. He said he met with the gentlemen and explained to them that we are a group plan and the Board had chosen Standard as our life insurance carrier and didn't think the Board would endorse another company other than Standard at this time. He said he told them there would be nothing that would prohibit them from going to the individual offices. After discussion, Charlie Jagneaux moved that any insurance company that wants endorsement from the Board must first be presented through our consultants, Hunt Insurance. Motion was seconded by Jim Martin. **Motion carried.**

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FINANCIALS: (Report on file in office) Treasurer, Tammy Foster, presented the financial reports for Insurance operations fund for December 2010 and January 2011.

Dec. 2010-	Total Assets:	\$ 234,240.18
	Monthly Revenue	12,584.71
	Monthly Expenses	(5,975.31)
	Monthly Net Income	\$ 6,609.40

Jan. 2011-	Total Assets:	\$ 228,289.77
	Monthly Revenue	48.30
	Monthly Expenses	(5,998.71)
	Monthly Net Income	(\$ 5,950.41)

ADMINISTRATORS' REPORT: (Report on file in office)

Tamara introduced Suzanne Prowse, the National Director, with United Health Care that represents the retiree portion of our Health Care plan. She thanked the Board for selecting United Health Care beginning January 1st to cover the Medicare Supplement for the retirees. She said that she recognized that the implementation plan did not go as smoothly as it should have, and apologized on behalf of United Health Care. She said their goal, from United Health Care perspective is to offer our members comprehensive appropriate health care and to help manage the health care dollars. She informed the Board that she was there to show United Health Care's commitment to the Clerks' members. She reported that UHC touches one in five retirees in the United States and has over 2.8 million members in the same plan our members are a part of. Suzanne informed the Board that Michelle Carter, a dedicated account manager for the Clerks, will be attending the convention to answer any questions anyone may have. Tamara informed the Board that they had been receiving a lot of positive feed back from the retirees on UHC.

Financial Reports: Tamara Tretter gave the financial reports for the Insurance Trust for the period ending December 2010 and January 2011.

Dec. 2010 Statement of Net Assets

Total Assets	\$ 1,991,554
Total Liabilities	\$ 659,101
Net Assets	\$ 1,332,453

Cash Analysis (as of December 2010)

Annual Funds Received	\$ 11,726,413
Annual Total Expenses	\$ 12,359,277
Cash Balance	\$ 858,322

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Jan. 2011 Statement of Net Assets

Total Assets	\$ 2,523,666
Total Liabilities	\$ 1,147,497
Net Assets	\$ 1,376,169

Cash Analysis (as of January 2011)

Annual Funds Received	\$ 1,200,303
Annual Total Expenses	\$ 612,140
Cash Balance	\$ 1,446,213

Investments: Tamara reported the market value of the investments as of January 31, 2011 was \$710,263. Charlie Jagneaux asked if there was an investment policy and Tamara said that the Board had adopted an investment policy several years ago that she could furnish a copy.

Claims Experience

Month	Prescriptions	Medical	Monthly Total	Aggregate
Jan. 10	\$106,281	\$606,290	\$712,571	\$ 712,571
Feb. 10	\$ 84,748	\$485,634	\$570,382	\$1,282,953
Mar. 10	\$ 73,344	\$456,611	\$529,954	\$1,812,908
April 10	\$112,290	\$374,450	\$486,740	\$2,299,648
May 10	\$94,207	\$683,105	\$777,312	\$3,041,741
June 10	\$97,560	\$569,567	\$667,127	\$3,706,027
July 10	\$107,007	\$648,111	\$755,118	\$4,405,346
Aug 10	\$113,207	\$467,419	\$580,626	\$4,968,392
Sept 10	\$107,994	\$288,384	\$396,378	\$5,362,043
Oct 10	\$145,562	\$630,756	\$776,318	\$6,113,851
Nov 10	\$116,195	\$804,536	\$920,731	\$6,870,452
Dec 10	\$148,664	\$753,270	\$901,934	\$7,610,408
Jan. 11	\$91,601	\$404,459	\$496,060	\$496,060

Tamara reported that the aggregate for 2010 of \$7,553,311 was significantly below the aggregate attachment point of \$10,388,056. She also informed the Board there was a \$341,637 specific claims reimbursement pending from 2010. She also stated that the prescription rebates were lagging. She reminded the Board that beginning January 2011, the specific attachment point is \$150,000 and the aggregate attachment point for 2011 is \$9,610,556. In further looking at the claims, Tamara reported that from January 2009 to November 2010, the claims for Option 1 were about half of the amount of claims for Option 2 and the trend shows that the claims are rising at a higher rate for Option 2 than Option 1. She further pointed out to the Board over the same time period, claims for Option one had declined 1% and claims for Option 2 had increased by almost 23%. She

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said that at the 2012 renewal, the Board may want to consider reducing benefits for Option 2 or having a larger increase. Tamara informed the Board that there had only been 6 claims paid in over 30 days.

She further reported they had submitted claims to ERRP and they were expecting \$80,000 to \$100,000 back as of right now. It is anticipated that the Federal Government will allocate another \$2.6 billion dollars to ERRP in the next fiscal year.

Dental Insurance

Date	Lives	Premium	Claims	Ratio
Jan-10	1,147	\$ 44,134.08	\$ 33,520.14	75.95%
Feb-10	1,150	44,561.05	35,724.16	80.17%
Mar-10	1,155	45,187.88	43,914.15	97.18%
April - 2010	1,155	43,871.46	41,718.65	95.09%
May-10	1,155	43,686.88	42,572.37	97.45%
June-10	1,155	43,962.00	37,597.00	85.52%
July-10	1,159	43,987.00	41,584.00	94.54%
Aug-10	1,162	43,907.00	47,452.00	108.07%
Sept-10	1,159	43,873.00	40,250.00	91.74%
Oct-10	1,145	43,349.00	40,548.00	93.54%
Nov - 10	1,154	43,693.00	44,943.00	102.86%
Dec - 10	1,156	43,794.00	49,104.00	112.12%
TOTAL	13,852	\$528,006.35	\$498,927.47	94.52%
Jan. 11	1,939	53,165.00	45,489.00	85.56%

Life Insurance - No Report

Healthcare Reform: Tamara presented an update on Healthcare Reform as of February 21st.

Health Advocacy: Tamara stated that at the last Board meeting, Charlie Jagneaux asked if there was any type of information on which were the best healthcare facilities. She presented a Health Advocacy Solution provided by Standard Insurance Company that would help members navigate the healthcare system and to find appropriate places and providers for care. The Health Advocacy services are available 24 hours a day 365 days a year. The Advocacy Group would know and understand the Louisiana Clerks of Court Insurance plan and would be able to assist the member with their healthcare plan. The cost for this service is \$1.00 per employee per month. Debbie said the Board may want to consider allowing the administrative fund pay for that cost if they pursued the Health Advocacy program.

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Jim Martin moved that after Sheri Morris reviews the contract, that the Board enter into the contract with Standard on the Health Advocacy and that the cost be paid from the administrative fund. Motion was seconded by Mark Graffeo. **Motion carried.**

President Bernard asked if one of the Clerks had talked to her again about his employee that had failed to mark the dental box a couple of years ago and didn't realize until a year or so later that she did not have dental coverage. Tamara said the Board had discussed this matter before and the Clerk was told if he wanted to go back and pay the premiums for the entire time, that the employee would be able to join the dental plan. He said that he was not willing to pay the prior premiums. Tamara said that she recommended that for the 2012 plan year, that the Board have open enrollment for all products except for life. She said many people had approached them about making exceptions to allow someone to join a plan, and said you have to be very careful along those lines to be consistent. It was discussed that the Board would look at the possibility of going to open enrollment at the July meeting. Tamara said that she would like to have district meetings at renewal time in hopes of being able to meet with the employees and not just the Clerk or chief deputy.

Jim Martin stated there had been some concerns by some Clerks in regards to GASB 45 and their financial statements, so he asked Tamara if there was an expert at Hunt that might be able to speak on that issue. Tamara said she would get him a name or more information.

Louie said that he had always teased Tamara about the length of her presentations, but he commended her because they were always on target and precise and that she had truly put together a packet that gives insight to our insurance program that we haven't had before.

Report of Executive Director:

Debbie asked that Tamara report to the Board on the refunds to those retirees who had life insurance with Lincoln National. Tamara reported there were two retirees who maintained coverage when they retired with Lincoln National and that Lincoln's contract specifically said that when an employee retires, their coverage terminates. She said she didn't know if the Clerk had simply failed to tell Lincoln the employees had retired. One of the employees had retired in October, but one had retired in about 2006 and had been paying for coverage to which they were not entitled. Lincoln will only credit back one year of premiums. Tamara said that she had spoken to the employee and that she didn't know she didn't qualify to maintain the insurance. Tamara said that it was unfortunate, but there was nothing else that could be done.

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OTHER BUSINESS:

Insurance Legislative Committee: Mark reported that the committee had met in Lafayette and had invited all Clerks to attend to discuss the payment of Health Insurance benefits for retirees. He said there was good discussion and a number of items were placed on the table. Currently there are three different scenarios on how you may pay your retiree's insurance premiums: 1. you "may" pay your retiree's premium as if they were an employee; 2. one law for a group of Clerks is a "shall" bill that says if a retiree retires with a certain number of years, the Clerk shall pay 100% of premium; and 3. then another group says "shall" pay 100% if retiree is at least 55 years of age. It was the consensus that the Clerks with the law that says "may" will introduce legislation that says "may" pay if retiree has at least 12 years of service in a Clerk of court's office.

Tamara reported there was a Clerk whose spouse fell in her employer's office and thought it was just a minor injury and did not report it as an accident. Now she has to have surgery and they are hesitating to go back to the employer to have it covered by worker's compensation. She said now that they know it is work related claim, Hunt does not believe the Trust should pay for the surgery. She said they certainly wanted to make sure she gets the proper care, but also want to make sure that the proper claim is made with the employer. She said that Hunt is willing to assist them in contacting the employer and to give any guidance in filing the claim. Tamara said had this been an emergency procedure as if it had been in an automobile accident, then the Trust would have paid and then worked through the subrogation; however, this is planned surgery with time to file with the employer.

COMMENTS BY BOARD MEMBERS:

President Bernard expressed his genuine appreciation to the Board for the opportunity to serve as president over the past year. He recognized Carolyn Ryland and Kay Bolding who will be retiring.


Carolyn Ryland and Kay Bolding expressed their appreciation for the opportunity to serve on the Board and how much they both love the Clerks.

The Board members expressed their appreciation to Louie for his service as President and best wishes to Carolyn and Kay for their retirement.

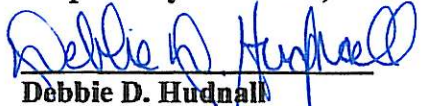
Motion was made by Dot Lundin to adjourn and seconded by Carolyn Ryland and Kay Bolding.

Meeting adjourned.

APPROVED:


Louie Bernard
Chairman

Respectfully submitted,


Debbie D. Hudnall
Executive Director