

Approved Board Minutes

**LOUISIANA CLERKS OF COURT INSURANCE TRUST
BOARD OF TRUSTEES MEETING
THURSDAY, MAY 6, 2010
9:00 AM
BATON ROUGE, LOUISIANA**

A meeting of the Board of Trustees of the Louisiana Clerks of Court Insurance Trust was held on Thursday, May 6, 2010, Baton Rouge, Louisiana.

The meeting was called to order by Chairman Louie Bernard who then asked Diane Broussard to give the invocation. Jim Martin then led the Pledge of Allegiance.

MEMBERS PRESENT:

Chairman Louie Bernard
Mark Graffeo
Tammy Foster
Felicia Ann Hendl
Dot Lundin
Diane Broussard
Jim Martin
Kay Bolding
Carolyn Ryland
ElRay Lemoine
Charlie Jagneaux
John J. Dahmer

Also present:

Debbie Hudnall, Executive Director
Tamara Tretter with Willis Insurance Group
Darlene Landry
Randy Zinna, Attorney

OATHS ADMINISTERED:

Chairman Louie Bernard administered the oath of office to Diane Broussard and John Dahmer.

APPROVAL OF MINUTES: Jim Martin moved to accept the minutes of the March 17, 2010 meeting as presented. Motion seconded by Dot Lundin. **Motion carried.**

COMMENTS BY PRESIDENT: Chairman Bernard thanked everyone for being present and welcomed the new Treasurer and the new Board members. He apologized that some of the new members may not have been notified of the webinar that was held in April because it had been scheduled and notices were sent out prior to new members taking office.

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FINANCIALS: (Report on file in office) Treasurer Tammy Foster presented the financial report for Insurance operations fund for March 2010.

Total Assets:	\$222,328.99
Monthly Revenue	50,964.29
Monthly Expenses	(6,619.25)
Monthly Net Income	\$ 44,344.44

Debbie pointed out there was a claims refund from FARA in the amount of \$39,428.72 that had been received in March. She also reported that the last payment to Jefferson Parish would be made in May. Motion was made by Carolyn Ryland to receive the financial report. Motion seconded by ElRay Lemoine. **Motion carried.**

AETNA: Beth Walsh, with Aetna joined the meeting by conference call. Beth reported that Aetna had been sanctioned by CMS for failing to timely notify members of the change in the formulary. They had identified only 16 members that had been impacted by the formulary change. Aetna contacted those members and helped them to obtain the prescriptions they needed and confirmed that those members would now be covered by the current formulary. She informed the Board that the Healthcare reform would be reducing subsidies for Medicare Advantage plans; however, Aetna would continue the Advantage plans regardless of the changes. The reform would also be instituting a star-rating program for insurance companies that continue to offer Medicare Advantage plans based on customer service plans. Beth reported there were currently no pending issues and they would be working on 2011 renewals and hoped to have them out by August.

ADMINISTRATORS' REPORT: (Report on file in office)

Financial Reports: Tamara Tretter gave the financial reports for the Insurance Trust for the period ending March 2010.

Statement of Net Assets

Total Assets	\$ 2,609,000
Total Liabilities	<u>\$ 1,704,812</u>
Net Assets	\$ 904,188

Cash Analysis

Annual Funds Received	\$ 3,246,319
Annual Total Expenses	\$ 2,745,927
Cash Balance	\$ 1,991,578

Investments: Tamara reported the market value of the investments as of March 31, 2010 was \$506,891.

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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	\$ 73,343	\$456,611	\$529,954	\$1,812,907

Tamara reported that for the Plan Period ending December 31, 2009, no one had reached the specific amount. The insured that was lasered at \$250,000 would probably reach the lasered amount because any claims that were incurred from July 2009 to December 2009, but paid through June 30, 2010, would still be applied toward the lasered amount. She reported that this was still a concern because BMS continues to pay some claims late. She reported that BMS had paid 201 claims in March that were more than 30 days old. Tamara said she had received several different excuses from BMS for the delay, but stated that they will continue to improve those numbers. She informed the Board there were no members that are potential specifics at this time for the new plan year. She reported the average cost paid per employee for the first quarter was \$2,177. Tamara informed the Board that a new federal law had just passed that would allow for some premiums to be paid for retirees between the age of 55 and 65 and she would be sending that information to Debbie. Hunt Insurance was commended for the detailed drill down into claims they perform in looking for cost saving issues.

Dental Insurance: Tamara gave the following report on the 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%
Total	3,452	\$133,883.01	\$113,145.45	84.43%

Life Insurance (7-1-09 to 2-28-10)

Earned Premiums	\$432,895
Total Incurred Claims	(153,397)
Total Expenses	(69,232)
Balance	\$210,266

Wellness Program: (Report on file in office) Tamara presented a proposed state-wide schedule for Health Yes to perform the health screening for the active members over age 40. Tamara reminded the Board that the screening could help save lives and reduce the cost of premiums. Jim Martin moved that any parish who does not have at least 80% of their eligible employees participate in the health screening, which would be paid for by the Insurance Trust, would be required to pay an additional 5% annual premium over and

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above the 2011 renewal premium rate. Motion seconded by Charlie Jagneaux. **Motion carried. John Dahmer abstained.**

Tamara said the screening schedule would have to be adjusted. Jim Martin asked that Tamara obtain information as to the type of screening and cost of the screening for retirees for the July meeting.

Quantum Health: (Report on file in office) Tamara presented a proposal from Quantum Health and gave a brief overview. President Bernard appointed a committee to review the proposal and to make a recommendation at the next Board meeting. The members of the committee are as follows: Chairman Jim Martin, Mark Graffeo, Dot Lundin and Charlie Jagneaux. Debbie will work with the committee.

COMMENTS BY ATTORNEY: Randy Zinna gave an update on the FARA litigation. He also gave an update on the Financial Disclosure reports.

REPORT OF EXECUTIVE DIRECTOR: Debbie reported that the Thomas Howell Ferguson firm had begun the audit for period of July 1, 2009 to December 31, 2010. She also reported on dates of the Board meetings for the rest of year and said they were also posted on the Clerks' website.


OTHER BUSINESS: President Bernard reported that the Retirement Board and the Association Board had both adopted a policy that in the event the Board was required to go into an Executive Session, that only the Board members and those that the Board may need to furnish information would be allowed to remain in the meeting. Motion was made by Felicia Hendl that the Insurance Board adopt the same policy. Motion was seconded by Charlie Jagneaux. **Motion carried.**

COMMENTS BY BOARD MEMBERS: There were none at this time.

Motion was made by Jim Martin to adjourn. Motion was seconded by Dot Lundin.

Meeting adjourned.

APPROVED:


Louie Bernard
Chairman

Respectfully submitted,


Debbie D. Hudnall
Executive Director