

LOUISIANA CLERKS OF COURT INSURANCE TRUST  
BOARD OF TRUSTEES MEETING  
MONDAY, APRIL 9, 2007  
LAKE CHARLES, LOUISIANA

President Cliff Dressel called the meeting to order at 2:00 P.M. Bill Hodge gave the invocation followed by the Pledge of Allegiance by Vernon Rodrigue.

**MEMBERS PRESENT:** President Cliff Dressel, Jim Martin, Mark Graffeo, Ed Kindler, Vernon Rodrigue, Diane Broussard, Pat Gladney, Bill Hodge, Lanell Landry, Ann Johnson, Bubbie Dupont and Bud Bergeron. Also present: Debbie Hudnall, Acting Director; Lloyd Campisi, Insurance Consultant; and Randy Zinna, Attorney. Guests present: Lynn Jones, Michael Thibodeaux, Allen Blanchard, and Dot Lundin.

**APPROVAL OF MINUTES:** Pat Gladney moved to accept the minutes of the previous meeting as written, motion seconded by Bubbie Dupont. **Motion carried.**

**COMMENTS BY PRESIDENT:** President Dressel thanked everyone for serving on the Board this past year. He related that the past year had been difficult and the Board had faced some tough decisions. He informed the Board they were facing another difficult year, but he stated he had confidence in the Board in doing what needed to be done. He wished the incoming President, Jim Martin, and his Board the best.

**FINANCIAL REPORTS: (Attachment 1)** Treasurer Mark Graffeo reported that as of February 28<sup>th</sup>, 2007, the fund had about \$342,000 in cash and \$287,000 in re-insurance receivables with total assets of \$638,247. He reported there was a positive net income for the year to date, but reminded the Board that was only because of the special assessment. He reported that claims had been greater than our premiums. He reported the operating fund had a net loss for the month of February, but a net income of \$13,461 for year to date.

**(Attachment 2)** Treasurer Graffeo discussed the Cash Flow Report showing total income and total expenses in a month to month comparison, reminding the Board there was net income only because of the special assessment. He reported there were still financial challenges. Motion by Bubbie Dupont to receive the report and seconded by Bill Hodge. **Motion carried.**

Louisiana Clerks of Court Insurance Trust  
Board of Trustees Meeting, April 9, 2007  
Page 2

**COMMENTS BY INSURANCE CONSULTANT: (Attachment 3)**

**( Full Report on file in office)** Mr. Campisi informed the Board that the Clerks are facing serious problems with the insurance program. He reported that Mr. Golemi was in Court today so he would be giving FARA's March report. He reported there were 576 single units and 513 employee and family units covered by the plan in March for a total of 1089 units. He reported medical claims were \$1,141,540 and prescriptions were \$135,092 for a total of \$1.276 million for the month. Of the \$1.276 million, the amount of claims over the specific amount was \$700,471. Lloyd briefly discussed the number of serious illnesses some of our members are experiencing. He informed the Board that over 50% of our people are using generic drugs which is a big help to the plan. He further reported that Mr. Golemi had convinced Zurich to give us a renewal, but with a huge increase. Zurich agreed to renew the contract increasing the single unit coverage for fixed costs from \$106.26 to \$184.65 and for family unit coverage from \$211.58 to \$384.10. We currently pay Zurich approximately \$169,111 per month and that would increase to \$302,249. Mr. Golemi also had re-insurance quotes from Pacific, Gerber, and Companion Life, although Lloyd felt these were not serious bids. He reported these bids were much cheaper, but they would laser some of the larger claims. Lloyd informed the Board that if we went to a \$2,500 deductible plan it would save about 5% and a \$3000 deductible plan, would save about 6%. There was much discussion as to different options. Jennifer Smith with FARA informed the Board they are installing a wellness program to try to help our insured. She stated the members would be able to take health risk test on the internet.

Jim Martin said that when he and Debbie had met with Mr. Campisi and Mr. Golemi, they suggested that we look at everything out there. There were 2 other companies present today to make presentations to the Board on what their companies could offer the clerks.

**HUNT INSURANCE GROUP: (Report on file in office.)** Brad Fariello spoke on behalf of the Hunt Insurance Group, who administers the Clerks' Risk Management Insurance. The Hunt Insurance Group is an affiliate of Hilb Rogal & Hobs who is a premier health and welfare consulting firm who is the 8<sup>th</sup> largest brokerage firm and the 10<sup>th</sup> largest insurance intermediary in the world with more than 50 offices throughout the United States. Their company provides comprehensive consulting advice and brokerage services to small business, middle market, and Fortune 100 clients. He informed the Board that their proactive philosophy sets them apart from their competitors and provides their clients with efficient, innovative and cost effective approach to employee benefit

Louisiana Clerks of Court Insurance Trust  
Board of Trustees Meeting, April 9, 2007  
Page 3

planning. He reported that their preliminary report indicated a lot of area of opportunity with some very viable savings. He felt this could be accomplished by looking at some major networks that would afford deeper discounts. Additionally, he informed the Board that their company paid royalties to their clients which provided non-dues revenues for their associations.

COBBS, ALLEN & HALL: **(Report on file in office)** Kenny Knotts and Kristy Flemming reported that their company had been serving the needs of their community since 1887. They informed the Board that their Benefit Division prides itself in being well-informed on the latest in managed care, state and federal mandates and has the ability to design and implement a benefit package which is cost-effective and fulfills the needs of your valued employees. They recommended first step to evaluate the current catastrophic illnesses on our coverage. After review, the might would recommend lasering specific individuals which could avoid raising reinsurance cost for the entire group. They would recommend offering a dual option plan with a significant variation of benefit designs and employee premium contributions. They feel it is very important to motivate employees to become educated and effective healthcare consumers. They would conduct enrollment meetings to educate the employees on the insurance market trends and their healthcare benefits. They would analyze current PPO contract to identify any potential unrealized discounts and review strength of provider network and analyze Retiree Prescription Drug Subsidy program.

After much discussion, Mark Graffeo moved that the Insurance Trust hire the Hunt Insurance Group as consultants. The motion was seconded by Pat Gladney. Upon a roll call vote: **Motion Failed.**

Jim Martin moved that Lloyd Campisi proceed with preparing bid packets and going out for bid. Motion seconded by Edmond Kindler. **Motion Carried.**

Louisiana Clerks of Court Insurance Trust  
Board of Trustees Meeting, April 9, 2007  
Page 4

OTHER BUSINESS: **(Attachment 4)** Pat Gladney moved that the proposed amendments to the Insurance Trust be adopted and seconded by Jim. Martin.  
**Motion carried.**

Bubbie Dupont moved to adjourn, motion seconded by Lanell Landry.

Respectfully Submitted:

---

Debbie D. Hudnall  
Acting Director