

**MISSOURI DEPARTMENT OF TRANSPORTATION AND
MISSOURI STATE HIGHWAY PATROL
MEDICAL AND LIFE INSURANCE PLAN**

**MINUTES OF THE BOARD OF TRUSTEES' MEETING
OPEN SESSION
February 28, 2018**

MEMBERS PRESENT: Mr. Jeff Padgett, Chairman
Capt. James Remillard, Vice Chairman
Mr. Roger Schwartz, MoDOT Retired Member
Ms. Javal Burton, MoDOT Member
Ms. Holly Haarmann, MSHP Member
Mr. Richard Coffey, MSHP Retired Member
Mr. Ben Reeser, Secretary-Treasurer

MEMBERS ABSENT: Mr. Steve Campbell, MoDOT Member

STAFF PRESENT: Ms. Danielle Eldred, Chief Counsel Staff
Ms. Ashley Halford, Employee Benefits Staff
Ms. Brook Luecke- Employee Benefits Staff
Mr. Brandon Denkler- Employee Benefits Staff

GUESTS PRESENT: Ms. Tara Keeven, IPC/Evergreen Rx
Ms. Charie Babcock, MedImpact Staff
Ms. Megan Buchinger, MedImpact Staff
Mr. Andy Witte, AON Hewitt Staff
Ms. Colleen Huber, AON Hewitt Staff
Ms. Lindsey Niemeier, AON Hewitt Staff

OPEN SESSION

The meeting was called to order at 7:59 a.m.

Consideration of Consent Agenda Items– (It is the understanding of the Board for those items to be reviewed before the Board Meeting and will only be discussed if necessary) Consent Agenda items were as follows:

Approve Minutes from January 31, 2018 Board Meeting
Financial Statement – January 2018
Central Bank Investment Report- December 2018
2018 Year-to-Date Medical and Life Insurance Plan – Profit/Loss Report
Medical Plan Fund Account Balance-thru January 2018
Claims and Contributions Report-thru January 2018

Aetna Utilization Reports- January 2018

- Executive Summary
- Impact of Medical Catastrophic Claimant Experience & Provider Network Experience
- Provider Services Profile by Paid Amount

Mr. Schwartze motioned to approve the Consent Agenda items with amended changes to the consent items. Mr. Reeser seconded; motion carried.

Aetna Claims Summary (2016/2017) – Mr. Padgett reported Plan medical claim payouts have increased 16% when compared to 2017 through the first month of the 2018 calendar year.

MoDOT/MSHP Prescription Drug Paid Claims Monthly Comparison (2016/2017) -

Mr. Padgett reported Plan prescription claims costs have increased 13% when compared to 2017 through the first month of the 2018 calendar year.

Update of Life Insurance Audit- Ms. Halford updated the Board on the life insurance audit. The audit came back successful. We did determine there were three members whose life insurance coverage amount did not decrease to \$60,000 at age 62. Those member's were corrected and refunded premium overpayments.

AON Hewitt 2017 Annual Evaluation Mr. Padgett welcomed AON Hewitt staff to the Board meeting.

Semiannual Review- Ms. Huber presented to the Board the key findings for calendar year ending December 31, 2017. The recommended IBNR is \$13.2 million, which is an decrease of \$3.2 million when compared to CY 2016. The ultimate incurred claim liability for CY 2017 has increased 0.7% per employee over CY 2016. Paid medical claims for CY2017 increased 11.7% PEPM, while paid prescription drug claims decreased 2.1% PEPM over CY2016.

GASB Accounting- Mr. Witte presented to the Board the Post-Retirement Medical Benefit GASB Accounting report. Government entities offering subsidized postretirement medical benefits are required to accrue for these benefits during the working careers of participants. The goal is to fully account for these employment related costs (benefits earned during the career) by

retirement. The total OPEB liability for the Plan is \$1.2B.

MedImpact 4th Quarter Update- Ms. Babcock and Ms. Buchringer reviewed the 4th quarter report package with the Board. Fourth quarter 2017 vs fourth quarter 2016 showed a decrease in the number of claims, but an increase in the total claim cost. Though our numbers are up, we stack up extremely well against the benchmarks. The Board asked if the specialty direct program has been reviewed recently. It was reviewed in August, and still showed a very minimal savings.

Other Business- None.

Capt. Remillard motioned to adjourn at 11:48 a.m. Mr. Reeser seconded; motion carried.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "Ben Reeser".

Mr. Ben Reeser, Secretary-Treasurer

Medical and Life Insurance Board of Trustees