

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

**MINUTES OF THE BOARD OF TRUSTEES' MEETING
OPEN SESSION
June 27, 2018**

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

MEMBERS ABSENT:

STAFF PRESENT: Ms. Melinda Grace-Beasley, Chief Counsel Staff
Ms. Ashley Halford, Employee Benefits Staff
Ms. Brook Luecke, Employee Benefits Staff
Mr. Brandon, Denkler, Employee Benefits Staff

GUESTS PRESENT: Ms. Coleen Huber, AON Hewitt
Mr. Rob Kauffman, AON Hewitt
Mr. Brent Hunter, Aetna
Mr. Steve Moss, Aetna
Ms. Lynda Bott, Aetna
Ms. Robin Gammon, Aetna
Ms. Krisinda Chadwell, Aetna
Dr. Todd Arends, Aetna

OPEN SESSION

The meeting was called to order at 8:01 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 May 30, 2018 Board Meeting
Financial Statement –May 2018
Central Bank Investment Report- May 2018
2018 Year-to-Date Medical and Life Insurance Plan – Profit/Loss Report
Medical Plan Fund Account Balance-thru May 2018

Claims and Contributions Report-thru May 2018

Aetna Utilization Reports- May 2018

- Dashboard Summary
- 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. Mr. Remillard seconded; motion carried.

Aetna Claims Summary (2017/2018) – Mr. Padgett reported Plan medical claim payouts have increased 7.5% when compared to 2017 through the fifth month of the 2018 calendar year.

MoDOT/MSHP Prescription Drug Paid Claims Monthly Comparison (2017/2018) -

Mr. Padgett reported Plan prescription claims costs have increased 6.8% when compared to 2017 through the fifth month of the 2018 calendar year.

AON Hewitt Annual Report- Mr. Padgett welcomed AON staff to the meeting.

Semi-Annual Actuarial Evaluation – Ms. Huber presented financial data and projections used to determine related cost and contributions for the Plan. She reported Year to Date 2018 income was more than expenses by \$1.5 million, which has increased Retained Earnings to \$15.1 million. The ultimate incurred claim liability for FY2018 is estimated to be \$127.5 million; this is a 4.1% increase over FY2017's \$122.5 million.

Ms. Huber provided contribution and plan design changes for consideration to assist the Board in deciding an appropriate contribution level for Calendar Year 2019. Scenario one proposes a premium increase of 0% for actives, Medicare retirees and Non-Medicare retirees. Scenario two proposes an increase of 2% for actives, Medicare retirees and Non-Medicare retirees. Mr. Schwartze motioned to approve scenario 2 with a 2% increase in the PPO plan for actives, Medicare retirees and Non-Medicare retirees for calendar year 2019 with no benefit plan changes. Mr. Remillard seconded; motioned carried.

Aetna Quarterly Update- Mr. Padgett welcomed Aetna staff to the meeting.

1st Quarter Update- Ms. Bott and Mr. Moss presented the 1st Quarter Update. Mr. Moss reported a 19.9% increase in claim cost for 2018. This increase is largely due to high dollar claims. There were 11 large claims over \$150,000 that equaled \$3.3 million. Of those 11 claims five of the claimants have termed from the Plan.

Other Business-

Consideration of Plan Offerings- discussed in Closed Session.

Mr. Remillard motioned to adjourn at 11:42 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