



**MEETING OF THE HEALTH BENEFITS COMMITTEE OF THE RETIREMENT BOARD
OF THE COUNTY EMPLOYEES' AND OFFICERS' ANNUITY AND BENEFIT FUND
OF COOK COUNTY AND EX OFFICIO FOR THE FOREST PRESERVE DISTRICT
EMPLOYEES' ANNUITY AND BENEFIT FUND OF COOK COUNTY
33 N Dearborn St, Suite 1000
Chicago, Illinois 60602**

Minutes for the May 25, 2017 Meeting

The County Employees' and Officers' Annuity and Benefit Fund of Cook County and the Forest Preserve District Employees' Annuity and Benefit Fund of Cook County Fund are herein collectively referred to as the "Fund." **All committee recommendations are preliminary in nature; as such, they are subject to review and approval by the full Retirement Board.**

Call to Order and Roll Call.

Trustee Committee Members Present: John Fitzgerald (Chair), Patrick McFadden, Diahann Goode, Robert DeGraff, Andrew Jatico and Bill Kouruklis

Non-Committee Trustees Present: None

Staff Present: Nickol Hackett, Executive Director & CIO; Rachelle
Others Present: Howliet, Senior Health Benefits Specialist; Tonya Jackson
Health Benefits Team Member: CVS/Caremark
Sean Donovan, Jim Hogan and Kathy Georges; Retiree
Stanley Kusper and Lydia Kusper

Public Comment.

Trustee Fitzgerald asked if anyone would like to address the Committee. Stanley Kusper, a Cook County Retiree addresses the committee to comment. United Healthcare has not paid his family late submission claims and he will consider pursuing legal action if not addressed. Mr. Kusper asks the board to consider his unpaid claims for processing. Chairman Fitzgerald recommended fund staff review his claims and findings supporting why claims are unpaid.

Review and Consideration of April 20, 2017 Health Benefits Committee Meeting Minutes

It was moved by Trustee McFadden, and seconded by Trustee DeGraff to approve the April 20, 2017 minutes.

Prescription Benefit Review

Jim Hogan of CVS/Caremark presented a review of 2016 prescription plan performance. The summary of plan performance included a gross trend increase of 6.5% for Medicare members and 1.5% for Non-Medicare members after rebates. Net cost after rebates was \$27M Medicare members and \$8M Non-Medicare members.

Mr. Hogan stated the Fund increasing costs were attributes to the following factors.

- Non-specialty brand inflation (managed via formulary)
- Specialty inflation (managed via specialty formulary)
- Utilization increase (positive trend: adherence improvement)

The fund's trends were mitigated by Plan Design, Contract price improvements, Drug Savings Review, Prior Authorizations, Specialty Guideline Management and Generic dispensing rate increase. Medications contributing most to the Fund's trend were Antineoplastics, Antidiabetics and Cardiovascular Agents.

Lastly, Mr. Hogan iterated that key market trends expected for the remainder of 2017 and into 2018.

- Price inflation (managed via rebates and formulary)
- Specialty biosimilar and generic options (managed through Specialty Guideline Management and specialty formulary)
- Transform Diabetes Care

Trustee McFadden requested additional information to why the plans oncology rate is higher than book of business.

Adjournment

Trustee Jatico motioned that the meeting be adjourned and it was seconded by Trustee DeGraff.