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

70 West Madison Street. Suite 1925
Chicago, Illinois 60602
9:30 a.m.

Minutes for the July 16, 2026. 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 Health Benefit Committee ("HBC" or "Committee") recommendations are preliminary in nature and subject to review and approval by the full Retirement Board.

Call to Order and Roll Call:

Trustees Present:	Samuel Richardson, Jr. (Chair), Lakeisha Marvel, Patrick McFadden, Thomas Monahan, Tracy Reed
Staff Present:	Brent Lewandowski, Executive Director; Saron Tegegne, Deputy Executive Director; Rosemary Ihejirika, Benefits Manager; Margaret Fahrenbach, Legal Advisor; Alexis Horton, Health and Benefits Counselor
Others Present:	Mary Pat Burns, Burke Burns & Pinelli, Ltd.; Dan Levin, Segal Consulting; Anthony Kiefer, Segal Consulting; Michael Heck, CVS Caremark; James Hogan, CVS Caremark

Chairman Richardson asked if anyone present would like to address the Committee. There being no public comment, the meeting continued.

1. Review and Consideration of Approval of October 2, 2025, Health Benefits Committee Meeting Minutes

   It was moved by Trustee Reed and seconded by Trustee Marvel that the presented minutes of the Health Benefits Committee meeting on October 2, 2025, be adopted.

Vote Result: MOTION ADOPTED BY VOICE VOTE

2. UnitedHealthcare 2025 Medical Plan Performance Review

The representatives from Segal Consulting presented the Medical Plan Performance Review prepared by UnitedHealthcare ("UHC") for 2025. The number of members participating in the Retiree Health Plan ("Plan") decreased from 11,913 in 2024 to 11,604 in 2025. It was reported that 31.7% of the adult members have diabetes and account for 42.4% of the Plan's medical spend. Claims for catastrophic cases, i.e. members who have claims in excess of $100,000, increased due to higher average costs per claimant. Claims related to circulatory systems, cancers and musculoskeletal treatments remain the top drivers of the Plan's costs. Visits to emergency rooms increased. It was estimated that approximately 30% of these visits could have been redirected. UHC has provided outreach to members to enroll them in programs to manage their medical conditions that have reduced the Plan's costs.

3. CVS 2025 Pharmacy Benefit Plan Performance Review

a. Medicare

CVS representatives presented a summary of the Medicare Prescription Drug Plan Administered through Silver Script from January 1, 2025, through December 31, 2025. The gross cost in the prescription drug benefit for Medicare enrollees was $82.3 million which was an increase of 12.5% over the prior year. The gross cost was reduced by the Fund's share of rebates, members' premiums, copays, EGWP offsets and subsidies. The total cost to the Fund was $13.9 million, which was a 13.9% increase over the prior year. It was reported that the members were utilizing their prescriptions and avoiding more serious health problems. Prescriptions for anticoagulants and antidiabetics comprised the largest net cost to the Plan. The review also summarized the classes of drugs most utilized by members and identified the top 25 drugs utilized and their therapeutic classes.

The Plan covers the use of GLP-1 drugs for the treatment of diabetes and for weight-loss. Medicare's "Bridge Program" will allow access to GLP-1 drugs for weight loss, but members will only obtain this benefit outside the Fund's Plan. The Fund will need to notify members about how they can obtain that benefit.

b. Non-Medicare

CVS representatives provided a summary of the Non-Medicare Prescription Drug Plan or commercial plan that they administer for the Fund's members The gross cost in the prescription drug benefit for the non-Medicare benefit was $15.8 million, which was a 6.7% decrease over the prior year. After deductions for member premiums, co-pays and rebates, the net cost was $8.5 million, which was a decrease of 11.5% over the previous year. It was noted that the number of enrollees decreased by about 10.6%. CVS provided a summary of the costs for therapeutic drugs and specialty drugs by class. They also presented the top twenty-five drugs by gross cost to illustrate the utilization of the Plan's benefits.

4. Segal

a. 2025 Actual Health Plan Expenses v. Budget Projections

Segal summarized the expenses that were projected for the Plan in 2025 and compared them to the actual experience. Segal had projected that the Plan's expenses in 2025 would be $99.7 million, but the actual expenses were $95.3 million largely due to the decrease in the number of participants. The expenses were summarized for both Medicare and Non-Medicare enrollees.

b. 2027 Preliminary Gross Cost Increases for Both Medical and Pharmacy Benefits

Segal presented preliminary projections for the 2027 rates for the Plan. The rates were based upon claims experience through January 31, 2026. It was expected that the rates for Medicare enrollees would increase by 3.8% and the rates for Non-Medicare enrollees would increase by 8.4%. These increases were consistent with annual industry projection trends. Updated rates would be provided and discussed in more detail at the Committee meeting planned for August or September.

c. Consideration of Potential Plan Design Changes

Segal proposed that if the co-pays and 'out of pocket' expenses were raised, the increased costs would be shifted to the members. The Fund might also want to consider reducing the UHC Network for non-Medicare participants. Segal will reach out to CVS to determine the impact if co-pays were increased in most categories and if there were a $10 increase for non-preferred prescriptions. The Fund might also consider excluding coverage of GLP-1 prescriptions for weight loss. It was also discussed whether the Medicare members should receive a higher subsidy because they pay for Medicare Part B coverage.

5. Old Business/New Business

The trustees discussed their concerns about the high cost of health benefits especially for those members who received more modest annuities from the Fund which especially impacted Forest Preserve Fund annuitants. The Board might evaluate whether those members should receive a higher subsidy for health benefits.

6. Adjournment

It was moved by Trustee Marvel and seconded by Trustee McFadden that the Health Benefits Committee meeting be adjourned.

Vote Result: MOTION ADOPTED BY VOICE VOTE