



**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 July 20, 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 and 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; Robert De Graff; Andrew Jatico and Bill Kouruklis.

Non-Committee Trustees Present: Joseph Nevius

Staff Present: Nickol Hackett, Executive Director & CIO; Jane Hawes, Senior Manager of Health Benefits; Rachelle Howliet, Senior Health Benefits Specialist; Tonya Jackson, Health Benefits Specialist; Margaret Farenbach, Legal Advisor.

Others Present: Christopher Heppner and Jessica Streit, Segal Consulting.

Review and Consideration of May 25, 2017 Health Benefits Committee Meeting Minutes

Trustee McFadden moved to approve the May 25, 2017 minutes, Trustee DeGraff seconded the motion.

Administrative Report

- Jane Hawes introduced herself as the new Senior Manager of Health Benefits and gave a brief overview of her background and experience.
- Rachelle Howliet presented a report on CVS oncology drug utilization which showed increased costs due to new drugs coming to market. Trustee Fitzgerald asked how Medicare Part B coverage for certain oncology drugs will impact costs in 2017. Chris Heppner of Segal explained that Medicare Part B will pick up 80% of the cost of certain drugs if administered in

long term care or home infusion pharmacy settings. Trustee McFadden asked for the oncology drug utilization report to be split into Medicare and non-Medicare members.

- The renewal for dental PPO and HMO plans offered to members by Guardian was discussed. Trustees Kouruklis and McFadden asked for the Fund to test the market to determine if Guardian's rates and benefits are competitive. Questions were raised about the necessity of using a broker; Chris Heppner of Segal stated the Fund may be able to work directly with dental carriers without a broker arrangement and he introduced the idea of doing a Request For Information (RFI). Trustee Fitzgerald suggested the Fund solicit bids for voluntary dental plans with the view of implementation in 2019.
- Ms. Howliet reviewed plans for Benefits Open Enrollment November 1 through November 30, 2017. Benefits Fairs will be held in three locations and will focus on educating members about their benefits.

Segal Financial Experience Report through Q2, 2017; Impact of Prior Changes and Preliminary Review of 2018 Plan Design Changes

Segal reported that hearing aid costs are down 29.7% from prior year due to members exhausting their \$2,500 per ear lifetime limit. Trustee Fitzgerald asked Segal to compare the Fund's hearing aid benefit to other plans with similar coverage. Trustee McFadden asked the Benefit Staff to educate members about UHC in-network hearing aid providers.

Emergency room (ER) and urgent care facility cost and utilization experience for the past two years was presented. Ms. Hawes noted that members may pay less for an ER visit because a deductible applies to urgent care visits. Trustee Fitzgerald asked Segal to model the cost impact of changing the urgent care facility coinsurance to a flat copay and/or waiving the deductible as part of the rates review in August. Trustee McFadden noted the UHC network does not include many urgent care providers in this area. Trustee Fitzgerald asked Segal to also model the cost impact of giving members in-network benefits for out-of-network urgent care utilization.

Preliminary prescription drug expenses through June 30, 2017 were reviewed by Segal and general observations were made. Trustee Fitzgerald inquired whether the Silver Script program is performing in line with expectations set during the 2016 RFP process. Segal reported that claims paid, EGWP subsidies and rebates were on track to meet projections made for 2017 plan expenses. Trustee Fitzgerald directed the Benefits Staff to follow-up with information about how subsidies and rebates are being paid, what frequency they are received by the Fund, and to confirm the savings from reduced copays are being shared equally by the Fund and members. Segal recommended the Fund consider an audit of the 2017 EGWP savings next year.

Review of Plan Document Modifications

Updates to the Group Health Benefits Handbook for the fall Open Enrollment were presented by Ms. Hawes and the Committee agreed that further revisions would be considered in 2018.

Adjournment

Trustee Jatiko made a motion to adjourn the meeting, Trustee DeGraff seconded the motion.