



**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, St, Suite 1925  
Chicago, Illinois 60602**

**Minutes for the April 12, 2018 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      John Fitzgerald (Chair); Patrick McFadden;  
Present:                                Diahann Goode; Robert DeGraff; Dennis White.

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.

Others Present:                      Scott Behnke; Craig Bartholomew; Derek Blin;  
Michelle Gromada and Tricia Len, M.D.,  
UnitedHealthcare

Daniel Levin and Dorothy Stawiarski, Segal Consulting.

**Public Comment:** Chairman Fitzgerald asked if anyone present would like to address the Committee. There being no public comment, the meeting continued.

**Review and Consideration of March 13, 2018 Health Benefits Committee Meeting Minutes**

Trustee DeGraff moved to approve the March 13, 2018 minutes, Trustee McFadden seconded the motion. The motion was approved.

**UnitedHealthcare Medical Plan Performance**

Scott Behnke presented an overview of the Fund's medical plan demographics, financial performance metrics and utilization statistics. Mr. Behnke reported an 8% increase in net paid per

member per month expense over last year with circulatory related conditions the leading cost driver and back surgeries increasing. Management of diabetes by providers remains low, however, Fund members' participation in the diabetes disease management program is higher than UHC's book of business. Mr. Behnke presented data showing increased use of urgent care facilities and a concurrent decrease in emergency room visits following a communications campaign promoting urgent care facilities. Mr. Behnke also presented cost and utilization data that showed Medicare exempt members have the highest medical spend.

### **UnitedHealthcare Medical Plan Performance Guarantees**

Mr. Behnek reviewed the performance guarantee results. He reported that all performance guarantee criteria have been met and as a result, no financial penalties are due to the Fund. Dan Levin added that Segal Consulting's analysis of UHC's performance metrics confirms the guarantees have been met.

### **Segal 2017 Health Plan Budget to Actual Report**

Dan Levin compared Segal's projections (made in 2016) to the Fund's actual medical and pharmacy claims expenses for 2017. Mr. Levin noted projected expenses for 2017 were based on experience from July 2013 through June 2016 adjusted to reflect savings from the transition to the EGWP effective January 1, 2017. Mr. Levin explained that although Segal's projections for medical claims were \$5,444,965 lower than experience, projections for pharmacy claims costs were higher than actual experience which resulted in a per retiree per month difference of \$1.27 or 0.1% change.

### **Review and Consideration of Voluntary Dental Plan Renewal**

Jane Hawes reviewed the status of the dental renewal and reported that Segal had been instructed to halt work on the RFI to give Guardian (the incumbent) an opportunity to offer renewal rates. Ms. Hawes shared Guardian's proposal: either a rate reduction of 8% for a one year term or a rate reduction of 5% for a two year term in consideration for help marketing the dental plan to eligible Fund members. Trustee McFadden made a motion to authorize Ms. Hawes to negotiate a revised rate proposal with Guardian for a two year term. Trustee DeGraff seconded the motion and the motion was approved.

### **Coverage Options for Medicare Exempt Members**

Jane Hawes reported that, as requested by the Health Benefits Committee, the Fund's external legal counsel has been asked for their thoughts on Segal's proposal to subsidize Medicare exempt member's enrollment in Medicare. Ms. Hawes stated that external counsel is reviewing the question relative to benefit structure and enhancement. Following a discussion of coverage options for members ineligible for free Medicare Part A, the HBC asked for further analysis of the legal, economic and administrative impact of subsidizing the Medicare exempt members.

### **Blue Cross Blue Shield Billing Audit**

Jane Hawes reported that legal counsel sent a letter to BCBSIL requesting source documents to verify amounts BCBSIL claims are owed by the Fund.

**Adjournment:** Trustee McFadden made a motion to adjourn, Trustee Goode seconded the motion. The motion was approved.