

TEACHERS' RETIREMENT SYSTEM OF THE STATE OF KENTUCKY
SPECIAL MEETING OF THE INSURANCE COMMITTEE
SEPTEMBER 19, 2016

Minutes of Meeting:

After giving proper notice of a special meeting, and a quorum being present, Chair Charles Harman called the TRS Insurance Committee to order at 11 a.m. on Monday, September 19, 2016, in the Boardroom of the Teachers' Retirement System Office, 479 Versailles Road, Frankfort, Kentucky.

Members present:

Charles Harman, Chair
Arthur Green, Vice Chair
Josh Underwood

Others present:

Allison Ball, Ex-officio Trustee (arrived at 11:30)
Gary L. Harbin, Teachers' Retirement System of Kentucky
Robert Barnes, Teachers' Retirement System of Kentucky
Eric Wampler, Teachers' Retirement System of Kentucky
Greg Hall, Teachers' Retirement System of Kentucky
Mark Whelan, Teachers' Retirement System of Kentucky
Jane Gilbert, Teachers' Retirement System of Kentucky
Grace Dotson, Teachers' Retirement System of Kentucky
Felicia Penn, Teachers' Retirement System of Kentucky
Ed Koebel, Cavanaugh Macdonald Consulting
Eric Gary, Cavanaugh Macdonald Consulting
Jim Bondurant, Legislative Research Commission
Jennifer Hans, Legislative Research Commission
Chuck Truesdell, Legislative Research Commission

1. Approval of 2017 MEHP Rate: Ms. Gilbert presented information concerning the recommended rate for 2017.

Committee Action: Upon motion duly made by Mr. Green, and seconded by Mr. Underwood, the committee voted unanimously to recommend to the full Board of Trustees a rate up to \$260 per month for the 2017 TRS MEHP (combined United Healthcare Medicare Advantage and Express Scripts Medicare Part D) for those retirees fulfilling the necessary service requirements.

2. Approval of 2017 KEHP Rate for TRS Contribution and Administration Fee: Ms. Gilbert presented information concerning the recommended rate and administration fee for 2017.

Committee Action: Upon motion duly made by Mr. Green, and seconded by Mr. Underwood, the committee voted unanimously to recommend to the full board a KEHP medical insurance benefit supplement not to exceed \$654.12 per month for those retirees fulfilling the necessary service requirements and, additionally, the KEHP Administrative Fee of \$7.14 per member per

month for plan year 2017.

3. Approval of Aon's Benefit Consulting Fee Renewal: Ms. Gilbert presented a report on Aon's contract for benefit consulting.

Committee Action: Upon motion duly made by Mr. Green, and seconded by Mr. Underwood, the committee voted unanimously to recommend to the full board contracting for consulting services with Aon for a monthly fee of \$19,600 during the period August 1, 2016 through July 31, 2017.

4. Medicare Part B Update: Ms. Gilbert presented information regarding the Medicare Part B premium. Ms. Gilbert's report was informational, and the committee took no action.

5. KRTA Fall Workshops: Ms. Gilbert presented information regarding the 2016 KRTA Fall Workshops. Ms. Gilbert's report was informational, and the committee took no action.

6. Request for Information: Mr. Harbin reported to the committee regarding companies using pharmacogenetics to reduce health care costs and improve patient care. Mr. Harbin recommended issuing a request for information from interested companies to further study possibly using pharmacogenetics for managing TRS's health care plan.

Committee Action: Upon motion duly made by Mr. Green, and seconded by Mr. Underwood, the committee voted unanimously to recommend to the full board issuing a request for information concerning pharmacogenetics.

Adjournment: There being no further business to come before the committee, and, by unanimous consent of the committee, Chair Harman declared the meeting adjourned at 11:39 a.m.

CERTIFICATIONS

We, the chair of the Insurance Committee and the executive secretary of the Board of Trustees of the Teachers' Retirement System of the State of Kentucky, do certify that the Minutes of Meeting were approved by the Insurance Committee on December 19, 2016.

Charles Harman, Chair

Gary L. Harbin, Executive Secretary

I, Robert B. Barnes, do certify adherence to the Kentucky Open Meetings Act, KRS 61.800 et seq., in the conduct of this meeting. I have reviewed the minutes for form, content and legality.

Robert B. Barnes, Deputy Executive Secretary
and General Counsel

I, Felicia Penn, do certify that I was present at the meeting and duly recorded the actions of the Insurance Committee of the Board of Trustees of the Teachers' Retirement System of the State of Kentucky at its meeting on September 19, 2016.

Felicia Penn
Recording Secretary