



**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 August 22, 2013 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 and subject to review and approval by the full Retirement Board.**

Call to Order and Roll Call.

**Trustee Committee Members Present:** John Fitzgerald (Chair), Brent Lewandowski, Patrick McFadden, and Ivan Samstein (via phone)

**Additional Trustees Present:** Samuel Richardson, Diahann Goode and Patrick Nester

**Staff Present:** Nickol Hackett, Executive Director; Brenda Deming, Director of Health Benefits; Rachelle Howliet, Health Benefits Team Lead; and Rachel Farris, Communications and Research Manager

**Others Present:** Jessica Streit, John Gingell and Christopher Heppner, The Segal Company; Katie Sabo and Abin Kuriakose, Cook County Commissioner Gainer's Office

1. Participation via Teleconference.

It was moved by Trustee McFadden and seconded by Trustee Goode that Trustee Samstein be allowed to participate in the meeting via teleconference.

**Vote Result: MOTION ADOPTED UNANIMOUSLY BY VOICE VOTE.**

2. Review and Consideration of July 18, 2013 Health Benefits Committee Meeting Minutes.

It was moved by Trustee McFadden and seconded by Trustee Richardson that the minutes of the July 18, 2013, Health Benefits Committee Meeting be adopted.

Vote Result: MOTION ADOPTED UNANIMOUSLY BY VOICE VOTE.

3. Public Comment.

There was no public comment.

4. Administrative Update.

Nickol Hackett introduced Brenda Deming to the Committee as the newly hired Director of Health Benefits. Ms. Hackett also introduced Patrick Nester, who has replaced Robert Benjamin as the Cook County Treasurer's designee to the Retirement Board. She informed the Committee that Trustee Nester was sworn in prior to the meeting.

5. Review of Proposed 2014 Medical Plan Changes.

The Committee reviewed many scenarios for possible plan design and subsidy changes. Generally, Mr. Heppner conducted an interactive rate simulation considering various changes to plan design and subsidy levels, comparing costs across all medical plans.

The Committee first discussed the PPO renewal and a comparative analysis of administrative fees at various local municipal agencies. The Committee considered putting the health contracts out to bid in early 2014. Christopher Heppner coordinated a live presentation review of the Blue Cross Blue Shield medical renewals. The Segal team indicated that the plans' combined medical trend was favorable, but not as competitive in fees as it could be.

Mr. Heppner then presented a review of a proposed change to the HMO plan funding, which would move the contract from fully insured to self-funded with additional stop-loss protection for claims exceeding \$250,000. The change would decrease projected expenses by 4.6%, and provide additional utilization data for HMO members. Mr. Heppner further reviewed the new taxes and fees required by the Affordable Care Act (ACA), and discussed how the move to self-funding would reduce the impact of the new fees.

As part of the renewal and rate setting discussion, the Committee reviewed the Classic Blue HMO participation and high trend rate of the plan. The Trustees asked for a projection of plan costs with increased plan copays. Segal will provide the requested design projections when the Committee reconvenes on August 27<sup>th</sup>. Additionally Trustee McFadden inquired on the status of University of Chicago Hospitals as a network provider. Rachele Howliet will provide an update at the next meeting.

Trustee Fitzgerald requested that Segal produce a final rate sheet with all preliminary selected rates for the reconvened meeting on August 27<sup>th</sup>.

6. Adjournment.

It was moved by Trustee Lewandowski and seconded by Trustee Richardson that the meeting recess until August 27, 2013.

Vote Result: MOTION ADOPTED UNANIMOUSLY BY VOICE VOTE.

The Health Benefits Committee will reconvene on August 27<sup>th</sup>, 2013, following the Investment Committee meeting.