

KNOX COUNTY RETIREMENT AND PENSION BOARD

OCTOBER 7, 2015

The Knox County Retirement and Pension Board met in special session on Wednesday, October 7, 2015, at 1:00 P.M. in the County Commission Conference Room 640, City County Building, Knoxville, Tennessee. Chairman Rick Trott, presided and called the meeting to order.

The following members were present: Mr. Rick Trott, Chairman, Mr. Nick McBride, Vice Chairman, Ms. Robin Moody, Secretary, Commissioner Ed Brantley, Commissioner Sam McKenzie, Commissioner Jeff Ownby, Commissioner Bob Thomas, Ms. Crystal Fields and Mr. Chris Caldwell, representing Mayor Tim Burchett. Also present at the meeting were: Mrs. Carissa Dunaway, USICG, Mr. William Mason, Ms. Ashley Trotto, and Mrs. Stephanie Coleman, Legal Counsel, Mr. David Buuck, Chief Deputy Law Director, and Retirement staff, Mrs. Kim Bennett, Mrs. Janet Rowan, Mrs. Jennifer Schroeder and Mrs. Charlotte Welch.

IN RE: RETIREE MEDICAL INSURANCE

Mrs. Bennett stated the Humana Medicare Advantage group coverage for 2016 that was offered to Knox County is a hybrid plan that provides less coverage than the retirees can purchase directly from Humana, such as the Humana Gold Plus. She stated the reason given by Humana for this lesser coverage is the County retirees' claim experience. She said she had asked to see that experience data but not received it from Humana to date. Mrs. Dunaway stated vendors will not usually share this information with accounts as small as Knox County.

Mrs. Bennett stated two proposals as follows:

- 1) Do not offer Medicare Advantage Plan for 2016 from Humana or any other vendors and advise retirees by letter.
- 2) Do not offer Medicare Advantage Plan for 2016 from Humana; however, offer "Benefit Fair" meetings at Rothchild's and invite all vendors in the area and the retirees to assist them with current available plans for them to purchase on their own.

Mr. McBride stated Summit has an exclusive contract with Humana which has been confirmed by the vice president of Summit Medical Group.

Mrs. Bennett recommended the Benefit Fair meetings option with the top 6 insurance providers for retirees to come and enroll with the vendor of their choice. She stated this would be a one time only event for 2016 enrollment due to the transition from Knox County group plans to individual plans to assist the retirees. Mrs. Bennett stated letters would be mailed to the retirees advising of the meetings and requesting them to make appointments to attend. She stated there would be 4 days for the meetings, during the 3 weeks before Thanksgiving since open enrollment for Medicare Plans is October 15th through December 7th.

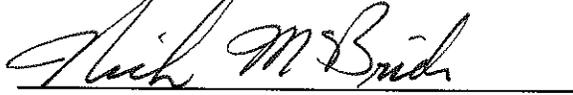
In response to Board questions, Mr. Mason advised there is no substantial liability exposure for Knox County to retirees in such a benefits fair situation where competing vendors will meet with individual retirees, since the Board would not endorse or recommend any particular coverage. Mr. Buuck agreed with Mr. Mason.

After much discussion, the Board agreed to publish urgent information to the retirees and have the benefit fair meetings with the top vendors so the retirees could select the vendor best for them.

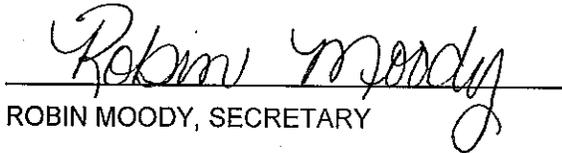
A motion was made by Mr. McBride to no longer offer Medicare Advantage Plans effective January 1, 2016. The motion was seconded by Commissioner Ownby and unanimously carried.

ADJOURNMENT

As there was no further business to come before the Board, the meeting was adjourned in order.



RICK TROTT, CHAIRMAN *vice - chair - Nick McBride*



ROBIN MOODY, SECRETARY