

**KENTUCKY RETIREMENT SYSTEMS  
RETIREE HEALTH PLAN COMMITTEE MEETING  
September 6, 2018 at 9:00 A.M., E.D.T.  
1270 Louisville Road, Frankfort, Kentucky 40601**

At the September 6, 2018 quarterly meeting of the Retiree Health Plan Committee of the KRS Board of Trustees, the following Committee members were present: David Rich (Chair), JT Fulkerson, Jerry Powell, and Jenny Goins as proxy for Secretary Stephens. KRS Staff members present were David Eager, Erin Surratt, Connie Pettyjohn, Karen Roggenkamp, Joe Bowman, Mark Blackwell, Kristen Coffey, Kimberly Smith, Abigail Sutherland, Kathy Satterley, Brian Towles, Lisa Perry, Alane Foley, Shaun Case, and Philip Cook. Also in attendance was Larry Totten. Tracey Garrison, Larry Loew, Carrie Lovell, and Carla Whaley of Humana also attended the meeting. GRS actuaries Amy Cohen and Mehdi Riazi joined via teleconference.

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Mr. Rich introduced the agenda item Approval of May 8, 2018 Committee Meeting Minutes. Mr. Powell moved and was seconded by Mr. Fulkerson to approve the minutes. The motion passed unanimously.

Mr. Rich introduced the agenda item *2019 Estimated Retiree Health Care Cost Impact*, Ms. Karen Roggenkamp presented this agenda item. This item was presented for informational purposes.

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Mr. Rich introduced the agenda item *Establish 2019 Health Insurance Plan Components and Health Insurance Rates to be Paid by Kentucky Retirement Systems for non-Medicare Eligible Retirees*. Ms. Connie Pettyjohn and Ms. Jenny Goins discussed highlights for this plan. A motion was made by Mr. Fulkerson and seconded by Mr. Powell to recommend the KEHP LivingWell PPO plan option with the contribution rate at the single premium, hazardous rates would be tied to the rates for the LivingWell PPO couple, Parent Plus, and Family plans; the Tobacco Use Fee remains unchanged for 2019; Retirees or Plan holders that failed to complete the LivingWell promise for plan year 2018 will not receive the discount for enrollment in the LivingWell plan for 2019; retirees that fail to complete a health insurance application during the mandatory enrollment or as a new retiree to be defaulted into the LivingWell Limited High Deductible plan. The recommendation was also made to allow retirees the option to select Cross Reference Plans. The committee recommends offering the embedded Health Reimbursement Account (HRA) with the

Consumer Directed Health Plans (CDHP). In addition, the committee recommended the continuation of the process for submission of Form 6256, Hazardous Duty Spouse and Eligible Dependent Verification.

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Ms. Pettyjohn introduced the agenda item *Establish 2019 Health Insurance Plan Components and Health Insurance Rates to be paid by Kentucky Retirement Systems for Medicare Eligible Retirees*, Ms. Tracey Garrison with Humana gave an overview of plan highlights followed by GRS actuaries Amy Cohen and Mehdi Riazi summarizing the Medical Only Plan Premium analysis and plan equivalencies. A recommendation was made by Mr. Fulkerson and seconded by Mr. Powell to approve the contribution rate for KRS Premium Plan at the 2018 rate \$252.51 as one hundred percent (100%) contribution the Trust will pay for a retiree with service credit of 240 months of service or greater (the premium paid to Humana will be \$220.11); The committee also recommends setting the contribution rate for the KRS Premium Plan as the 100% contribution, the Trust will pay for a hazardous duty spouse and / or an eligible dependent; The premiums for the KRS Essential Plan is at \$75.56 ( the amount paid to Humana will be \$53.73), the Medical Only Plan is at \$175.22, the Medicare Advantage (MA) Mirror Premium Plan is at \$315.29, and the Medicare Advantage Mirror Essential Plan is \$214.92. The committee also recommend approval of fixed copayments for the Medicare Advantage Plans be excluded from the \$500 deductible, the copayment will apply to maximum out of pocket (MOOP). The Retiree Health Plan Committee also recommends that KRS continue to pay the administrative fees for administrative exceptions in 2019; also individuals without Medicare Part B be allowed to enroll in the Medicare Advantage Mirror Plans and they will be responsible for paying the additional cost above the contribution amount. The committee also recommends that Medicare eligible retirees that fail to enroll in a plan during a mandatory open enrollment or as a new retiree will be defaulted into the KRS Medical Only Plan (if spouse and dependents are not Medicare eligible they will be defaulted into the KEHP LivingWell Limited High Deductible Plan at the same level / option as the previous plan year). The committee recommends the continuation of the Exception process and MA Mirror plans for retirees meeting defined criteria. The committee also recommends that KRS Board continue the Hazardous Duty Spouse and Eligible Dependent Verification Form 6256 Remittance. The motion carried unanimously

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Mr. Fulkerson nominated Mr. Powell as Vice Chair of the Retiree Health Plan Committee and was seconded by Mr. Rich. The motion carried.

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There being no further business, a motion to adjourn was made by Mr. Fulkerson and seconded by Mr. Powell, the meeting adjourned at 11:30 a.m. Copies of all documents are incorporated as part of the minutes of the Retiree Health Plan Committee meeting as of September 06, 2018.

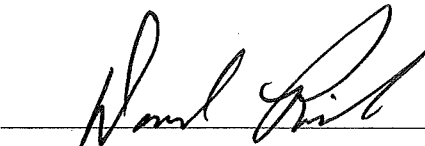
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CERTIFICATION


I do certify that I was present at this meeting, and I have recorded above the action of the Committee on the various items considered by it at this meeting. Further, I certify that all requirements of KRS 61.805-61.850 were met in connection with this meeting.

  
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Recording Secretary

I, the Chair of the Retiree Health Plan Committee of the Board of Trustees of the Kentucky Retirement Systems, do certify that the Minutes of the meeting held on September 06, 2018 were approved by the Retiree Health Plan Committee on November 13, 2018.

  
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Chair

I, \_\_\_\_\_, have reviewed the Minutes of the September 06, 2018 Retiree Health Plan Committee meeting for form, content and legality.

  
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Executive Director, Office of Legal Services