

**KENTUCKY PUBLIC PENSIONS AUTHORITY  
JOINT CERS-KRS BOARD OF TRUSTEES  
RETIREE HEALTH PLAN COMMITTEE MEETING  
NOVEMBER 9, 2021 at 10:00 A.M., E.D.T.  
VIA LIVE VIDEO TELECONFERENCE**

At the November 9, 2021 meeting of the Retiree Health Plan Committee of the Joint CERS and KRS Board of Trustees, the following Committee members were present: CERS – Jerry Powell, Chair and JT Fulkerson; KRS – Bruce Brown and Larry Totten. KPPA Staff members present were David Eager, Erin Surratt, Rebecca Adkins, Michael Board, Connie Pettyjohn, Vicki Hale, Abby Sutherland, Brian Towles, Shaun Case, Phillip Cook, Glenna Frasher, Ashley Gabbard and Sherry Rankin. Others in attendance included Betty Pendergrass, Ed Owens III CERS CEO, John Chilton KRS CEO, Eric Branco with Johnson Bowman Branco, and Tracy Garrison, Larry Loew, Carla Whaley, and Carrie Lovell from Humana.

Mr. Powell, Committee Chair, called the meeting to order.

Mr. Board, Executive Director of Legal Services, read the Legal Public Statement.

Ms. Rankin called roll.

There being no public comment, Mr. Powell introduced the agenda item *Election of Vice-Chair for the Joint Retiree Health Plan Committee*. Mr. Powell asked for nominations or anyone who would be interested in the position of Vice-Chair. Mr. Totten stated that he would volunteer for the position. There being no other nominations or volunteers, a vote was taken on Mr. Larry Totten fulfilling the role of Vice-Chair and was passed unanimously.

Mr. Powell introduced the agenda item *Approval of Committee Minutes- September 2, 2021*. Mr. Fulkerson made a motion and Mr. Totten seconded to approve the minutes as presented. The motion passed unanimously.

Mr. Powell introduced the agenda item *Humana Presentation*. Ms. Garrison from Humana introduced Larry Loew, Carrie Lovell and Carla Whaley who were available for questions during the presentation. Ms. Garrison reviewed in-depth information regarding the 2020 Plan Compass Review specifically outlining the differences in the KRS and CERS plans in the areas of Plan Utilization, Plan Costs, Medical Utilization, and Pharmacy Utilization for both the Premium and Essential Plans. A question was asked about any driving factors that would cause the KRS plans utilization to be higher than the CERS plans. Ms. Garrison stated that there isn't any data that would pinpoint the difference, but noted that the KRS members are older and have a higher male to female ratio than the CERS plan. A question was asked as to whether telehealth visits were incorporated within the numbers used in the Plan Medical Utilization figures. Ms. Garrison answered that Humana only receives one bill whether the member was seeing their primary care physician or specialist in person, or through telehealth, so she is fairly certain that any telehealth visits are included in the figures, but will verify that information. A question was asked regarding a Galleria Multi-Cancer early cancer detection test that screens for more than 50 types of cancers which are not commonly screened and seems that members are required to pay out-of-pocket for this test, and would like more information on this type of screening and if it can be a covered preventative test by Humana. Ms. Garrison indicated that this question will be reviewed further and will report back the findings. She did state that Humana follows Medicare guidelines regarding testing and work closely with their review boards on those types of matters. A question was asked for more information regarding the pilot project that the Kentucky Teachers' Retirement System started prior to COVID-19, where a DNA test was done to help personalize the pharmaceuticals that their members were receiving. Ms. Garrison recalls reviewing that project in the past, and noted that it was a voluntary project for the member of the Teachers' Retirement System. Ms. Garrison agreed to get with Ms. Pettyjohn to get some updated information regarding this project.

Ms. Garrison introduced Ms. Carrie Lovell who reviewed the 2021 pharmacy updates. Ms. Lovell began by discussing why annual changes are made which include development of new medications, changes in patent protection and more availability of generic versions,

clinical and price changes of medications. Ms. Lovell reviewed the summary of the impact of the 2022 formulary changes and then gave the details in the 2022 formulary updates to the KPPA plans. A question was asked to explain “Step Therapy”. Ms. Lovell answered that Step Therapy is when a member may be taking a higher cost medication and Humana has a requirement that the member must try a lower cost medication first. If there is clinical data that supports that the lower cost medication works equally as well, Humana requests that the member try that medication first. Upon failure of the effectiveness of the lower cost medication, then Humana would approve the higher cost medication for the member. Ms. Lovell indicated that in preparation for the changes being made, members will be receiving both the Smart Summary communications in October, November, December and January, as well as a Member letter. Ms. Lovell also announced that members impacted by changes to Part D covered drugs are eligible for a 30 day transition fill during the first 90 days of the new covered plan year. Ms. Lovell shared exciting news that Humana Pharmacy received the J.D. Power Award for ranking highest in the 2021 U.S. Pharmacy Study, where they ranked #1 in customer satisfaction with mail order pharmacies, cost competitiveness, prescription delivery, customer service experience, and prescription ordering and filling processes. A question was asked regarding if those members impacted by the transition changes using the mail order service be effected in any way. Ms. Lovell answered that if it is a specialty medication, those that are in the Tier 4, is limited to the 30 day supply, whether it is through a regular pharmacy or mail order. She further stated that if it is not a specialty medication, those that are in Tier 1, Tier 2, or Tier 3, then those medications are eligible for a 90 day supply through a regular pharmacy or mail order. A question was asked regarding the information found on the Summary of 2022 Formulary Change impact, in specific, the total number of Members impacted was listed at 414 with a script impact of 801. Does this mean that 801 medications that had a change made, or does 414 members take 801 medications? Ms. Lovell indicated that the figures here mean that 414 members filled their prescriptions 801 times, and these prescriptions fall under the impacted medications. Ms. Garrison also stated that any member that will be impacted with the formulary changes will receive special notice in their monthly Smart Summary.

Ms. Garrison introduced Mr. Larry Loew who reviewed the Stars results. Mr. Loew began by stating he was pleased to give this update on the 2022 Star Ratings that were released back in October. Mr. Loew stated that the Star Rating is a CMS program that was designed to hold health plans accountable for the care and health outcomes that Medicare Advantage members receive from their health plan and physicians, hospitals, and so forth. The ratings that are assigned are on a 5 point scale and they are calculated at the overall contract, or plan, level and are based on more than 40 different measures. Mr. Loew stated that the information being provided today is based on the data from 2020, and that data is used to provide the 2022 Star Rating, with the financial impact given to the plans in 2023. Mr. Loew announced that the figures shown today support that almost 97.5% of the overall membership are in a 4-star or higher rated contract. He also stated that 99.9% of retirees in Humana's Group Medicare Advantage plans remain in a 4-start or higher contract for the 2023 Bonus Year. A question was asked as to whether member compliance with directives from Humana has an effect on the ratings that Humana receives. Mr. Loew answered that it most certainly does have an effect on how Humana rates over those 40 different measures that are calculated in the results. Mr. Loew stated that an interesting change in the program that starts this year where CMS is going to focus more on the member experience, weighing less on the health outcomes and more within Stars Ratings on patient experience, complaints, member satisfaction, and so forth. Member experience will account for almost 50% of the Stars scores starting this year, with the financial impact being received in 2024. Mr. Loew gave an overview of Humana's continued efforts to increase customer service to all of their members.

Ms. Garrison continued by providing an update on the Go365 program which she stated Humana continues to try to make changes and improvements to the program to make it more desirable for its membership, but Medicare is also constantly reviewing the program. And because Medicare has strict guidelines that Humana must follow, a revision in the gift card options occurred for this upcoming year.

Mr. Powell introduced the agenda item *Other Business/Open Enrollment*. Ms. Pettyjohn gave an update on the Open Enrollment stating that having the capability of web enrollment

in conjunction with the continued service of enrollment by staff, and even a few virtual appointments, have all contributed to a successful enrollment. She indicated that staff have fielded about the same number of phone calls and emails as last year, and that staff conducted 14 webinars that had over 300 member in attendance. Overall, the enrollment session is on target and proceeding on schedule.

Mr. Powell introduced the agenda item *Closed Session*. Mr. Fulkerson made a motion and Mr. Totten seconded to move into closed session for the purpose of litigation. The motion passed unanimously.

Mr. Powell read the following closed session statement: “A motion having been made in open session to move into a closed session for a specific purpose, and such motion having carried by majority vote in open, public session, the Board shall now enter closed session to consider litigation, pursuant to KRS 61.810(1)(c), because of the necessity of protecting the confidentiality of the Systems’ litigation strategy and preserving any available attorney-client privilege.”

Mr. Powell stated that there was no action taken on the discussions from the closed session.

There being no further business, a motion to adjourn was made by Mr. Totten and seconded by Mr. Fulkerson, the meeting adjourned.

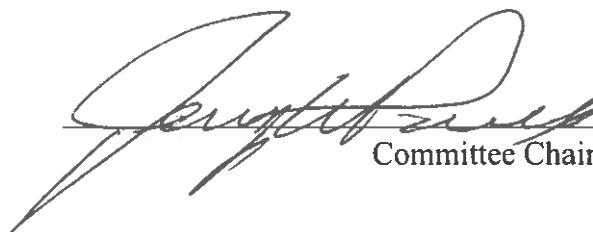
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**CERTIFICATION**

I hereby 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.

  
Recording Secretary

I, Jerry Powell, the Chair of the Joint Retiree Health Plan Committee of the Board of Trustees of the County Employees Retirement System and the Kentucky Retirement Systems, do hereby certify that the Minutes of the meeting held on November 9, 2021 were approved by the Joint Retiree Health Plan Committee on February 8, 2022.

  
Committee Chair

I have reviewed the Minutes of the November 9, 2021 Joint Retiree Health Plan Committee meeting for form, content and legality.

  
Executive Director  
Office of Legal Services