



CT TEACHERS' RETIREMENT BOARD

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“An Affirmative Action/Equal Opportunity Employer”

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April 29, 2015

2:00 pm

The meeting of the Teachers' Retirement Board was called to order at 2:03 pm by Chairperson Clare Barnett on Wednesday, April 29, 2015 at 765 Asylum Avenue, Hartford, CT.

BOARD MEMBERS PRESENT:

Clare Barnett, Teacher Member
William Myers, Teacher Member
Rosalyn Schoonmaker, Teacher Member
Maureen Honan, Teacher Member
Al Bredehorst, Teacher Member
Clifford Silvers, Public Member
Jonathan Johnson, Public Member
Elaine Lowengard, Public Member
Lee Ann Palladino, Designee (Office of the Treasurer)
Gregory Messner, Designee (Office of Policy and Management)
Kathy Demsey, Designee (State Department of Education)

BOARD MEMBERS NOT IN ATTENDANCE:

Charles Higgins, Public Member
Michael Freeman, Teacher Member

STAFF PRESENT:

Darlene Perez, TRB Administrator
Mark Aronowitz, OPM Consultant
Charlene Hill, Administrative Assistant

OTHERS PRESENT:

Dr. Joseph Fields, PhD., Bargained Plans, LLC
Richard Follman, Association of Retired Teachers of Connecticut
Thomas Danehy, CAPSS
Karen Nolen, Office of Policy Management
James Stirling, CEO, Stirling Benefits, Inc.

Open meeting –Chairperson, Clare Barnett

1. Agency Report:

Clare Barnett advised that items related to the Agency report, (update on audit recommendations and an update on the Express Scripts Implementation) would be covered later in the meeting.

2. Approval of the March 11, 2015 Meeting Minutes.

A motion was made and seconded to approve the March 11, 2015 meeting minutes. All members voted in favor with three abstentions (Clare Barnett, Elaine Lowengard, and Kathy Demsey) and the motion was passed.

3. Consideration and Approval of the Administrator’s Actions regarding:

- a. Granting of service retirement benefits for the March, 2015.
- b. Survivor benefits for the month of March, 2015.
- c. Reports & recommendations of the Medical Review Committee regarding applications for Disability Payments as presented to the Medical Review Committee at the March, 2015 meeting.

A motion was made and seconded to approve the granting of service retirement, survivor benefits and applications for a disability allowance for the month of March, 2015. All members voted in favor and the motion was passed.

4. Express Scripts Implementation update provided by Dr. Joe Fields.

Joe discussed how prescription drug coverage is the hardest coverage to change and the main reason is because it is the most frequent service provided. It takes time for people to get used to the new program and understand the new protocols. The calls received initially goes up by a factor of 10 to about 40-50 calls per week. But then drops back down to the 10-15 calls per week range. The complaints being received now are relatively low for the amount of time the program has been in place. He advised that there are still some medical management issues. He also discussed that the Federal government which is involved in this program with regard to setting up the protocols has an issue with providing drugs to people where the drug is not approved for the particular condition that the individual has, called an “off approval use” or off patent use”. There are a number of drugs that people were taking however, the drug was not approved for their condition. He advised that we cannot approve a drug that has not been approved by the FDA for treating a particular condition that a person has. Joe discussed some of the advantages with the program including members being able to go to their local pharmacy and paying the same price as the mail order. Joe advised that our first quarter results have proven to be what we expected.

Clare Barnett asked about the issue of compound drugs recently in the news.

Joe Fields advised that we have protocols on compound drugs including (but not limited to) a pharmacy that accepts the Medicare allowance for compounding drugs (about 20% of pharmacies) must be used and there is a \$7.00 maximum on compounding drugs under the Medicare plan.

5. Update on Audit Recommendations provided by Mark Aronowitz:

Staffing:

An offer was made and accepted for the position of Fiscal Administrative Manager 1 to oversee the accounting department. The new manager will start on May 29, 2015. There are still two vacant positions remaining, an Associate Accountant position and a clerical level position.

Training:

There have been approximately 24 training courses that employees have taken over the past several months based on their job duties. A class has been arranged with the Office of the State Comptroller where employees will learn about the vendor file and 1099.

Audit Recommendations:

A number of items on the audit report were resolved by the Administrator, Darlene Perez and her staff at TRB prior to Mark Aronowitz and Mike Janusko's arrival.

The audit has been completed on the three recent fiscal years 2011, 2012, and 2013 that the auditors wrote their report on. There are minor adjustments that need to be made on those years. The current fiscal year is currently being audited. There have been some findings there that require more research. Once that audit is completed, the fiscal years 2008, 2009, and 2010 will be audited and that will complete the project.

A discussion followed regarding the 120 day limit for Mark and Mike's working time period with TRB and the requirements to extend the time limit.

A motion was made and seconded to approve to extend the MOU with more flexible time for Mark and Mike to continue to work at TRB. All members voted in favor and the motion was passed.

MATTERS FOR THE BOARD INFORMATION:

Retirement Statistics for the March, 2015.

COMMENTS FROM OBSERVERS:

ADJOURNMENT – 2:39 PM