



CT TEACHERS' RETIREMENT BOARD

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MINUTES

October 5, 2016

2:00 p.m.

The meeting of the Teachers' Retirement Board was called to order at 2:07 p.m. by Chairperson Clare Barnett on Wednesday, October 5, 2016 at 765 Asylum Avenue, Hartford, CT.

BOARD MEMBERS PRESENT:

Clare Barnett, Teacher Member
Bill Myers, Teacher Member
Jonathan Johnson, Public Member
Maureen Honan, Teacher Member
Lisa Mosey, Teacher Member
Rosalyn Schoonmaker, Teacher Member
Charles Higgins, Public Member
Deborah Spalding, Office of the State Treasurer
Gregory Messner, Office of Policy and Management

BOARD MEMBERS NOT IN ATTENDANCE:

Al Bredehorst, Teacher Member
Elaine Lowengard, Public Member
Clifford Silvers, Public Member
Kathy Demsey, State Department of Education

STAFF PRESENT:

Darlene Perez, Administrator
Shantelle Varrs, Fiscal Administrative Manager
Charlene Hill, Assistant to the Administrator

OTHERS PRESENT:

Robyn Kaplan-Cho, CEA
Karen Nolen, OPM
Dr. Joe Fields, TRB Health Insurance Consultant
Attorney Brian Giantonio, TRB Outside Counsel
Jamie Stirling, Stirling Benefits
Christina Gellman, OFA
June Pinkin, HFT-R
Walt Ciplinski, Retired Teacher
Carolyn Record, Retired Teacher

Open meeting: Chairperson, Clare Barnett

1. Agency Report:

Annual Statements:

Darlene Perez discussed member annual statements will be sent out to all active and inactive members in our system, approximately 60,000 members. These annual statements reflect how many years of service credit members have in case they are planning on retiring, any non-CT service credit they purchased, their address, beneficiary information, account balance and how much money is in each account (Regular, Supplemental, Voluntary) which makes up the account balance. The staff is currently in the process of cleaning up the transmittals which is the manner in which we receive demographic and financial information from the employers. This information gets processed and posted to our pension administrative system to update each individual member's account. The statements are printed by a vendor and are typically mailed out around November and December.

Open Enrollment:

Darlene Perez discussed the health insurance "open" enrollment. This is the time of year when members are allowed to enroll in the plan without having a qualifying event or make a change to the plan, for example, for those members who are "grandfathered" into the plan who do not have all coverages, they can add coverage (i.e. dental and vision). Members can cancel their coverage at any time, however, those who cancel their coverage are not allowed to enroll in the plan again for two years unless they have a qualifying event. The open enrollment tells current participants what their premium is going to be for the following year (effective in January each year) and any changes or updates that have been made to the plan. This year members are being notified of a change in vendor from Aetna to Cigna. Effective January 1, 2017. There are approximately 27,000 members in the base plan and the plan membership continues to grow.

2. TRB Legal Updates:

Attorney Brian Giantonio, the outside counsel for TRB provided an overview of several items he has been working on since starting in May, 2016. Some of these items include reviewing the CT and Federal Statutes to ensure TRB compliance with the laws, reviewing the SHAM retirement rules under the federal tax codes, addressing matters involving the Treaty benefits, the Affordable Care Act and 1095 forms, determination letters, and the grandfathering rules for compensation limits.

3. RFP Vendor Selection for RX Claims Audit:

Joe Fields discussed as part of the initiative to ensure all of our major lines of coverage are audited on an ongoing basis there was an RFP for an accounting firm to audit the RX plan. The dental and medical plans have already been audited. After receiving several qualified responses to the RFP from vendors, the vendor

selection committee thought most highly of one firm and is recommending their selection to the Board. The accounting firm chosen by the committee is the 9th largest accounting firm in the United States and they have experience auditing the Pharmacy Benefit Manager that we use; so they have familiarity with the internal processes there. In addition, their pricing was very reasonable and favorable to the committee.

A motion was made by Maureen Honan and seconded by Rosalyn Schoonmaker to approve the recommendation by the vendor selection committee. All members voted in favor and the motion was passed.

4. Consideration and Approval of the Out of Country Policy.

Joe Fields discussed the Out of Country Policy the Board voted on approximately three years ago. It was recently determined that the policy was not being reflected in one complete section, instead there were parts of the policy in various sections. The policy has now been updated so that the information is contained in one complete section instead of having parts of the policy in different sections.

A motion was made by Rosalyn Schoonmaker and Charles Higgins to approve the Out of Country Policy. All members voted in favor and the motion was passed.

5. Approval of the September 7, 2016 Meeting Minutes:

A motion was made by Maureen Honan and seconded by Rosalyn Schoonmaker to approve the September 7, 2016 meeting minutes. All members voted in favor and the motion was passed with one abstention, Deborah Spalding, due to absence.

6. Consideration and Approval of the Administrator's actions regarding:

- a. Granting of service retirement benefits for the month of September, 2016.
- b. Survivor benefits for the month of September, 2016.
- c. Reports & recommendations of the Medical Review Committee regarding applications for Disability Payments as presented to the Medical Review Committee at the September, 2016 meeting.

A motion was made by Lisa Mosey and seconded by Greg Messner to approve the granting of service retirement benefits, survivor benefits and applications for a disability allowance for the month of September, 2016. All members voted in favor and the motion was passed.

7. Audit Committee Status report:

Bill Myers advised that the audit committee met at 1:00 p.m. today and will continue to meet quarterly. Some of the items the audit committee discussed included the accounting of the agency's internal accounts, staffing and training, the agency's draft audit report which is on its last level of approval, and the health fund which is starting to receive the 1.25% teacher contribution again now that teachers have returned to school from the summer.

8. Consideration and Approval the Board Meeting Schedule for 2017.

A motion was made by Rosalyn Schoonmaker and seconded by Bill Myers to approve the Board meeting schedule for 2017. All members voted in favor and the motion was passed.

MATTERS FOR THE BOARD INFORMATION:

Retirement Statistics for the month of September, 2016.

COMMENTS FROM OBSERVERS:

Jamie Stirling thanked the Board for approving the clarification to the Out of Country Policy. He believes it will help members make a choice whether or not to buy travel insurance.

Walt Ciplinski, a retired teacher shared his appreciation to TRB and the Board for all of the work that they do. Walt and Carolyn Record, also a retired teacher, spoke in support of the Silver Sneakers program. Walt referenced some health insurance companies who are offering fitness programs to their retired members. Carolyn who is a four (4) time cancer survivor spoke of how fitness programs like Silver Sneakers has helped her improve her quality of life. Some of the goals she has been able to achieve through a similar fitness program like Silver Sneakers is muscle strengthening, weight loss and gain, diet consultation and lowering her cholesterol level.

ADJOURNMENT: 2:55 p.m.