



CT TEACHERS' RETIREMENT BOARD

165 CAPITOL AVENUE HARTFORD CT 06106
Toll free 1-800-504-1102 (959) 867-6333 Fax (860) 241-9295

MINUTES

June 22, 2022

A regular meeting of the Teachers' Retirement Board was held virtually on June 22, 2022. The meeting convened at 3:00 p.m.

BOARD MEMBERS PRESENT:

Clare Barnett, Chair, Retired Teacher Member
William Murray, Vice-Chair, Retired Teacher Member
John Flores, Office of the State Treasurer
Lisa Heavner, Public Member
Jonathan Johnson, Public Member
Gregory Messner, Office of Policy and Management
Lisa Mosey, Teacher Member
Charles Higgins, Public Member
Stephen McKeever, Active Teacher Member, AFT
Keith Norton, State Department of Education

ABSENT:

Joslyn Delancey, Active Teacher Member
Kathleen Holt, Public Member
Thomas Nicholas, Active Teacher Member

STAFF PRESENT:

Helen Sullivan, Administrator
Charlene Hill, Assistant Administrator
Amanda Harley, Retirement Benefits Officer
Naomi Calvi, IT Analyst

ALSO PRESENT:

Bruce Barth, Robinson & Cole
John Garrett, Cavanaugh Macdonald Consulting
Terry DeMattie, Segal Consulting
DeDe Raybuck, UnitedHealthcare
Karen Nolen, OPM

Christina Gellman, OFA
Robyn Kaplan-Cho, CEA
Tammy Gowash
Thomas Danehy
Bill Myers
Walt Ciplinski
Paula Bacolini
Kathleen Hennessey
Barbara Oppedisano
Noreen and Jack Scafuri
Mary Hendrickson
Susan Schmidek
Fonda Green
Bonnie Lieberman
Bob
Rita
Jane

Call to Order

Chairperson, Clare Barnett called the regular meeting of the Teachers' Retirement Board to order at 3:00 p.m.

1. Approval of the April 13, 2022 Board Meeting Minutes

A motion was moved by Charles Higgins and seconded by Keith Norton to approve the meeting minutes for April 13, 2022. All members voted in favor and the motion was passed.

2. Approval of the April 28, 2022 Special Meeting Minutes

A motion was moved by Keith Norton and seconded by Bill Murray to approve the meeting minutes for April 28, 2022. All members voted (with two abstentions, Charles Higgins and Lisa Heavner) in favor and the motion was passed.

3. Approval of the June 30, 2022 Credited Interest

John Garrett, Cavanaugh Macdonald Consulting, LLC presented to the Board the interest rate used to credit mandatory and voluntary contribution to members' accounts at the end of the fiscal year. The rate of interest credited to members' mandatory contributions is set by the board with the enactment of Public Act 19-117. The information used for this year's calculation includes the actual year to date (YTD) cash flows (as of April 30, 2022) and expected cash flows for May and June of 2022.

The interest rate of return for the mandatory contributions is 4.0%

The interest rate of return for the voluntary contributions is 0.51%

A motion was moved by Charles Higgins and seconded by Bill Murray to approve the June 30, 2022 credited interest to be posted to members' accounts. All members voted in favor and the motion was passed.

4. Approval of the Revised GASB No. 67 and GASB No. 68 reports as of June 30, 2021

John Garrett, Cavanaugh Macdonald Consulting, LLC presented the GASB No. 67 and GASB No. 68 reports which revises the amount reported as employer contributions for the fiscal year ending June 30, 2021, to remove the receivable amount transferred from the Budget Reserve Fund (BRF) and report that amount as an other addition to assets.

A discussion followed.

A motion was moved by Bill Murray and seconded by Jonathan Johnson to approve the revised GASB No. 67 and GASB No. 68 reports as of the June 30, 2021. All members voted in favor and the motion was passed.

5. Agency report provided by Helen Sullivan, Administrator

Staffing Update:

After two rounds of interviews, a candidate has been selected for the vacant Fiscal Administrative Manager position. The new Fiscal Administrative Manager will be starting in mid-July.

Health Insurance Update:

There are minimal health insurance issues currently. There have been 291 emails in the health mailbox this past month and 38 of those were issues that were reviewed internally. Due to some publications that have been sent out, members are reminded to check the TRB website for the most up-to-date and accurate information. There have been some questions regarding the Medicare EOBs, those are approved by CMS. There are 253 new enrollments, 234 of them enrolled into the Medicare Advantage plan and 19 enrolled into the Medicare Supplement plan. There are about 40 people we're missing Medicare information on. The prescription drug cost issues are due to manufacturer supply chain issues. If a member still has an issue after contacting UnitedHealthcare they can contact TRB. All calls are logged at United and TRB. Calls into UnitedHealthcare can be pulled and reviewed to ensure the correct information was given out. Overall, we are very pleased everything is going well.

Dede Raybuck, UnitedHealthcare provided an update on prior authorizations. Year to date, January 1, 2022 through mid-June 2022, there were 3,888 prior authorizations. 98% of them were approved (3,798) and 90 were denied. The top reason for denial was the service did not meet Medicare criteria. As a Medicare Advantage plan, we are required to cover everything that Medicare would cover. We are following Medicare clinical guidelines. The other reason for denial is lack of medical necessity. Many times,

additional information is needed for a prior authorization within a certain timeframe and the provider does not submit the additional information in that timeframe. This would cause the prior authorization to deny. The average turnaround time for prior authorizations is 2-3 days. The turnaround time for expedited prior authorizations is one business day. 100% of the expedited prior authorizations are turned around in one business day.

Legislative Update:

The remaining part of the 2019 Legislative package TRB submitted before Covid started was passed during this legislative session. The full package with all the changes has now been approved. A summary of the package will be posted on our website. Legislation also approved to increase the subsidy to \$220 and \$440 for non-Medicare eligible members. Thank you to Amanda and our IT team because we have been reaching out to all the districts to do an audit and get updated information and provide training to the districts. Also passed in this session was the 50% tax break which was from a few years ago and was passed in this year's legislation session.

A discussion followed.

6. Approval for Policy on Non-Governmental Employee Participation in the Teachers' Retirement System.

Clare Barnett provided information on non-governmental employee participation in the TRB in relation to the Special meeting held on April 28, 2022. Bruce Barth, Robinson & Cole, provided additional information regarding the purpose of the policy which is to maintain the Plan's governmental plan status under the Code and under ERISA. Under ERISA that means you're exempt from ERISA and under the Code it means you are subject to a limited number of rules under the Code. Under the Code, if you are a governmental plan employees can contribute to the Plan on a pre-tax basis, if you were not a governmental plan, they could not do that. Also, you're not subject to ERISA's funding, vesting, or any other rules as a governmental plan.

A motion was moved by Bill Murray and seconded by Jonathan Johnson to approve the policy which states no new governmental employers shall be permitted to allow their employees to participate in the System, the Board must approve the participation of any new employer and its employees in the System, and the Board shall take all reasonable actions to remove employers from the System that are clearly non-governmental employers.

A discussion followed.

All members voted in favor and the motion was passed.

7. Approval for Policy to Require Mandatory District Training for Transmittal Processing

Helen Sullivan advised that the TRB handles a few hundred districts, and the transmittal process is one of the most important things we do at TRB to ensure we get the pension salary and percentages into our system. We have been providing training a couple times per year for districts but due to turnover and some confusion we keep running into roadblocks that really inhibits the staff administratively. This policy will be put into our administrative handbook, and we will reach out to the districts and let them know that staff must attend the training to learn how to properly submit the contributions for their employees.

A motion was moved by Bill Murray and seconded by Charles Higgins to approve the policy which requires mandatory district training for transmittal processing.

A discussion followed.

All members voted in favor and the motion was passed.

8. Approval to transfer members' Accounts Deemed Abandoned

Member's accounts are deemed abandoned following twenty-five years of inactivity, or ten years for non-vested inactive members to the Pension Reserve Account, in accordance with Section 10-183ee of the Connecticut General Statutes to the Pension Reserve Account.

A motion was made by Charles Higgins and seconded by Bill Murray to transfer members' accounts deemed abandoned following twenty-five years of inactivity, or ten years for non-vested inactive members to the Pension Reserve Account, in accordance with Section 10-183ee of the Connecticut General Statutes to the Pension Reserve Account. All members voted in favor and the motion was passed.

9. Approval of the Annual Resolution Renewal

The annual resolution renewal authorizes the TRB Administrator, Assistant Administrator, and Fiscal Administrative Manager to negotiate and/or execute all contracts, agreements, drafts, warrants and any such other arrangements necessary to operate or conduct the business of the Connecticut Teachers' Retirement System and for the payment of any benefits permitted or required.

A motion was made by Bill Murray and seconded by Charles Higgins to authorize the TRB Administrator, Assistant Administrator and Fiscal Administrative Manager to negotiate and/or execute all contracts etc., and any other such arrangements necessary to operate or conduct the business of the Connecticut Teachers' Retirement System.

A discussion followed.

All members voted in favor and the motion was passed.

10. Approval of the Annual Resolution Renewal of the Medical Review Committee

The Medical Review Committee consists of a panel of doctors who review and render decisions to approve or deny disability applications.

A motion was moved by Lisa Mosey and seconded by Keith Norton to renew the Medical Review Committee Resolution. All members voted in favor and the motion was passed.

11. Approval of the July 2022 COLA increase for pre-September 1, 1992 members

The July 2022 COLA increase for members who retired prior to September 1, 1992 is 5%.

A motion was moved by Keith Norton and seconded by Jonathan Johnson to approve the July 2022 COLA of 5% for pre- September 1,1992 members. All members voted in favor and the motion was passed.

12. Administrator's actions regarding

- a. Granting of service retirement benefits for the months of April and May 2022.
- b. Survivor benefits for the months April and May 2022.
- c. Reports & recommendations of the Medical Review Committee regarding applications for Disability Payments as presented to the Medical Review Committee at the April and May 2022 meetings.

A motion was moved by Charles Higgins and seconded by Bill Murray to approve the granting of service retirement, survivor benefits and applications for a disability allowance for the months of April and May 2022. All members voted in favor and the motion was passed.

MATTERS FOR THE BOARD INFORMATION:

Retirement Statistics for the months of April and May 2022.

PUBLIC COMMENTS:

Rita thanked Amanda and the health team for their prompt responses to inquiries. She also advised that there appears to be a bit of a recurring error in processing some of the medical claims for retirees enrolled in the traditional Medicare Supplement plan.

Walt Ciplinski asked if there is anything TRB can do to ensure members who need their medical coverage to be determined are covered in the meantime.

Helen clarified that there are 35 pending enrollments for people who are enrolling into the plan and are missing their Part B information. The team is working with these members.

ADJOURNMENT:

With no other comments or announcements, a motion was moved by Bill Murray and seconded by Lisa Mosey to adjourn the meeting. All members voted in favor and the motion was passed.

The meeting adjourned at 3:56 p.m.