

ACRE Executive Board Meeting November 21, 2012 10 a.m.

President Wainscott called the meeting to order. There was a quorum 6 elected staff and 4 appointed. He asked if the Board felt the election should be the first order of business in the General Meeting. The Board agreed. He then asked that the Minutes from Oct 17, 2012 be approved Motion from Robert McCulley and second from Frank Hester to approve minutes it was approved. Treasurer's Report Oct 17 to Nov 21 was presented by Tim Cook for Jim Nichols, motion by Robert McCulley and second by Donne Walden and approved by Board.

Public Relations & Webmaster Tim Cook advised the

- a. Newsletter went out and only 3 were returned undeliverable. In January or February of 2013 he hoped the newsletter would go out again. Average cost for printing and mailing is about 39 cents each.
- b. The current email list is up and down in total due to people changing their emails and not advising the webmaster. Policy if notice comes back an email he sent out was undeliverable then that email is removed from the master list until he is contacted by the holder of the email returned.
- c. Secretary Lee advised the Board that Insurance Chair Francis Bradley has taken upon his own to send mail via the post office to our Board members who don't have emails. Lee made motion that Francis' expenses be paid by the Treasurer and that he get stamps, envelopes, and anything else he needs to continue this mail out. It was seconded by Bob McCulley and approved by the Board.

Insurance Chairman Francis Bradley advised

- a. Caremark was putting into effect a 90 day Retail Drug Program but the list of Pharmacies we could use for that has not been provided by Caremark so you might need to go to the Website www.caremark.com and check for 90 day Retail. There is a list of approved Pharmacies you can go to for a RX, but it does not fulfill the 90 day program.
- b. Regarding the VA Long Term Care there has been some discussion as to what it would and would not cover and each former military person would need to check for their own circumstances.
- c. Be careful to check all EOB's from Cigna. In Feb 2012 member had a \$17,000 bill and her primary paid all but a little over \$800 in April 2012. In Nov Cigna sent an EOB claiming to have paid \$15,000 on the bill that only had the balance just over \$800. Unknown why Cigna is trying to take credit for the bulk of the bill.
- d. In the Summary Plan Document [on the ACRE website] on page 96 there is a statement all of us need to be aware of "if balance on claim is equal to or less than what would have been paid if City plan was primary, then the balance on the claim is paid in full". If the balance on the claim is greater than what the City would have paid as primary then the participant is responsible for that difference. Retired member Jim Aylor brought this to the attention of Cigna and the benefits office affirmed that it was correct. So watch your bills.
- e. For those members with a Credit Union account there is a up to \$3,000 death benefit based on how much you have in your accounts. {This will be put on the ACRE website for your viewing.}
- f. Asked if everyone received their Notice of Benefits Delivery and Summary of Benefits and Coverage as required under the Patient Protection and Affordable Care Act [PPACA]. Everyone had.
- g. Mr. Bradley advised that he and Mike Lee were on the City Council Healthcare Oversight Committee and that recently a special subcommittee had been formed with Lee on it to review Mercer and the City's plans for the 2014 changes to health care that would go in effect in Jan 2014. He advised that the City was looking at two different scenarios at this time [will post on ACRE website]
 1. Keep the Basic and Premier with significant changes in cost to the employees with raised premiums, deductibles, etc.
 2. Merge the Basic and Premier plans and have a new high deductible Health Savings Account plan. Retirees on Medicare cannot be in this type plan. Goal is Consumer Directed Health Plan to control costs.
 3. There is also a suggestion to change the RX portion of the current plan for those on Medicare Part A, and those on Medicare Part A and B. This is called an Employer Group Waiver Plan [aka Egg Whip plan]. All the Medicare members would be placed in a City of Memphis Medicare Part D plan. The design can be made to mimic closely the current RX plan for Active employees and Pre-65 retirees. But there can be some differences. When you hit the "donut hole" the City steps in and pays. Maybe some change to formulary's and non-formularies.

Pension Chairman Dan Melancon: report presented by M. Lee for Mr. Melancon.

- a. During the October 2012 Pension Board meeting sample letters from the City and Disability Pension Benefits Compliance Auditors “Memphis Consulting Group, LLC” were presented. [Will be put on ACRE website] Still no idea when they would be mailed out. They did mention that they understood several of these on disability may not have current addresses on file, may be in nursing homes or not mentally capable of understanding the packets. Before any action can be taken on any retirement it must be voted on and approved by the Pension Board. A list of all disabled retirees not responding will be furnished to the Memphis Police Association, Memphis Fire Fighters Association, and ACRE to allow use to make a personal contact if possible. Any questions or concerns upon receipt of packet can contact the above employee groups or their own attorney for help and advice.
- b. The November 15th Pension Update for the Month of October 2012 showed \$1.9 billion. On Page 7 the Conclusion says “Excellent YTD returns through October 2012”.

Treasurer Jim Nichols

- a. Last month 4 gift cards were authorized for those who constantly help the Treasure, Public Relations, and Secretary and therefore the entire ACRE membership. He advised we had forgotten 2 and asked the Board to authorize for these two extra. Nichols motion was seconded by Donne Walden. It was approved.

Legal Advisor Clyde Keenan

- a. Nothing at this time other than waiting on the Packets from the Pension Board.

Secretary Mike Lee

- a. Asked for motion to grant life memberships to Vice President Gary James and Sergeant at Arms Welborn Marr. Motion by Jim Nichols Second by Frank Hester and approved by board. That raised LM to 20. All former officers or their widows.
- b. Jim Nichols had been contacted by a widow of a MFD member Mrs Tomye Eckles and due to her situation he was asking that her \$15 dues taking her to November 2013 be waived this year. We will check her situation before any other dues are waived. The Board unanimously agreed.
- c. Lee advised that he and Treasurer Nichols had been invited to a follow up meeting to a September 7th meeting with Chief Administrative Officer George Little. The new meeting will be at City Hall in Conference Room A 4th floor. All the labor groups were also invited and have accepted. You will be advised of the subjects covered as soon as we can.

President Wainscott Adjourned the meeting until 12 noon.

ACRE General Meeting November 21, 2012 12 noon

President Wainscott Opened the meeting

Vice President Gary James led in prayer and led in the pledge

Frank Hester Nominating Chair stood and read the names of those running for office: President Mike Lee, Vice President Richard McBryde, Secretary John Johnson, Treasurer Jim Nichols, Public Relations Tim Cook and Sgt-at-arms Welborn Marr.

President Wainscott then took back over and the slate was elected by acclamation to take office Jan 1, 2013 for two years. Ceremony to take place at December 19th ACRE meeting which will also be the Christmas Party with all food supplied by the City of Memphis Credit Union.

Francis Bradley Chairman Insurance Committee brought the same issues up in this meeting as he had in the Board Meeting earlier. He did let everyone know that Part B was going from \$99.90 to \$104.90 effective Jan 1, 2013. There would also be a raise in the Part B deductible.

M. Lee for Dan Melancon Pensions same report as provided in the earlier Board Meeting.

Jim Nichols Treasurer between Oct 17 and Nov 21, 2012 Receipts were \$2,891.91 expenses were \$1,926.35 with a month balance of \$956.56. In Savings there is \$5.00 [minimum allowed], In legal fund there is \$7,000, in checking there is \$13,803.99, in 12 CD \$4,723.70. Total ACRE funds \$25,532.69. Full report posted on ACRE website.

Clyde Keenan at this point nothing pressing. Still waiting on the Disability Audits going out.

Mike Lee Secretary advised membership of meeting Wed Nov 28 with CAO George Little that he and Nichols were attending with all the labor groups at City Hall. Will advise of the subject matter latter.

Tim Cook Public Relations and Webmaster advised membership of Christmas Party at 11 am on Wednesday December 19th, with food by the Credit Union and Entertainment by the Peacemakers. He then brought up the same facts from the Board meeting earlier. Emphasizing that if he sends you an email and it is returned undeliverable then you are removed from his list until he gets an update. If he does not do that the provider could think he is a spammer and shut him down. So it is absolutely important that when you change your email that you send him an update.

President Wainscott adjourned the meeting until Wed December 19 at 11 a.m.

Motion to Accept By: Richard McBryde

Seconded By: Tim Cook

Approved: Yes