

Meeting of the Chicago Transit Authority Retiree Healthcare Trust

Meeting Minutes

A regular meeting of the Board of Trustees of the Chicago Transit Authority Retiree Healthcare Trust was held on May 28, 2009 at One North Franklin Street, 24th Floor. The Chairman and the Executive Director were present.

A roll call was taken indicating that the following members were present:

Don Franklin
John Burkard as an alternate for James Kasmer
Bob Kelly
Theresa Mintle
Joe Pass
Michael McLaughlin as an alternate for Lynn Sapyta
Paul Sidrys

Chuck Wolf, of Vedder Price, PC appeared on behalf of the Health Care Trust. Joe Burns appeared on behalf of the union appointed trustees. John Doerr and Andrew A. Malahowski appeared on behalf of the RTA appointed trustee.

The minutes of the March meeting were approved on a motion by Mr. Kelly. (Action on February's and April's meeting minutes was deferred.)

Administration Committee

After discussion of several specific items, Mr. Sidrys moved to approve the payment of the bills with the exception of the Segal bill. Mr. Burkard seconded the motion and it passed.

After some discussion, on a motion by Mr. Franklin, the Board approved the guidelines associated with Legal Services for the Trust.

There was a discussion about a single point of contact between the Board and the legal staff at Vedder. There was a motion by Mr. Kelly to designate Mr. Pass as the point of contact. After some additional discussion, there was a roll call vote that went as follows: Mintle-no, Pass-Yes, McLaughlin-no, Kelly-yes, Burkard-yes, Sidrys-no, Franklin-no. The motion did not carry.

Investment Committee

Mr. Day then gave the Board an update on the market volatility and its status related to the investment decision. Mr. Day continued to recommend that the Board wait to put the bond proceeds into the equity markets.

Old Business

Mitch Bramstaedt of Segal made a presentation regarding decisions that needed to be made on Plan Design.

On a motion by Mr. Burkard, the Board approved the use of the larger network of dentists proposed by Humana CompBenefits.

On a motion by Ms. Mintle, the Board approved the transfer of the lifetime maximums when we've had a change in plan sponsors.

On a motion by Mr. Sidrys, the Board approved the elimination of all erectile dysfunction (ED) drugs for all participants.

On a motion by Mr. Kelly, the Board approved Segal's recommendation on the Specialty Drug Guideline Management Program.

On a motion by Ms. Mintle, the Board decided not to implement the drug savings review program with Caremark.

On a motion by Mr. Kelly, the Board approved the appeal process with Caremark to allow for the initial appeal to be done by Caremark and the final appeal to be made to, and decided by, the Trustees.

On a motion by Mr. Kelly, the Board approved the approved the same process for medical PPO claims.

On motion by Mr. Sidrys, the Board approved prior authorization for anti-fungal agents and topical acne medication.

On a motion by Mr. Kelly, the Board approved the use of the existing quantity limits related to Caremark and deferred action on setting new quantity limits for a later meeting.

On a motion by Mr. Kelly, the Board approved the policy that they would not enforce the one-time opt-in until on and after January 1, 2010.

The meeting was adjourned on a motion by Mr. Kelly.
