

## 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 April 30, 2009 at One North Franklin Street, 24<sup>th</sup> Floor. The Chairman and the Executive Director were present.

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

Don Franklin  
James Kasmer  
Bob Kelly  
Theresa Mintle (replaced by Michael McGlaughlin during the meeting)  
Joe Pass  
Lynn Sapyta (replaced by Tracy Foster during the meeting)  
Paul Sidrys

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Chuck Wolf, of Vedder Price, PC appeared on behalf of the Health Care Trust.

The Trustees moved immediately to item 6.

There was discussion on decisions that were to be made by the Trustees related to plan design and eligibility.

After discussion on the matter, there was a motion by Mr. Kelly to set the co-payments for the HMO prescription drugs at \$5, \$10 and \$25 for Generic, Preferred and Non-Preferred retail prescriptions and \$10, \$20 and \$50 for the same categories through mail order. After some additional discussion on the possible effects on retirees and moving between the PPO and the HMOs, Mr. Kasmer seconded the motion. The motion passed unanimously.

After discussion on the matter, Mr. Kasmer made a motion to require a \$100 copay for emergency room visits, within HMO IL or Unicare, that would be waived if admitted. The motion was seconded by Mr. Sidrys. The motion passed unanimously.

After some discussion on the matter, Mr. Sidrys made a motion to allow retirees and their dependents, up to age 65, to participate in the dental plan, if they pay the full cost, even though the retiree may have opted out of the medical plan. The motion was seconded by Mr. Kasmer. The motion passed unanimously.

After discussion, Ms. Sapyta made a motion to deny coverage to spouses and dependent children, if the retiree opted out of the medical plan. The motion was seconded by Mr. Sidrys. The motion passed unanimously.

After discussion on the matter, Ms. Sapyta made a motion that, effective July 1, 2009, only individuals who are spouses or dependent children at the time the CTA employee retirees, will be eligible to enroll in coverage. Mr. Sidrys seconded the motion. The motion passed unanimously.

After discussion on the matter, Mr. Kelly made a motion to allow retirees to add biological and adopted children to their coverage after July 1, 2009. The motion was seconded by Mr. Kasmer. The motion passed by a vote of four to three with McGlauglin, Sapyta and Sidrys voting "no".

After discussion on the matter, Mr. Kelly made a motion to apply consistent eligibility rules for dependents in the PPO and the HMOs. The motion was seconded by Ms. Sapyta. The motion passed unanimously.

After some discussion, Mr. Sidrys made a motion to allow retirees, spouses and dependent children to opt out of coverage once and be allowed to re-enroll due to loss of other coverage, Medicare eligibility or during open enrollment., as long as they could provide proof of coverage immediately prior to re-enrolling. The motion was seconded by Mr. Pass. The motion passed unanimously.

After some discussion, Mr. Kelly made a motion to allow people who are not currently covered through the retirement plan's coverage to enroll in coverage on July 1, 2009, without that being counted as their one-time re-enrollment. Mr. Kasmer seconded the motion. The motion passed unanimously.

After some discussion, Mr. Kelly made a motion to allow a non-annuitant surviving spouses, including his or her dependent children to enroll in coverage, provided that the surviving spouse has not re-married. The motion was seconded by Mr. Kasmer. The motion passed unanimously.

There was clarification requested by Mr. Bramstaedt on requiring proof of prior coverage at July 1, 2009. The Board clarified that we will not require people to provide proof of prior coverage at the July 1 open enrollment.

After some discussion, Mr. Kelly made a motion to allow for a 60 day grace period, from the date the bill is due for coverage, before a self-paying enrollee loses coverage for non-payment. The motion was seconded by Mr. Sidrys. The motion passed unanimously.

After some discussion, Mr. Pass made a motion to state that there will be no pre-existing condition exclusion on anyone who enrolls, so long as they showed evidence of prior coverage at the time of their enrollment. The motion passed unanimously.

Ms. Hunt from Segal then provided the Board with an update on the coming open enrollment mailing and the open enrollment meetings to be held on May 18<sup>th</sup> and 19<sup>th</sup> at St. Xavier and Local 399, respectively.

Consideration of the minutes for the February and March 2009 meetings was deferred.

Administration Committee

Mr. Kasmer reported that there had been meetings between various trustees with Segal and Vedder Price. Mr. Kasmer reported that, effective April 1, 2009, Vedder Price would bill the Plan at a rate of \$325 per hour.

Mr. Pass then made a motion to pay the two bills each presented by Vedder Price and Segal. It was seconded by Mr. Kelly and passed unanimously.

Mr. Sidrys made a motion to pay the bills from Diane Carole Reporting. Mr. Franklin seconded the motion and it passed unanimously.

Mr. Kasmer made a motion to pay the bills for SFG. It was seconded by Mr. Kelly and passed unanimously.

~~Mr. Kasmer then made a motion to pay Accurate Computer Consulting. It was seconded by Mr. Sidrys and passed unanimously.~~

There was a motion made by Mr. Sidrys, seconded by Mr. Kasmer to pay Gray and Company. The motion passed unanimously.

Mr. Kasmer made a motion, seconded by Mr. Sidrys to pay Rider Dickerson. The motion passed unanimously.

Investment Committee

Mr. Day then gave the Board an update on the market volatility and its status related to the investment decision.

New Business

There was discussion on the status of the healthcare audit being done by Hill Taylor for the period from January 1, 2003 forward.

Mr. Kelly provided an update on the status of the legislation related to the RHCT in the State Legislature

Mr. Wolf provided the Board a brief update on the status of the Matthews suit.

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

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