



City of Cincinnati Retirement System Benefits Committee

**City Hall Council Chambers and via Zoom
September 12, 2024 – 1:00 PM**

AGENDA

Members

Tom Gamel, Chair
Tom West, Vice Chair
Mark Menkhaus, Jr.
Bill Moller
Monica Morton
Aliya Riddle

CRS Staff

Jon Salstrom

Law

Linda Smith

Call to Order

Public Comment

Approval of Minutes

✚ June 6, 2024

Old Business

✚ Dental RFP update

New Business

✚ Executive Session regarding new disability claim

Adjournment

Next Meeting: Thursday, December 5, 2024, 1:00 P.M. City Hall Council Chambers and via Zoom

**City of Cincinnati Retirement System
Benefits Committee Meeting
Minutes
June 6, 2024 / 12:00 P.M.
City Hall – Council Chambers and remote**

Board Members Present

Tom Gamel, Chair
Tom West, Vice Chair
John Juech
Mark Menkhaus, Jr.
Bill Moller
Monica Morton
Aliya Riddle

CRS Staff

Jon Salstrom

Law

Linda Smith

Call to Order

The meeting was called to order at 1:03 p.m. by Chair Gamel and a roll call of attendance was taken. Committee members Gamel, Juech, Menkhaus, Moller, and Morton and Riddle were present. Vice Chair West was absent. Trustee Rahtz was also in attendance and participated.

Public Comment

No public comment.

Approval of Minutes

Committee member Juech moved, and Committee member Morton seconded, to approve the minutes of the meeting of September 14, 2023. The motion to approve the minutes was approved by unanimous roll call vote.

Old Business

No Old Business.

New Business

Healthcare consultant, Horan to Present (Market Trends, IRA impact & available cost saving options)
Stephanie Moman from Horan was in attendance to present.

Key Benefits Trends in 2024: The Health Plan

- Medical Costs – 2024 Healthcare Trend: 7%
 - Cost drivers

CRS Benefits Committee, 1/12/2023

- Healthcare market price inflation
 - Poor patient health
 - Complex and innovative treatments
 - High levels of Primary Care engagement are critical to long term cost stability. Site care, clinical outcome-based cost management strategies and point solutions continue to evolve.
 - Chronic condition management
 - Large case management & advocacy navigation
 - Solutions continue to come down market and insurers adapt & incorporate solutions into their bundled products.
- Outpatient Drug Trends – 2024 Pharmacy Trend: 10%
 - Trends in 2024:
 - Gene therapies
 - Biosimilars
 - GLP-1 Weight Loss Drugs
 - Specialty drugs account for more than 50% of prescription spending. Primary conditions treated:
 - Auto immune
 - Diabetes
 - Cancer
 - Average annual cost of Specialty drugs is \$38,000 compared to \$500 for non-specialty. Median price of new drugs to market was \$222,000 in 2022 (compared to \$2,000 in 2008)
- Compliance Updates – No Surprises Act and increased transparency reporting take hold.
 - Trending compliance considerations:
 - RxDC reporting
 - Gag clause attestations
 - ACA electronic filing requirement changes
 - Changing leave requirements by state
 - Mental health non-quantitative treatment limitation analysis
 - Medicare Program Changes
 - Medicare Advantage (EGWP) program changes
 - CRS members generally will not be impacted due to the low out of pocket maximum on current plans
 - CRS plan cost will be significantly impacted due to shift from manufacturers and CMS to retiree plan sponsor.

Key Benefits Trends in 2024: The Retiree Experience

- Communication & Design
 - *Tailor Your Message* - Communicate what makes your organization, culture & total rewards package better or unique to current & prospective employees.
 - *Leverage Digital Resources* – Make information easily available through digital resources like a website and/or a benefits-focuses mobile app.
 - *Communicate Often* – Communicate often, transparently and empathetically.
 - *Benefits Engagement* – Our annual engagement plan improves benefit literacy, maximizes resources & provokes positive behavior changes to improve the health plan experience and maximize the value of your investment.
- Focus on Overall Wellness
 - *Be Holistic* – Holistic wellbeing is critical to provide value to employees and organizations. Strategies should include physical, mental, social and financial components.

- *Promote Financial Wellbeing* – Financial planning and loan repayment for younger employees. Retirement plan assistance for older workers.
- HUB Fin Path provides personalized support for all workers
- Workforce Technology
 - *Expectations Have Shifted* – Effective technology enhances the employee experience. New technologies have become common throughout the workforce and are shaped by social media and life on the web.
 - *Mobility & Flexibility Increasing* – Changing landscape needs to be supported by the right technology. Weigh the use of a single-source platform against “best in breed” integrated technologies.

The City has a comprehensive plan that members consistently utilize. Increased costs are primarily driven by prescription drug spending, cancer and chronic conditions.

Key Conclusions:

- Increased spend driven by higher costs specifically related to diabetes management (GLP-1) drugs), specialty medications and cancer claims.
- Large claim impact has stabilized.
- Preventive and PCP utilization exceed norm. Members are engaging in preventive care.

2024 Focus Areas:

- Mental Health
- Chronic Conditions (Cardio and Diabetes)
- Cancer

Dental Plan Strategy

- The Dental Plan is currently in RFP. CRS is evaluating the market to validate provider access and benefit cost. Additionally, a “buy up” option was requested for evaluation.

2024 Strategic Focus Areas:

- Evaluate prescription drug benefit clinical programs to ensure appropriate cost mitigation with limited or no member impact.
- Monitor and update financial/cost projections based on program impact from upcoming Medicare changes (EGWP plan.)
- Executive Dental RFP and buy up option review. Focus on limiting member disruption and improving overall experience.
- Evaluate Long Term Care benefit options.
- Continue to provide quality customer service support and program education resources to retiree plan members.
- Preparation for 2025 health plan marketing
 - Ensuring CRS is leveraging the right vendor partners with the most advantageous cost structure.
 - Evaluation of current CRS program options including benchmarking of current offering to other state programs.

Adjournment

Following a motion to adjourn by Committee member Moller and seconded by Committee member Rahtz, the Benefits Committee approved the motion by unanimous roll call vote. The meeting adjourned at 2:04 pm.

Meeting video link: <https://archive.org/details/crs-benefits-6-6-24>

Next Meeting: Thursday, September 12, 2024, 1:00 P.M. City Hall Council Chambers and via Zoom

Secretary

DRAFT