



JACKSONVILLE POLICE OFFICERS AND FIRE FIGHTERS'
HEALTH INSURANCE TRUST
MEETING SUMMARY – May 01, 2020 – 09:30AM

PRESENT

Randy Wyse, Chair
Steve Zona, Vice Chair
James Holderfield, Secretary
Jamie Johnson, Asst. Secretary
Austin Gamble
Bobby Deal
Cris Keith
John Keane

STAFF

Karen LaRue
Mark Bailey Sr.
Mark Bailey Jr.
Tiney Rahilly
Travis Cummings
Tamara Driggs
Paul Donnelly
Cole Barnett

EXCUSED

GUESTS

Meeting Convened

09:00 AM

Meeting Adjourned

09:54 AM

Call to Order

Randy Wyse called the special meeting to order at 09:00 AM. The meeting was conducted via Zoom in accordance with Executive Order 20-69 allowing local governments to hold public meetings using communications media technology rather than in a physical location. Present were all 8 Trustees, the Administrative Coordinator, legal counsel, and staff from the Bailey Group. Randy Wyse declared a quorum and opened the meeting for business. Randy Wyse recognized Travis Cummings for a proposal on changes to the JPOFFHIT Pharmacy Benefit Manger (PBM).

Pharmacy Benefit Manager Proposal

Travis Cummings provided an overview of the current PBM – Prime. A review was conducted by the Bailey Group in partnership with Crumdale which determined there were significant deficiencies under the current arrangement. A revised agreement between JPOFFHIT and the COJ allows the exit

of JPOFFHIT from the PBM contract. Travis added that Prime had provided a tentative proposal that would equate to a savings of approximately \$1.5 million to the Trust and guaranteed no negative impact to the COJ. In addition to the offer from Prime, the Bailey Group had engaged preliminary conversations with Express Scripts (ESI) for services to JPOFFHIT. The ESI offer provided for a three-year rate lock beginning with a January 2021 date in comparison to an 18-month rate guarantee from Prime while still requiring a three-year commitment.

Mark Bailey Sr. gave the Board a more detailed analysis of the conversations and review conducted by Crumdale. He pointed out that with JPOFFHIT's Rx increase of 22% in the preceding months a change to the PMB would provide a significant benefit to the Trust and Members. Mark Bailey Sr. estimated the savings could be in excess of \$2.0 million if a change was made in the upcoming months.

Randy Wyse questioned if such a short transitional period would be a cause of concern for the Bailey Group in implementing a new PBM. Tiney Rahilly advised there would be challenges in communicating the change to Members, especially the retiree group who would also likely represent the most effected sub-group of JPOFFHIT members.

Jamie Johnson asked for clarification between Prime and ESI regarding the monetary savings. Mark Bailey Sr. reiterated that ESI's offering would provide a significant savings over Prime estimating the total savings with ESI to be between \$2.0-2.5 million.

Bobby Deal asked if those numbers represented yearly savings or were indicative of the life of the contract. Mark Bailey Sr. advised those saving were yearly.

Paul Donnelly asked if there was any upside to staying with Prime over ESI. Travis Cummings responded that there was no real incentive to enter into a revised Prime contract.

Steve Zona asked if it was worth keeping the current arrangement unchanged over the next 18-months with the prospect of fully separating Rx and Health when able under the current separation agreement. Mark Bailey Sr. advised the political implications of separating are not going to be any better in the future. There will always be a potential for issues to arise in negotiations, but the monetary savings to the Trust that are achievable at this time are significant.

Randy Wyse confirmed there was still time to review the proposals and differed action until the following regular meeting.

Other Reports

Randy Wyse called for the next regular scheduled board meeting to be held Thursday May 14th, 2020 at 09:30 AM. The meeting will be conducted via Zoom.

Randy Wyse adjourned the meeting at 09:54 AM.

James Holderfield, Secretary

Randy Wyse, Chair