

**Organizational Synergy & Human Resources Committee
November 29, 2007 Meeting**

Draft Minutes

Members Present: Mark Cooper, Committee Chairman
Edna Karanian
James Francis (Present beginning 9:00 a.m.)

CRRA Staff Present: Tom Kirk, President
Jim Bolduc, Chief Financial Officer (Present via telephone)
Chris Hyfield, Human Resources Manager
Moira Kenney, Secretary to the Board/Paralegal

Also present: Kurtis Denison, RC Knox & Company

Chairman Cooper called the meeting to order at 8:40 a.m. and noted there was a quorum.

1. APPROVAL OF MINUTES OF THE OCTOBER 25, 2007 ORGANIZATIONAL SYNERGY AND HUMAN RESOURCES COMMITTEE

Chairman Cooper requested a motion to approve the minutes of the October 25, 2007 Organizational Synergy & Human Resources Committee meeting. Director Karanian made the motion, which was seconded by Chairman Cooper.

The minutes were approved unanimously.

2. REVIEW AND RECOMMEND FOR BOARD APPROVAL RESOLUTION REGARDING ORGANIZATIONAL SYNERGY & HUMAN RESOURCES COMMITTEE RECOMMENDATION TO THE BOARD OF DIRECTORS REGARDING RENEWAL OF HEALTH, DENTAL, VISION, LIFE AND DISABILITY INSURANCE PROGRAMS

Chairman Cooper requested a motion to approve the above-captioned matter in order to recommend it to the full Board for approval. The motion was made by Director Karanian and seconded by Chairman Cooper.

RESOLVED: That the Board of Directors authorizes the renewal of the employee insurance benefit plans with Connecticare, The Standard Insurance, and Ameritas for the period of January 1, 2008 through December 31, 2008 for an estimated combined premium of \$693,899.

Mr. Hyfield stated the renewal cost from Connecticare has a 12.9% increase from the previous year. CRRA's insurance broker RC Knox was able to bring the renewal cost down 2.26% for a total increase of 10.64%. Mr. Hyfield stated there would be an overall cost savings if changes were made to increase the prescription costs. He stated a Director had realized that the insurance estimate was mistakenly based on last year's projection versus the actual estimates.

Mr. Hyfield explained the correction had since been made. He explained the Committee had a choice between a combined premium of either \$707,456 or \$693,899.

Director Cooper asked what the prior year premium had been. Mr. Hyfield stated that number was \$567,463. The Committee discussed the advantages and options for each possible premium at length and eventually choose the premium which would offer an overall savings cost to employees with the exception of a \$5 increase for prescription charges.

The motion previously made and seconded was approved.

3. REVIEW AND DISCUSS OFFERING GROUP LONG-TERM CARE INSURANCE

Mr. Hyfield stated the group long-term care insurance would be done on an employee contributory basis and would be at no cost to CRRA.

Mr. Dennison explained that long-term care program requires a minimum participation requirement. He stated there are only a handful of truly credible carriers out there. Mr. Dennison explained the plans are very flexible and able to be customized per the employees needs. He stated the typical average cost per day is \$250-\$300 a day for assisted care living. Mr. Dennison explained that long-term care insurance can also be used for home care, which can often be more affordable than assisted living homes.

Mr. Dennison explained another option is a core group plan which is essentially when the carrier covers all employees with a minimum daily benefit. He stated the employees are usually given the opportunity to buy up in this model, and it also eliminates the minimum participation requirement. He stated both models have an initial application process which is then followed up with a more extensive application with a careful examination of health and family history.

Director Karanian asked what precipitated this look for group long-term care. Mr. Hyfield replied that a couple of employees had expressed interest, and given the fact that the policies are cost free to CRRA the opportunity was explored. Director Karanian stated the minimum for the first model would be easy to meet as only three participants were required.

Mr. Bolduc stated that people often examine this opportunity after it is no longer available to them. He stated that family members can also be brought into a group term plan and he had hoped that the Committee would gain a greater understanding of the options with this proposal.

Mr. Dennison stated there is an existing program called the Connecticut Partnership that was created by the State of CT in an effort to get people to buy long term care. He stated the reality of Medicare is that it will not provide care for longer than thirty days and Medicaid is the last resort. In an attempt to avoid some of these costs the State offered a program offer that allows those who purchase long term care the opportunity to keep every dollar spent on the care in their estate and still qualify for Title 19.

The Committee agreed the group long-term care insurance was an item that could be explored more in depth by the Human Resources manager.

4. ADJOURNMENT

Chairman Cooper requested a motion to adjourn the meeting. The motion made by Director Karanian and seconded by Director Francis was approved unanimously.

The meeting was adjourned at 9:32 a.m.

Respectfully submitted,

Moira Kenney
Secretary to the Board/Paralegal