



LAKE HAVASU UNIFIED SCHOOL DISTRICT EMPLOYEE BENEFIT TRUST

NOTICE OF PUBLIC MEETING

Thursday, October 22, 2020 5:00 p.m.

Lake Havasu High School – Performing Arts Center
2675 Palo Verde Boulevard S.

MEMBERS OF THE LAKE HAVASU UNIFIED SCHOOL DISTRICT EMPLOYEE BENEFIT TRUST BOARD OF TRUSTEES MAY ATTEND BY CONFERENCE CALL.

AGENDA

REGULAR MEETING SESSION:

5:00 p.m.

1. Routine Opening of Meeting - Call to Order

Chairperson

1.1 Roll Call

Introduction of New Trustee

1.2 Call for an Executive Session

(If the situation warrants, an Executive Session may be held during the meeting, pursuant to A.R.S. §38.431.03 (A)(2) for "Discussion or consideration of records exempt by law from public inspection, including the receipt and discussion of information or testimony that is specifically required to be maintained as confidential by state or federal law" or (A)(3) for "Discussion or consultation for legal advice with the attorney or attorneys of the public body.")

2. Call to the Public

Chairperson

*(Form BEDH-E is required to address the Board during Call to the Public. Form must be turned in to the Secretary before the meeting starts. At this time, the Chairperson will call for comments from members of the public on items not on the agenda. Because of the restrictions imposed by A.R.S. §38.431.01, discussion and action on items brought before the Board during this time will be limited to directing staff to study the matter or rescheduling the matter for further consideration and decision at a later date. The Trustees reserve the right, as authorized by open meeting laws, to limit the length of comments and to also limit the number of speakers if the speakers are merely going to repeat the comment already made by multiple other members of the public. **There will be a five (5) minute time limit per speaker.***

3. Old Business

3.1 Approval of April 16, 2020 Regular Meeting Minutes

Chairperson

4. New Business

4.1 Medical Claims Appeal #1

ECA

4.2 Medical Claims Appeal #2

ECA

4.3 Approval of March-August 2020 Financials

Chairperson

4.4 Approval of Incurred But Not Paid Report for 06/30/20

Chairperson

4.5 Update re LHSEBT Wind Down

ECA

4.6 Updates & Announcements

ECA

5. Adjournment

Chairperson

**NEXT SCHEDULED MEETING OF
THE LHSEBT TRUST BOARD**

04/15/21 @ 5:00 p.m.

LAKE HAVASU SCHOOLS EMPLOYEE BENEFIT TRUST
2200 Havasupai Blvd., Lake Havasu City, AZ 86403

Trust Board Minutes

April 16, 2020

REGULAR MEETING:

1. Routine Opening of Meeting – Call to Order

The Regular Meeting of the Board of Trustees of the Lake Havasu Schools Employee Benefit Trust was called to order by Trust Chairperson, Marcia Cox, at 5:04 p.m. on April 16, 2020.

1.1 Roll Call

BOARD MEMBERS PRESENT: Marcia Cox, Chairperson
 Amy Barney, Trustee
 Julie Sasseen, Trustee

BOARD MEMBERS ABSENT: Hal Christiansen, Vice Chairperson
 Dr. Fadi Atassi, Trustee

GOVERNING BOARD MEMBERS N/A
PRESENT:

ADMINISTRATION PRESENT: Mike Murray, Director of Business Services
 Naomi Morgan, Administrative Assistant

OTHERS: Storm Kinion, ECA – Broker/Consultant
 Jayme Merlino, ECA – Broker/Consultant
 Jaime Schulenberg, ECA – Broker/Consultant
 Brian Zemojtel - Public
 Julie Zemojtel - Public

1.2 Call for an Executive Session - None

2. Call to the Public – None

3. Old Business

3.1 Approval of February 5, 2020 Work Session Minutes and February 6, 2020 Regular Session Minutes

Trustee Barney moved to accept the minutes as presented, seconded by Chairperson Cox, and unanimously approved.

4. New Business

4.1 Approval of January and February 2020 Financials

Trustee Barney moved to accept the January and February 2020 Financials, seconded by Chairperson Cox, and unanimously approved.

4.2 Ratification of HDHP Teladoc Consultation Fees and Update on COVID-19

Ms. Schulenberg explained that due to COVID-19 there was a need to act regarding the HDHP after the IRS relaxed its guidelines to allow insurance plans to provide COVID-related services via telemedicine with no consultation fees. After discussion with Chairperson Cox the decision was made to cover the HDHP members the same as those covered under other plans, including waiving the telemedicine fee. This action requires ratification by the Board.

Trustee Barney moved to approve the ratification, seconded by Trustee Sasseen and unanimously approved.

4.3 Discussion re LHSEBT Wind Down

Trustee Barney moved to discuss the LSHEBT Trust Wind Down, seconded by Trustee Sasseen and unanimously approved.

Ms. Schulenberg summarized the process for the wind down of the LHSEBT after 06/30/2020. She stated the Trust Document mandates the Trust remain in existence for as long as necessary to wind up the affairs of the Trust. She further explained that medical claims can be submitted for payment up to 12 months after the date they were incurred. Ms. Schulenberg explained the process of run-out claims and different options available at the end of the 12-months and the anticipated administrative costs necessary to wind up the Trusts operations. There was discussion regarding the best way to handle the run-out claims. Ms. Schulenberg stated the Trust should have a good idea of the number of outstanding claims by September or October and would be able to decide on the run-out of remaining claims at that time.

4.4 Updates and Announcements

Ms. Schulenberg reported there was a 4Q 2019 Rx Rebate totaling just over \$59,000. Ms. Merlino reported the contract with M.O.M. is signed for on-site mammograms for LHSEBT members May 15-17, 2020 and the flyers have been distributed. Chairperson Cox

reminded the Trust that one LHUSD is with NAEBT the requirement to use M.O.M. exclusively will be eliminated.

Trustee Sasseen moved to adjourn at 5:38pm, seconded by Trustee Barney and unanimously approved.

Next Meeting:

July 16, 2020

Video of the entire meeting may be seen on the District website (www.havasup.k12.az.us) under EBT Documents.

Minutes of the Trust Board Meeting of April 16, 2020 are approved as submitted.

Marcia Cox, Chairperson

Hal Christiansen, Vice Chairperson

MEMORANDUM

TO: **LHSEBT Trustees**

FROM: **ERIN P. COLLINS & ASSOCIATES, INC. (ECA)**
Jaime Schulenberg, Sr. Account Manager

DATE: October 15, 2020

RE: Medical Claim Appeal #1

ECA received a medical claim appeal on behalf of a member whose mammogram was denied due to use of a location other than Mobile On-Site Mammography (MOM).

In summary, after the closure of the Clinic, the member selected a new primary care provider who referred her to Havasu Regional Medical Center for a routine mammogram. The LHSEBT medical plans have covered routine mammograms only when provided on-site by MOM for many years; this restriction on coverage did not change with the closure of the Clinic.

Gilsbar denied the claim in accordance with the Summary Plan Document. The member has indicated she was unaware of the requirement for use of MOM and that she did not receive any notification that the requirement was still in effect once the Clinic closed. As such, she is requesting that the Board reconsider the denial and pay the mammogram claim.

I have included copies of the relevant sections of the Summary of Benefits and Coverage and Summary Plan Document which clearly indicate the use of MOM for preventive mammograms. In addition, I have included a communication that was provided to employees notifying them of the Clinic closure and associated benefit changes. That communication does not indicate that the mammogram location requirement had changed. The Trust's legal counsel, Michael Hensley, will be available to provide legal advice if needed.

If you have any questions between now and the date of the meeting, I can be reached at (928) 753-4700 ext. 302 or via email at jaimes@ecollinsandassociates.com.

April 28, 2020

Via Email

Jaime L. Schulenberg
Erin P Collins & Associates Inc
1115 Stockton Hill Rd., Ste. 101
Kingman, AZ 86404

Re: Appeal of Denial of Coverage

Dear Jaime,

Pursuant to your direction, I have attached a copy of Gilsbar's denial of claim letter with respect to my mammogram in August 2019.

I am requesting the Trust Board consider this appeal. As you are aware, our health clinic closed. As such, I was required to find a new health provider as the clinic was no longer an option. I chose North Country HealthCare.

During a routine health visit at North Country HealthCare, it was determined it was time for a routine mammogram and was directed to Havasu Regional Hospital for the procedure. I asked both Havasu Regional Hospital and North Country if the mammogram was covered and both facilities said yes. I was unaware the mammograms were to only be performed by on-site company, MOM, especially since the closure of the clinic (as I was under the impression that it was part of the clinic requirements). I did not receive any notification the requirement was still standing. It was only after the procedure and the denial of the claim that I became aware of this fact. Other employees were also directed from their new providers to Havasu Regional Hospital for this same procedure. It was only after I received the denial that the district sent out information about the on-site MOM and notification that mammograms were to be performed by this company only.

Therefore, I am requesting that the board consider reimbursement of the bills associated with this procedure. I have attached a copy of the bills hereto.

If you have any questions, please do not hesitate to contact me. Thank you for your time.

Sincerely,



PO BOX 630931
CINCINNATI OH 45263-0931



005440



We appreciate the opportunity to serve you!

Thank you for trusting us with your healthcare needs. We hope our care exceeded your expectations. Please contact us if we can be of further assistance.

Pay online at:
www.havasuregional.com

Statement Date: 10/8/2019 | Account Number: | Page 1 of 1

ACCOUNT ACTIVITY

Account Number	
Date of Service	8/15/2019
Total Amount For Hospital Services**	\$ 649.43
Insurance Payments to Date	\$ 0.00
Due From Insurance	\$ 0.00
Patient Payments to Date	\$ 0.00
Payments to Date	\$ 0.00
Remaining Account Balance	\$ 649.43

***AMOUNT YOU OWE \$ 649.43**

*The amount you owe may include copay, deductibles or non-covered charges.

**Total Amount For Hospital Services is the total amount the hospital expects to receive for services after all discounts have been applied.

Please note that professional services provided by physicians and other healthcare providers who do not work for the hospital are not part of the hospital bill. These other providers may bill separately for their services.

DETACH HERE AND RETURN BOTTOM PORTION WITH PAYMENT

Patient	Account No.	Date Due	Amount Now Due	Amount Paid
		Upon Receipt	\$ 649.43	\$

☐ Check here if your address or insurance information has changed. Please indicate changes on the back of this page.

HAVASU REGIONAL MEDICAL

02758

P.O. BOX 630931

CINCINNATI OH 45263-0931



A MESSAGE FOR YOU...

THANK YOU FOR CHOOSING OUR HOSPITAL FOR YOUR HEALTHCARE NEEDS.

This is the hospital bill for Outpatient services from August 15, 2019 through August 15, 2019.

PAYMENT OPTIONS

Pay online at www.havasuregional.com
Available 24/7

Pay with your smart phone by scanning this QR code

Pay-by-phone or call Customer Service at:
855-612-3014 Available Mon-Fri 8AM - 7PM ET



Mail in a check or credit card information with the section below.

Disponible asistencia para el idioma español.

PAYMENT OPTIONS

Pay online at www.havasuregional.com
Available 24/7

Pay with your smart phone by scanning this QR code

Pay-by-phone or call Customer Service at:
855-612-3014 Available Mon-Fri 8AM - 7PM ET

Mail in a check or credit card information with the section below.

Disponible asistencia para el idioma español.

STATEMENT



Visit our Website: www.patientnotebook.com/IPRS

Radiologist's Message:

Thank you for allowing our Radiologists to be a part of your care! You may also receive an additional bill from the hospital for their portion of these services.

SUMMARY OF CHARGES

DUE DATE	LAST PAYMENT DATE	PATIENT	ACCOUNT#	STATEMENT ID
11/17/19	10/22/2019			
DATE	CODE	DESCRIPTION OF SERVICE	AMOUNT	
08/15/19	77067	Scr mammo bi incl cad	\$151.00	
		PAYMENTS/ADJUSTMENTS	\$0.00	
YOUR INSURANCE COMPANY HAS DENIED THIS AS A NON COVERED SERVICE. THE BALANCE DUE IS YOUR RESPONSIBILITY. TO DISPUTE THE BALANCE PLEASE CONTACT YOUR INSURANCE COMPANY.				
STATEMENT DATE	SERVICE LOCATION	PRIMARY INSURANCE	SECONDARY INSURANCE	
10/27/2019	HAVASU REGIONAL MEDICAL CENTER	GILSBAR		

For Billing Questions: (888) 930-4510

PLEASE PAY THIS AMOUNT \$151.00

Patient Services Available At Our Website: www.patientnotebook.com/IPRS

- Pay Your Bills Online
- Update Your Insurance
- Setup A Payment Plan
- View Itemized Statement
- Update Your Address
- Update Your Personal Information
- Register For Electronic Statements
- Various Patient Forms
- Ask A Question

DETACH HERE AND RETURN THIS BOTTOM PORTION WITH YOUR PAYMENT USING THE RETURN ENVELOPE ENCLOSED

Pinnacle Radiology
P O Box 4110
Department 5730
Woburn, MA 01888-4110

FORWARDING SERVICE REQUESTED

Still have a Question?

Please have your insurance card ready and call (888) 930-4510

Visit our website: www.patientnotebook.com/IPRS		
Statement ID:		
STATEMENT DATE 10/27/2019	ACCOUNT #	PAY THIS AMOUNT \$151.00
DUE DATE 11/17/19	AMOUNT ENCLOSED	

140582-5-11788102

140582 - 5

MAKE CHECK PAYABLE AND REMIT TO:

Pinnacle Radiology
PO BOX 371863
PITTSBURGH PA 15250-7863

0001079756950000014155200000151000002



800.445.7227
2100 Covington Centre
Covington, LA 70433
Gilsbar.com

April 4, 2019

RE: Group: LHS Employee Benefit Trust Employee Benefit Plan
 Member:
 PID#:
 Claim #:

Dear

This letter is in response to your appeal received on January 18, 2020 regarding the charges incurred on August 15, 2019 by you.

LHS Employee Benefit Trust is a self-funded Plan. Gilsbar, L.L.C., as Benefit Services Manager, is contracted by LHS Employee Benefit Trust to process claims according to their Plan of Benefits. Gilsbar, L.L.C. is not the insurer and does not have discretionary authority in this matter. LHS Employee Benefit Trust is the Plan Administrator. Gilsbar, L.L.C. processes claims pursuant to the Plan terms and cannot deviate from the limitations set by the Plan.

In the section of the benefit plan titled "Schedule of Medical Benefits", listed under Preventive Care, the Plan provides the following provision regarding mammography services:

*"*For mammogram, see age limitations as recommended by the USPSTF; additionally, mammograms for Participants ages 35-39 are covered. SMI Imaging's mobile onsite mammography service is the exclusive PPO provider for all mammography services, unless a Physician certifies in writing that a Hospital must be used in lieu of SMI Imaging's mobile onsite mammography service."*

BENEFIT DESCRIPTION – GOLD PLAN	PPO	NON-PPO
Preventive Care	100%, no Deductible	Not Covered

While the Plan Administrator is anxious to provide benefits for any charges that qualify as a covered expense, you can understand that, based on the Plan Document language, these charges would not be covered under this Plan.

This determination completes the appeal process under the plan. The member has the right to bring a civil action following any adverse determination. The time frame for filing a suit is one year after the adverse determination notice but suit may not be brought after the one-year period has passed. For questions about your appeal rights, this notice, or for assistance, you can contact the Employee Benefits Security Administration at 1-866-444-EBSA (3272). Additionally, a

COVINGTON, LOUISIANA | PHOENIX, ARIZONA | GREENSBORO, NORTH CAROLINA | HOUSTON, TEXAS

Gilsbar, L.L.C. dba Gilsbar Administrators & Insurance Services in California

consumer assistance program may be able to assist you at Phoenix: 602-364-2499, Spanish: 602-364-2977, Toll free: 800-325-2548.

If you have any questions regarding this matter, please contact Gilsbar's Customer Contact Center at 888-472-4352.

Sincerely,

A handwritten signature in cursive script, appearing to read "Andrea C.", written in black ink.

Andrea C.
Appeals Unit

Summary of Benefits and Coverage: What this Plan Covers & What You Pay For Covered Services
GOLD PLAN: LHS EMPLOYEE BENEFIT TRUST

Coverage Period: 07/01/2019 – 06/30/2020
 Coverage for: Family | Plan Type: PPO

All copayment and coinsurance costs shown in this chart are after your deductible has been met, if a deductible applies.

Common Medical Event	Services You May Need	What You Will Pay		Limitations, Exceptions, & Other Important Information
		PPO Provider	Non-PPO Provider	
If you visit a health care provider's office or clinic	Primary care visit to treat an injury or illness	\$25 copay/visit, deductible does not apply, 20% coinsurance for other outpatient services.	Not covered	Copay is per provider and applies to office visit, injections (not including allergy testing or treatment), and minor office surgery.
	Specialist visit	\$50 copay/visit, deductible does not apply, 20% coinsurance for other outpatient services.	Not covered	
	Preventive care/screening/immunization	No charge	Not covered	Limited to annual routine physical exam, x-ray/lab, pap smear, colonoscopy (at any age if recommended by a Physician), prostatic/testicular exam, childhood hearing screening and vision exam. Mammograms are covered for participants age 35 and over. You may have to pay for services that aren't preventive. Ask your provider if the services needed are preventive. Then check what your plan will pay for.
If you have a test	Diagnostic test (x-ray, blood work)	20% coinsurance	Not covered	Pre-certification is required for Diagnostic tests over \$1,000 or benefits could be reduced by 50%. Diagnostic tests in a standalone facility are paid at \$50 copay/visit, deductible does not apply.
	Imaging (CT/PET scans, MRI(s))	20% coinsurance	Not covered	Pre-certification is required or benefits could be reduced by 50%.



Lake Havasu Unified School District #1

Mid-Year Open Enrollment

For Plan Changes Effective January 01, 2019 – June 30, 2019

*Changes you make during this mid-year open enrollment will become effective
January 01, 2019.*

Effective January 01 – June 30, 2019, the following changes are being made to your Medical/Rx benefits:

- The Health & Wellness Center is closing as of December 31, 2018
 - Please consider establishing care with a primary care physician (PCP) now to avoid disruption in services as of 01/01/19.
 - If you are taking a prescription that is being dispensed through the Center, ask your provider to write you a new prescription that you can take to the network pharmacy of your choice to avoid disruption of your medication regimen.
 - See the attached list of PCP providers taking new patients
- Reduce Office Co-Pay from \$55 to \$25 PCP / \$50 Specialist
- Reduce Free-Standing Lab and X-Ray Coverage from Deductible+Coinsurance to a \$50 Co-Pay (NOTE: Advanced Imaging [i.e., CT Scans, MRIs, PET Scans, etc.] remain subject to deductible and coinsurance, as does use of the hospital for lab and x-ray services.)
- Provide Male Sterilization with No Member Cost Share
- Add Teladoc
 - See attached flyer for more information.
 - Look for your ID card in the mail! Once you receive your card, we would encourage you to register so you have an established account before you need to use the service!
- Reduce Rx Co-Pay for 90-Day Retail and Mail Prescriptions from \$25/\$105/\$195 to \$20/\$70/\$130.

During this mid-year open enrollment opportunity, employees may make changes to their current Medical/Rx election, i.e., add or drop coverage or dependents. Members may not make changes to their current Dental, Vision, Life or other benefits.

EVERY EMPLOYEE MUST COMPLETE A BENEFIT ENROLLMENT/CHANGE FORM

If you do not wish to make changes to your current Medical/Rx benefits, mark the form accordingly.

If you want to change your current Medical/Rx election, indicate which changes you would like to make.

Include your signature and date near the bottom of the form and return to your site designee.

If you have any questions about your benefits, please call Cheri Tropple at 928.505.6930 or Jaime Schulenberg from ECA at 928.753.4700 x302 or jaimes@ecollinsandassociates.com.

BENEFIT DESCRIPTION	GOLD PLAN		HIGH DEDUCTIBLE HEALTH PLAN	
	NETWORK	NON-NETWORK	NETWORK	NON-NETWORK
Physician Services – TelaDoc Consultations (Visit www.teladoc.com or use the TelaDoc App on your mobile device to receive general health care and pediatric care information for a Participant's condition. The TelaDoc program is available 24/7/365. See the plan document for more details about this benefit.)	100%, deductible waived	Not covered	100% after deductible	Not covered
Prescription Drugs (Inpatient)	Refer to Hospital / Facility Inpatient Expenses			
Prescription Drugs (Outpatient)	Refer to the Schedule of Prescription Drug Benefits subsection			
Preventive Care	100%, deductible waived	Not covered	100%, deductible waived	Not covered
This benefit includes Preventive Care, as defined in the Definitions section, as well as the following once annually or as required by the Affordable Care Act (ACA): physical exam, X-ray & lab, mammogram,* colonoscopy,** pap smear, prostatic/testicular exam, childhood hearing screening, childhood vision exam, well baby exams, and immunizations (for influenza, shingles, or pneumonia immunizations, refer also to the Prescription Drug Benefits schedule and Section). *For mammogram, see age limitations as recommended by the USPSTF; additionally, mammograms for Participants ages 35-39 are covered. Mobile On-Site Mammography (MOM) is the exclusive PPO provider for all mammography services, unless a Physician certifies in writing that a Hospital must be used in lieu of MOM. **Colonoscopies for Participants of any age are allowed if recommended by the Physician. Evidence-informed preventive care and screenings for infants, children and adolescents supported by the Health Resources and Services Administration (HRSA) is covered by the Plan. Additionally, women's evidence-based preventive care and screenings provided for in binding comprehensive health plan coverage guidelines supported by HRSA and developed in accordance with 45 CFR § 147.131(a). 42 USC 300gg-13(a); Treas. Reg. § 54.9815-2713(a)(1) is covered by the Plan.				
Private Duty Nursing (Limited to Outpatient only)	80% after deductible	Not covered	100% after deductible	Not covered

MEMORANDUM

TO: **LHSEBT Trustees**

FROM: **ERIN P. COLLINS & ASSOCIATES, INC. (ECA)**
Jaime Schulenberg, Sr. Account Manager

DATE: October 15, 2020

RE: Medical Claim Appeal #2

ECA received a medical claim appeal on behalf of a member whose out-of-network hospital is balance billing for services rendered.

In summary, the member went to Havasu Regional Medical Center for an emergency and was transported to Sunrise Hospital in Las Vegas for treatment, where she was inpatient from March 15-17, 2020. Sunrise is not in the Blue Cross Blue Shield of Arizona medical network, however, the LHSEBT medical plan allows for payment of out-of-network charges based on the in-network schedule for emergencies such as this.

Sunrise charged \$22,562.32 for the inpatient stay and associated expenses. American Health Group (AHG) attempted to negotiate a settlement with Sunrise since they are out-of-network, however, those negotiations were not successful. As a result, Gilsbar processed the hospital claim using Usual, Customary and Reasonable methodology in accordance with the Summary Plan Document. The claim paid at 200% of Medicare, or \$4,431.34, leaving a balance owing of \$18,130.98, which Sunrise is attempting to collect from the member. The member has requested that the Board pay the balance owed to Sunrise in full since they had already met their maximum out-of-pocket for the plan year.

There is some confusion on the member's part in terms of the Plan's coverage. Specifically, she is under the impression that the hospital was in-network and that Gilsbar had an obligation to advocate on her behalf and/or appeal the balance billing. While Sunrise may be covered under the Blues network in Nevada, the network utilized by LHSEBT was an Arizona only network. In addition, Gilsbar is the Plan's third-party administrator and is obligated to pay claims in accordance with the terms set forth by the Board.

I have included copies of the relevant sections of the Summary Plan Document which outline how out-of-network claims will be paid. In addition, the Trust's legal counsel, Michael Hensley, will be available to provide legal advice if needed.

If you have any questions between now and the date of the meeting, I can be reached at (928) 753-4700 ext. 302 or via email at jaimes@ecollinsandassociates.com.

Confidential Letter

RECEIVED

AUG 27 2020

BY ECA

August 16, 2020

Lake Havasu Unified School District
Employee Benefit Trust
2200 Havasupai Blvd
Lake Havasu City, AZ 86403

RE: Employee:
Patient Name:
Claim:

To Whom It May Concern:

I am writing my displeasure with Lake Havasu Unified School District Employee Benefit Trust for not paying in full the Sunrise Hospital medical bill.

On March 15, 2020, my wife was admitted to Lake Havasu Regional Medical Center emergency room and the emergency room doctor on duty felt it was medically necessary to treat my spouse's medical condition by transferring her during Covid-19 pandemic to another facility as there was no doctor in town nor on duty during her emergency. The emergency room doctor said the only place that was willing to accept her during this pandemic was Sunrise Hospital, Las Vegas, Nevada.

On July 21, 2020, we received a letter from Gilsbar responding to our appeal letter dated July 13, 2020. I am assuming that they did not read our letter because they were not advocating on our behaves, nor appealing our portion (patient owe amount) to Sunrise Hospital. Gilsbar was appealing the total cost of the original Sunrise Medical bill and advocating for a lower cost for Lake Havasu Unified School District Employee Benefit Trust.

The letter from Gilsbar dated July 21, 2020, indicated I only have one level of appeal rights and those rights has been satisfied upon receipt of the first letter of appeal dated June 9, 2020.

- The first time I seen the Gilsbar June 9, 2020, appeal letter was when it was attached to the backside of the Gilsbar letter dated July 21, 2020.
- I am no expert; however, it appears that Gilsbar was only appealing Sunrise Medical Center's original amount billed to the Lake Havasu Unified School District Employee Benefit Trust and advocating for your behaves, not for the patient.
- Our letter dated July 13, 2020, was appealing the patient owed amount because we had already reached our max-out-of-pocket requirements as of February 2020.
- During my spouse's emergency, Sunrise Hospital was and still is a provider under BlueCard PPO Basic, BlueCard PPO/EPO, BlueCard Traditional service.

I am sure that you will agree Lake Havasu Unified School District Employee Benefit Trust has an obligation to pay in full any balance owed to Sunrise Hospital Medical Center and any additional expenses from other medical providers.

Gilsbar advocated on your behalves to negotiate a fair amount owed and after their negotiations this should have resolved any amount due me as my spouse had already reached all her required out-of-pocket expenses as of February 2020.

Therefore, I am requesting that Lake Havasu Unified School District Employee Benefit Trust resolve this issue between yourself and Sunrise Hospital Medical Center by paying them in full.

Sincerely,

cc: Marcia Cox, Employee Benefit Trust Chairperson, email: marcia.cox@lhusd.org
Mike Murray, Director of Business Service, email: mike.murray@lhusd.org
Cheri Tropple, Payroll and Medical Benefits, email: cheri.tropple@lhusd.org
Lake Havasu Unified School District Employee Benefit Trust: [Certified Mail](#)

Attachments:

- A. Sunrise Hospital & Medical Center statement dated June 22, 2020
- B. Appeals Council letter dated July 13, 2020
- C. Gilsbar letter dated July 21, 2020, page 1, and Gilsbar appeal letter to Sunrise Medical Center dated June 9, 2020, page 2 and 3
- D. Sunrise Hospital & Medical Center statement dated July 28, 2020

This letter and/or email and any files transmitted with it are confidential and intended solely for the use of the individual or entity to whom they are addressed. If you have received this letter and/or email in error, please notify the sender;

This message contains confidential information and is intended only for the individual named. If you are not the named addressee, you should not disseminate, distribute or copy this letter and/or email. Please notify the sender immediately by letter and/or email if you have received this letter and/or email by mistake and delete this letter and/or email from your system.

If you are not the intended recipient, you are notified that disclosing, copying, distributing or taking any action in reliance on the contents of this information is strictly prohibited.

SUNRISE

P.O. BOX 99400
LOUISVILLE, KY 40269

Account
Serviced by:

NPAS, Inc.
P.O. BOX 99400
LOUISVILLE, KY 40269

Patient Name:	
Account Number:	
Service Date(s):	03/15/2020 - 03/17/2020
Statement Date:	06/22/2020

Contact Us

Toll Free: 1-800-223-9899 Espanol: 1-800-681-9692
MON-FRI 8AM-9PM ET

Please be prepared to provide the patient/responsible party full name, date of birth and mailing address. All calls may be recorded.

Total Payments \$ 4,431.34	Placement Date 06/20/2020	Current Account Balance \$ 15,000.00
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Our office is assisting Sunrise Medical Center in resolving this outstanding account. The insurance company was billed, leaving an unpaid balance in the amount shown above. Our records indicate that this is your responsibility. If you have any additional questions, please contact us at 1-800-223-9899.

Insurance Information

If the insurance information on file is incorrect, please contact us at 1-800-223-9899.

Primary: GILSBAR LLC
Second: PT LIABILITY PROTECT

If you choose to make a payment

-  Pay online at your provider's website:
www.sunrisehospital.com/billpay
-  Pay by phone at no additional cost. Toll free 1-800-223-9899.
-  Mail payment to the provider with the attached coupon at the payment address specified. Please do not send cash.

Unless you notify this office within thirty (30) days after receiving this notice that you dispute the validity of this debt or any portion thereof, this office will assume the debt is valid. If you notify this office in writing within thirty (30) days after receiving this notice that you dispute the validity of this debt or any portion of it, this office will obtain verification of the debt or obtain a copy of a judgment and mail you a copy of such judgment or verification. If you request of this office in writing within thirty (30) days after receiving this notice, this office will provide you with the name and address of the original creditor, if different from the current creditor.

The laws in some states may require the following disclosure: This is a communication from a debt collector. This is an attempt to collect a debt and any information obtained will be used for that purpose. Please be assured that this bill is not in default. We are contacting you to remind you about the bill, answer any questions you may have and inform you of the payment options available regarding the remaining amount due for your healthcare services.

PLEASE SEE REVERSE SIDE FOR IMPORTANT INFORMATION

If Sending Payment, Please Detach and Return to Address Below

☐ If your address changed, check this box and complete form on back.





Account Number	
Statement Date	06/22/2020
Account Balance	\$ 15,000.00
Payment Amount Enclosed	

Please do not send cash. If paying by check or money order, please indicate account number and make payable to:
SUNRISE MEDICAL CENTER.

**IF SENDING PAYMENT, PLEASE DETACH THIS
COUPON AND RETURN TO ADDRESS BELOW:**

**SUNRISE MEDICAL CENTER
P.O. BOX 740766
CINCINNATI, OH 45274-0766**



Credit Card Authorization (please check one)			
<input type="checkbox"/> 	<input type="checkbox"/> 	<input type="checkbox"/> 	<input type="checkbox"/> 
Credit Card Number		Exp. Date	
<input type="text"/>		<input type="text"/>	
Cardmember's Signature		\$ Amount	

B

July 13, 2020

TO: Gilsbar

RE:

Appeals Council,

I spoke with Patricia on July 10, 2020, and she informed me to write a letter to appeal this claim from Sunrise Hospital in Las Vegas, NV, for \$15,000.00 and to explain the situation.

On March 15, 2020, during the beginning of Covid-19 pandemic, I went to the E.R. at Havasu Regional Medical Center due to bleeding from my rectum, and due to no gastroenterologist Dr.'s available within our region and no other local hospitals in Mohave County or surrounding areas, including Phoenix area, no one would accept me, again due to Covid-19. I was sent by ambulance to Sunrise Hospital, because E.R. doctor on duty here would not release me until someone would accept me as he did not want to be responsible if I were to bleed out.

Since this was the only option available and I having no say so, therefore, I had no choice but to go to Sunrise Hospital.

If you shall need any additional information, please feel free to contact me.

Sincerely,



800.445.7227
2100 Covington Centre
Covington, LA 70433
Gilsbar.com

C

July 21, 2020

RE: Group: LHS Employee Benefit Trust Employee Benefit Plan
Member:
Patient:
PID#:
Claim #:

Dear :

This letter is in response to your appeal correspondence received on July 14, 2020 regarding the charges incurred on March 15th to 17th, 2020 with Sunrise Hospital.

LHS Employee Benefit Trust is a self-funded Plan. Gilsbar, L.L.C., as Benefit Services Manager, is contracted by LHS Employee Benefit Trust to process claims according to their Plan of Benefits. Gilsbar, L.L.C. is not the insurer and does not have discretionary authority in this matter. LHS Employee Benefit Trust is the Plan Administrator. Gilsbar, L.L.C. processes claims pursuant to the Plan terms and cannot deviate from the limitations set by the Plan.

The Group only has one level of appeal rights and that right has been satisfied upon receipt of the first letter of appeal dated June 9, 2020, which you were copied on. Please refer to Gilsbar's response letter for the outcome of that first appeal, which I have included in this mailing for your convenience. As explained in previous correspondence, a final determination has already been reached on this claim. **No further appeals will be considered by the Plan.** The participant has the right to bring a civil action following any adverse determination. The time frame for filing a suit is one year after the adverse determination notice but suit may not be brought after the one-year period has passed. For questions about appeal rights, this notice, or for assistance, the participant can contact the Employee Benefits Security Administration at 1-866-444-EBSA (3272). Additionally, a consumer assistance program may be able to assist at 602-364-2499, 800-325-2548, or Spanish: 1-602-364-2977.

If you have further questions, please contact Gilsbar's Customer Contact Center at 888-472-4352.

Sincerely,

Chris B.
Appeals Unit

enclosure

COVINGTON, LOUISIANA | PHOENIX, ARIZONA | GREENSBORO, NORTH CAROLINA | HOUSTON, TEXAS

Gilsbar, L.L.C. dba Gilsbar Administrators & Insurance Services in California

①

C

June 9, 2020

Parallon
o/b/o Sunrise Medical Center
Attn: Carla Thomas
552 Metroplex Dr.
Nashville, TN 37211

RE: Group: LHS Employee Benefit Trust Employee Benefit Plan
 Member:
 Patient:
 PID#:
 Claim #:

Dear Ms. Thomas:

This letter is in response to your appeal received on May 29, 2020 regarding the charges incurred on March 15th to 17th, 2020 by the above-referenced patient.

LHS Employee Benefit Trust is a self-funded Plan. Gilsbar, L.L.C., as Benefit Services Manager, is contracted by LHS Employee Benefit Trust to process claims according to their Plan of Benefits. Gilsbar, L.L.C. is not the insurer and does not have discretionary authority in this matter. LHS Employee Benefit Trust is the Plan Administrator. Gilsbar, L.L.C. processes claims pursuant to the Plan terms and cannot deviate from the limitations set by the Plan.

The benefit plan document further states, in the section titled "Medical Benefits," that covered medical expenses for non-network provider charges include only the allowable charges that do not exceed the reasonable and customary charge. Plan definitions for "Reasonable and Customary" and "Allowable Charge" are quoted below:

Reasonable and Customary: For the purposes of the plan generally, a charge is considered Reasonable and Customary:

- 1. If the charge is made for medical or dental services or supplies essential to the care of the Participant; and*
- 2. If the charge is in the amount normally charged by the provider for similar services and supplies; and*
- 3. If the charge does not exceed the amount ordinarily charged by most providers of comparable services and supplies in the geographic area where the services or supplies are received.*

Whether a charge is Reasonable and Customary may be established by the Plan Administrator by use of any customary or accepted method.

C

Allowable Charge: *The following are Allowable Charges under this plan and are agreed to be Reasonable and Customary:*

2. A charge billed by a Non-Network provider is determined to be an Allowable Charge under the following rules applied in the order of priority as they are listed:

...

- j. If the billed charge is a facility charge that does not appear on the Reasonable and Customary Table utilized by the Plan Administrator, then the Allowable Charge is the lesser of the billed charge or 200% of the Medicare allowable charge;*

The non-network services for Sunrise Hospital were covered at 200% of the Medicare allowable charge, or \$4,431.34. Please note that efforts were made through AHG, the plan's contracted utilization management company, to negotiate the covered amount with Sunrise Hospital, however those discussions were not successful. As such, the claim was processed and paid according to the requirements listed above. Your appeal is denied.

This determination completes the appeal process under the plan. You have the right to bring a civil action following any adverse determination. The time frame for filing a suit is one year after the adverse determination notice but suit may not be brought after the one-year period has passed. For questions about your appeal rights, this notice, or for assistance, you can contact the Employee Benefits Security Administration at 1-866-444-EBSA (3272). Additionally, a consumer assistance program may be able to assist you at: Phoenix: (602) 364-2499, Toll Free at (800) 325-2548, or Spanish: 1-602-364-2977.

If you have further questions, please contact Gilsbar's Customer Contact Center at 888-215-9841.

Sincerely,



Chris B.
Appeals Unit

cc:

SUNRISE

HOSPITAL & MEDICAL CENTER

PO BOX 740766

CINCINNATI OH 45274-0766

D

Create a MyHealthOne account to pay your bill

When you create your MyHealthOne account or log in, you can view and pay your hospital bill online. You will also be able to review your current health information and more.

Pay online at:

www.sunrisehospital.com/billpay

Statement Date:

7/28/2020

Account Number:

Page 1 of 1

SSC08591 1919121 869860818

907020

**ACCOUNT ACTIVITY**

Account Number	----
Date of Service	3/15/2020
Total Amount For Hospital Services**	\$ 22,562.32
Insurance Payments to Date	\$ 4,431.34
Due From Insurance	\$ 0.00
Patient Payments to Date	\$ 0.00
Payments to Date	\$ 4,431.34
Remaining Account Balance	\$ 3,130.98

*AMOUNT YOU OWE	\$ 18,130.98
------------------------	---------------------

*The amount you owe may include copay, deductibles or non-covered charges.

**Total Amount For Hospital Services is the total amount the hospital expects to receive for services after all discounts have been applied.

Please note that professional services provided by physicians and other healthcare providers who do not work for the hospital are not part of the hospital bill. These other providers may bill separately for their services.

A MESSAGE FOR YOU...

Thank you for choosing Sunrise Hospital and MCHC 800-307-7595 for account information.

This is the hospital bill for Emergency services from March 15, 2020 through March 17, 2020.

PAYMENT OPTIONS

Pay online at www.sunrisehospital.com/billpay
Available 24/7

Pay with your smart phone by scanning this QR code

Pay-by-phone or call Customer Service at:
800-307-7595 Available Mon-Fri 8AM - 8PM ET



Mail in a check or credit card information with the section below.

Disponible asistencia para el idioma español.

DETACH HERE AND RETURN BOTTOM PORTION WITH PAYMENT

Patient	Account No.	Date Due	Amount Now Due	Amount Paid
		Upon Receipt	\$ 18,130.98	\$

☐ Check here if your address or insurance information has changed.
Please indicate changes on the back of this page.

Please do not send cash.

Make checks payable to: SUNRISE HOSPITAL AND MC

Account No. Expiration Date Authorized Signature **SUNRISE HOSPITAL****01541****P.O. BOX 740766****CINCINNATI OH 45274-0766**



Explanation of Benefits

**RETAIN FOR TAX PURPOSES
THIS IS NOT A BILL**

Forwarding Service Requested

JFD7

3,486

Customer Service

For Customer Contact Center Call
New Orleans: 504-529-3505 Local: 985-892-3520
Provider: 888-215-9841 Member: 888-472-4352

For claims and benefit information,
visit www.myGilsbar.com

Group: LHS EMPLOYEE BENEFIT TRUST

Group#: S2595 - 0000000000 - 00001

Check#: N/A

Paid Date: 5/5/2020

**Claim#:
Patient:**

Member ID:

Member

Patient#:

Line No.	Provider	Dates of Service	Description	Total Charges	Excluded Charges	Co-pay Amount	Deductible Amount	Covered Expense	Paid At	Payment Amount
01	SUNRISE HOSPITAL	03/15-03/15/2020	ER FACILITY	\$15,921.00	\$11,489.66	\$0.00	\$0.00	\$4,431.34	100%	\$4,431.34
02	SUNRISE HOSPITAL	03/15-03/17/2020	ER FACILITY	\$12,284.00	\$12,284.00	\$0.00	\$0.00	\$0.00	0%	\$0.00
03	SUNRISE HOSPITAL	03/15-03/15/2020	ER FACILITY	\$4,065.00	\$4,065.00	\$0.00	\$0.00	\$0.00	0%	\$0.00
04	SUNRISE HOSPITAL	03/15-03/17/2020	ER FACILITY	\$1,301.00	\$1,301.00	\$0.00	\$0.00	\$0.00	0%	\$0.00
05	SUNRISE HOSPITAL	03/15-03/15/2020	ER FACILITY	\$4,423.00	\$4,423.00	\$0.00	\$0.00	\$0.00	0%	\$0.00
Column Totals				\$37,994.00	\$33,562.66	\$0.00	\$0.00	\$4,431.34		\$4,431.34
Patient Responsibility: \$33,562.66										
										Payment Amount
										\$4,431.34
										Total Payments
										\$4,431.34

Payment Details

Paid To	Amount
SUNRISE HOSPITAL	\$4,431.34

Claim Remarks

200972546-2 1,2,3,4,5 (Line 1-\$11,489.66)(Line 2-\$12,284.00)(Line 3-\$4,065.00)(Line 4-\$1,301.00)(Line 5-\$4,423.00)This plan's allowable charge is limited to a portion of the Medicare allowable charge. Please refer to the section in your Certificate/Plan Document/Policy where exclusions and limitations and/or charges in excess of reasonable and customary are noted.

Appeal Language

You may call Gilsbar to obtain a copy, free of charge, of the diagnosis and treatment codes (and their meanings), internal rules, guidelines, protocols, criteria, or standards for determining medical necessity, experimental treatment or similar information, exclusions or limits which were relied upon for any adverse benefit determination. You, or your authorized representative, have the right to appeal any adverse benefit determination by sending a written request to Gilsbar within 180 days of receipt of this notice. If you appeal, we will review our decision and provide you with a written determination. An appeal must be decided within 60 days of receipt of the request. If we continue to deny the payment, coverage, or service requested or you do not receive a timely decision, you may be able to request an external review of your claims by an independent third party, who will review the denial and issue a final decision. You have the right to take civil action, but you must exhaust the Plan's appeals process first. The timeframe for filing suit may be as short as one year after the adverse determination. Refer to your plan document for the information on specific time limitations for filing suit. For questions about your appeal rights, this notice, or for assistance, you can contact the Employee Benefits Security Administration at 1-866-444-EBSA (3272). Additionally, a consumer assistance program may be able to assist you at 602-364-2499, Spanish: 1-602-364-2977, 1-800-325-2548.

Appeals should be directed to: Gilsbar L.L.C., Attn: Appeals, P. O. Box 998, Covington, Louisiana 70434.

Additional Information

Blue Cross® Blue Shield® of Arizona, an independent licensee of the Blue Cross and Blue Shield Association, does not provide administrative or claims payment services. LHS EMPLOYEE BENEFIT TRUST has assumed all liability for claims payment. No provider network access is available from Blue Cross and Blue Shield Plans outside of Arizona.

Language Assistance

Para obtener asistencia en Español, llame al 1-888-472-4352.
Kung kailangan niyo ang tulong sa Tagalog tumawag sa 1-888-472-4352.
Dineke'ehgo shika at'ohwol ninisingo, kwijijigo holne' 1-888-472-4352.
可根據要求提供翻譯服務 1-888-472-4352.



800.445.7227
2100 Covington Centre
Covington, LA 70433
Gilsbar.com

August 27, 2020

RE: Group: LHS Employee Benefit Trust Employee Benefit Plan
Member:
Patient:
PID#:
Claim #:

Dear

This letter is a follow up to the correspondence listed below regarding the charges incurred on March 15th to 17th, 2020 with Sunrise Hospital.

The letter sent on July 21, 2020 (included below) did not include additional relevant information, for which I apologize. Please be advised that, subsequent to the final internal appeal review, you may file a voluntary appeal directly with LHS Employee Benefit Trust within 60 days from the date of receipt of the final internal Adverse Benefit Determination to elect this voluntary review. The LHS Employee Benefit Trust will review the member's request for appeal and make a decision within 60 days of the date on which the appeal is received. There may be special circumstances where an extension of up to 90 days may be required. The member will be notified if such an issue occurs.

If you have further questions, please contact Gilsbar's Customer Contact Center at 888-472-4352.

Sincerely,

Chris B.
Appeals Unit

enclosures

July 21, 2020

RE: Group: LHS Employee Benefit Trust Employee Benefit Plan
Member:
Patient:
PID#:
Claim #:

Dear ,

This letter is in response to your appeal correspondence received on July 14, 2020 regarding the charges incurred on March 15th to 17th, 2020 with Sunrise Hospital.

LHS Employee Benefit Trust is a self-funded Plan. Gilsbar, L.L.C., as **Benefit Services Manager**, is contracted by LHS Employee Benefit Trust to process claims according to their **Plan of Benefits**. Gilsbar, L.L.C. is **not the insurer and does not have discretionary authority in this matter**. LHS Employee Benefit Trust is the Plan Administrator. Gilsbar, L.L.C. processes claims pursuant to the Plan terms and cannot deviate from the limitations set by the Plan.

The Group only has one level of appeal rights and that right has been satisfied upon receipt of the first letter of appeal dated June 9, 2020, which you were copied on. Please refer to Gilsbar's response letter for the outcome of that first appeal, which I have included in this mailing for your convenience. As explained in previous correspondence, a final determination has already been reached on this claim. **No further appeals will be considered by the Plan.** The participant has the right to bring a civil action following any adverse determination. The time frame for filing a suit is one year after the adverse determination notice but suit may not be brought after the one-year period has passed. For questions about appeal rights, this notice, or for assistance, the participant can contact the Employee Benefits Security Administration at 1-866-444-EBSA (3272). Additionally, a consumer assistance program may be able to assist at 602-364-2499, 800-325-2548, or Spanish: 1-602-364-2977.

If you have further questions, please contact Gilsbar's Customer Contact Center at 888-472-4352.

Sincerely,



Chris B.
Appeals Unit

enclosure

TIME RECEIVED
July 14, 2020 at 9:07:16 AM CDT

REMOTE CSID

DURATION
80

PAGES
2

STATUS
Received

Jul 14 2020 06:52AM HP Fax

page 1

FAX

TO: Appeals Council

FROM:

FAX:

FAX:

PHONE:

PHONE:

SUBJECT: Claim #

DATE: July 14, 2020

COMMENTS: Please see attached (2) pages including FAX page.

July 13, 2020

TO: Gilsbar

RE:

Appeals Council,

I spoke with Patricia on July 10, 2020, and she informed me to write a letter to appeal this claim from Sunrise Hospital in Las Vegas, NV, for \$15,000.00 and to explain the situation.

On March 15, 2020, during the beginning of Covid-19 pandemic, I went to the E.R. at Havasu Regional Medical Center due to bleeding from my rectum, and due to no gastroenterologist Dr.'s available within our region and no other local hospitals in Mohave County or surrounding areas, including Phoenix area, no one would accept me, again due to Covid-19. I was sent by ambulance to Sunrise Hospital, because E.R. doctor on duty here would not release me until someone would accept me as he did not want to be responsible if I were to bleed out.

Since this was the only option available and I having no say so, therefore, I had no choice but to go to Sunrise Hospital.

If you shall need any additional information, please feel free to contact me.

Sincerely,

June 9, 2020

Parallon
o/b/o Sunrise Medical Center
Attn: Carla Thomas
552 Metroplex Dr.
Nashville, TN 37211

RE: Group: LHS Employee Benefit Trust Employee Benefit Plan
 Member:
 Patient:
 PID#:
 Claim #:

Dear Ms. Thomas:

This letter is in response to your appeal received on May 29, 2020 regarding the charges incurred on March 15th to 17th, 2020 by the above-referenced patient.

LHS Employee Benefit Trust is a self-funded Plan. Gilsbar, L.L.C., as Benefit Services Manager, is contracted by LHS Employee Benefit Trust to process claims according to their Plan of Benefits. Gilsbar, L.L.C. is not the insurer and does not have discretionary authority in this matter. LHS Employee Benefit Trust is the Plan Administrator. Gilsbar, L.L.C. processes claims pursuant to the Plan terms and cannot deviate from the limitations set by the Plan.

The benefit plan document further states, in the section titled "Medical Benefits," that covered medical expenses for non-network provider charges include only the allowable charges that do not exceed the reasonable and customary charge. Plan definitions for "Reasonable and Customary" and "Allowable Charge" are quoted below:

Reasonable and Customary: For the purposes of the plan generally, a charge is considered Reasonable and Customary:

- 1. If the charge is made for medical or dental services or supplies essential to the care of the Participant; and*
- 2. If the charge is in the amount normally charged by the provider for similar services and supplies; and*
- 3. If the charge does not exceed the amount ordinarily charged by most providers of comparable services and supplies in the geographic area where the services or supplies are received.*

Whether a charge is Reasonable and Customary may be established by the Plan Administrator by use of any customary or accepted method.

Allowable Charge: The following **are** Allowable Charges under this plan and are agreed to be Reasonable and Customary:

2. A charge billed by a **Non-Network provider** is determined to be an Allowable Charge under the following **rules applied in** the order of priority as they are listed:

...

- j. If the billed charge is a facility charge that does not appear on the Reasonable and Customary Table utilized by the Plan Administrator, then the Allowable Charge is the lesser of the billed charge or 200% of the Medicare allowable charge;

The non-network services for Sunrise Hospital were covered at 200% of the Medicare allowable charge, or \$4,431.34. Please note that efforts were made through AHG, the plan's contracted utilization management company, to negotiate the covered amount with Sunrise Hospital, however those discussions were not successful. As such, the claim was processed and paid according to the requirements listed above. Your appeal is denied.

This determination completes the appeal process under the plan. You have the right to bring a civil action following any adverse determination. The time frame for filing a suit is one year after the adverse determination notice but suit may not be brought after the one-year period has passed. For questions about your appeal rights, this notice, or for assistance, you can contact the Employee Benefits Security Administration at 1-866-444-EBSA (3272). Additionally, a consumer assistance program may be able to assist you at: Phoenix: (602) 364-2499, Toll Free at (800) 325-2548, or Spanish: 1-602-364-2977.

If you have further questions, please contact Gilsbar's Customer Contact Center at 888-215-9841.

Sincerely,



Chris B.
Appeals Unit

cc:



THE BUSINESS OF HEALTHCARE TRANSFORMED

THIS IS NOT A DUPLICATE CLAIM**May 22, 2020**

GILSBAR
 ATTN: APPEALS/CLAIMS
 PO BOX 2947
 CONVINGTON LA 70434

Provider Group Name: SUNRISE MEDICAL CENTER**Provider Tax id: 62-1762537****Member Name:****DOS: 03/15/2020 - 03/17/2020****Account Number:****Re: Claim Number(s):****Underpayment Amount: \$11,489.66****Reconsideration: Member's primary insurance is GILSBAR (LHS EMPLOYEE BENEFIT TRUST)**

For this DOS, the Provider is expecting a total reimbursement amount of \$37,994.00. This is for OP SERVICES @ 100%, based on rates non-contracted. Patient's primary allowed INS @ \$4,431.34 + PR @ \$22,073.00, resulting in an underpayment totaling \$11,489.66. Patient's primary allowed OON % VARIANCE. We are asking that you propose a discount of 20% - 50% to bring the underpayment down. Please consider this claim and offer a discount that we both can agree upon.

Total Charges	Contracted Rate	Expected Reimbursement	Primary Allowable	Underpayment Amount
\$37,994.00	BC @ 100%	\$37,994.00	INS @ \$4,431.34 + PR @ \$22,073.00	\$11,489.66.

We provided services to your member in good faith and in a manner consistent with good medical practice. Our facility deserves to be fairly and adequately reimbursed for the services provided and outlined in our contract.

Thank you in advance for prompt attention to this matter.

Regards,

CARLA THOMAS***Underpayment Analyst***

BENEFIT DESCRIPTION	GOLD PLAN		HIGH DEDUCTIBLE HEALTH PLAN	
	NETWORK	NON-NETWORK	NETWORK	NON-NETWORK
Hospital/Facility Inpatient Expenses (Precertification required)	80% after deductible	Not covered	100% after deductible	Not covered
Room and Board is limited to the semi-private room rate, or if the Hospital has private rooms only, the private room rate billed. Eligible charge for ICU is the ICU charge.				
Hospital/Facility Outpatient Expenses (Precertification required for surgery over \$1,000)	80% after deductible	Not covered	100% after deductible	Not covered
Infertility/Sterility (Covered up to diagnosis only)	Refer to applicable service for benefits			
Mastectomy Bras (Limited to 2 per Plan Year)	80% after deductible	Not covered	100% after deductible	Not covered
Maternity Prenatal care as required by federal law	Refer to Preventive Care			
Other Eligible Charges	Refer to applicable service for benefits			
Maternity related expenses for dependent Children are not covered, except as required by law for prenatal care.				
Newborn Care – Routine Inpatient (Circumcisions are covered at any time)	80% after deductible	Not covered	100% after deductible	Not covered
Nutritional Food Supplements (Limited to \$3,000 per Plan Year) (Must be ordered by a Physician as Medically Necessary)	50% after deductible	Not covered	100% after deductible	Not covered
Organ Transplants	80% after deductible	Not covered	100% after deductible	Not covered
See the Medical Benefits section for important details about Organ Transplants.				
Orthotics/Prosthetics (Precertification required for prosthetics over \$500)	80% after deductible	Not covered	100% after deductible	Not covered
Orthotic replacements limited to one in each 12-month period, or one every 6 months for Participants under age 19 if necessitated by a child's growth.				

Plan Year: A period of twelve consecutive months commencing on either the effective date of the Plan or on the day following the end of the first Plan Year if the first Plan Year is a short year.

Preventive Care: Care consisting of measures taken to prevent diseases, rather than curing them or treating their symptoms. For purposes of the Plan, in order to comply with applicable law, and in accordance with recommendations and guidelines, Preventive Care consists of the following:

1. Evidence-based items or services rated A or B in the United States Preventive Services Task Force (USPSTF) recommendations;
2. Recommendations of the Advisory Committee on Immunization Practices adopted by the Director of the Centers for Disease Control and Prevention (CDC);
3. Comprehensive guidelines for infants, children, and adolescents supported by the Health Resources and Services Administration (HRSA); and
4. Comprehensive guidelines for women supported by the Health Resources and Services Administration (HRSA).

For more information, contact the Plan Administrator.

Reasonable and Customary and Allowable Charge:

Reasonable and Customary: For the purposes of the plan generally, a charge is considered Reasonable and Customary:

1. If the charge is made for medical or dental services or supplies essential to the care of the Participant; and
2. If the charge is in the amount normally charged by the provider for similar services and supplies; and
3. If the charge does not exceed the amount ordinarily charged by most providers of comparable services and supplies in the geographic area where the services or supplies are received.

Whether a charge is Reasonable and Customary may be established by the Plan Administrator by use of any customary or accepted method.

Allowable Charge: The following are Allowable Charges under this plan and are agreed to be Reasonable and Customary:

1. A contracted rate of a Network servicing the Plan with the agreement of the Plan Administrator is an Allowable Charge.

2. A charge billed by a Non-Network provider is determined to be an Allowable Charge under the following rules applied in the order of priority as they are listed:
- a. If the Plan Administrator determines that the Allowable Charge is a lower amount than is otherwise applicable under the following rules, then that lower amount is the Allowable Charge;
 - b. If the billed charge is discounted according to an agreement negotiated specifically for the patient by the Plan Administrator directly with the provider, the Allowable Charge is the discounted charge;
 - c. If the billed charge is for dialysis, the Allowable Charge is the lesser of the billed charge or one-hundred thirty percent (130%) of the Medicare allowable charge;
 - d. If the billed charge is for chemotherapy drugs obtained through the pharmacy, home health provider, infusion provider, or directly from the pharmaceutical company, the Allowable Charge is the lesser of the billed charge or the average wholesale price of the drug;
 - e. If the billed charge is for specialty drugs obtained through the pharmacy, home health provider, infusion provider, or directly from the pharmaceutical company, the Allowable Charge is the lesser of the billed charge or the average wholesale price of the drug minus fifteen percent (15%);
 - f. If the billed charge is for specialty drugs dispensed by a facility on an Inpatient or Outpatient basis, the Allowable Charge is the lesser of the billed charge or 150% of the average wholesale price;
 - g. If the billed charge is for an implant (including but not limited to knee and hip replacements, pins, rods, cochlear implants, ocular implants), the Allowable Charge is the lesser of the billed charge or one and one-half (1 ½) times the invoice amount of the supplies;
 - h. If the billed charge is discounted according to an agreement with a repricing service that covers the Plan, the Allowable Charge is the discounted amount;
 - i. If the medical or dental service or supply appears on the Reasonable and Customary Table utilized by the Plan Administrator, then the Allowable Charge is the lesser of the billed charge or the amount as listed on the Table;
 - j. If the billed charge is a facility charge that does not appear on the Reasonable and Customary Table utilized by the Plan Administrator, then the Allowable Charge is the lesser of the billed charge or 200% of the Medicare allowable charge; and

- k. If none of the foregoing applies, the Allowable Charge is the billed charge.

USING THE PROVIDER NETWORK

Using the Provider Network

The Exclusive Provider Organization (also referred to as “EPO,” “PPO,” “Network,” or “In-Network”) is a network of local Physicians, Hospitals and other health care providers established specifically to provide comprehensive medical services to Plan Participants at reduced rates. These providers have agreed to accept the reduced rates as payment in full, including any portion of the fees that the Member must pay due to deductibles, copayments, out-of-pocket expenses, or other cost-sharing provisions. A provider who does not participate in the network may bill you for additional fees over and above what the Plan pays.

A list of providers that belong to the network will be made available to you. It is your choice as to which provider to use. If you choose the Network option, please follow the procedures for its use carefully. When medical care is needed, be sure the provider is still under contract with the Network shown on your ID card. When your doctor refers you to another provider, make sure that provider is also under contract with the Network before services are rendered. All charges by Non-Network providers will be excluded (except as noted below*), even if you are referred to the Non-Network provider by a Network provider.

Non-Network Providers in Network Facilities

Eligible expenses for services rendered in a Network Hospital by a Non-Network provider, including, but not limited to, an anesthesiologist, radiologist, or pathologist, will be payable at the same benefit level that a Network provider would be paid for such services if you did not have the option of choosing a Network provider. All other charges by Non-Network providers will be excluded, even if you are referred to the Non-Network provider by a Network provider (except as noted below*).

Benefit Percentage

When you receive care from a Network provider, the benefit percentage payable for your covered expenses will be the percentage shown in the Schedule of Medical Benefits. When you receive care from a Non-Network provider, no benefits are payable, except as otherwise noted in the Schedule of Medical Benefits*.

*Network benefits will apply to covered Non-Network charges if:

1. You must use a Non-Network provider in an Emergency, or
2. The care you need is not available at a Network provider.

MEMORANDUM

TO: **LHSEBT TRUSTEES**

FROM: **ECA Inc.**
Storm Kinion, Group Benefits Specialist

DATE: September 24, 2020

RE: Financial Summary for August 2020

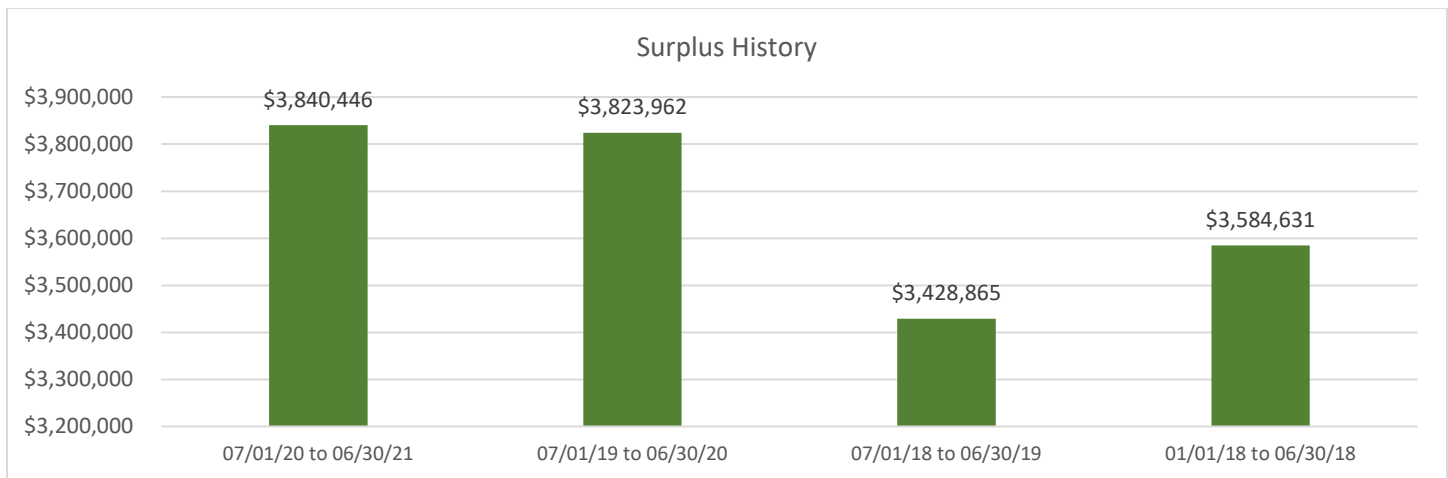
Attached please find the LHSEBT financial report for the month ending August 31, 2020 for your review and information. Please note that the financial reports going forward will reflect run-out activity following termination of the Trust as of June 30, 2020. The Annual Budget figure reflects the anticipated Incurred But Not Paid (IBNP) liability as determined by the Trust's actuary, Michael Schionning with Cheiron.

Below is a summary for your quick reference and information.

	August
REVENUE	\$216
EXPENSES	
- Claims	(\$40,931)
- Premiums	(\$101)
- Claims Administration	\$383
- General Operating	\$27,598
Expense Total:	(\$13,050)
Monthly Financial Position	\$13,266
YTD Cash Position	(\$281,063)
All Years Cash Position	\$4,355,842
Estimated IBNP Liability	(\$515,396)
All Years Surplus/Deficit Position	\$3,840,446

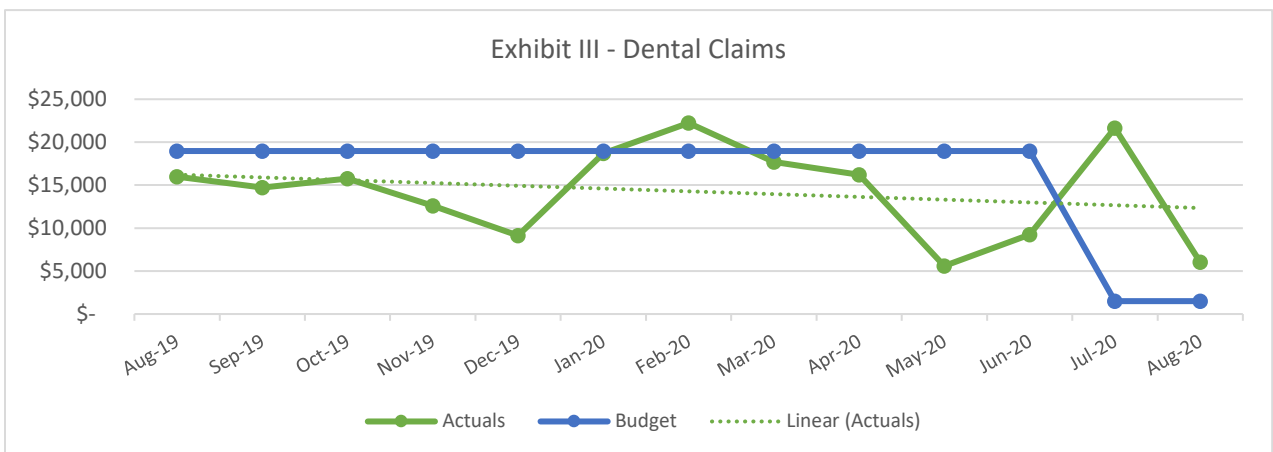
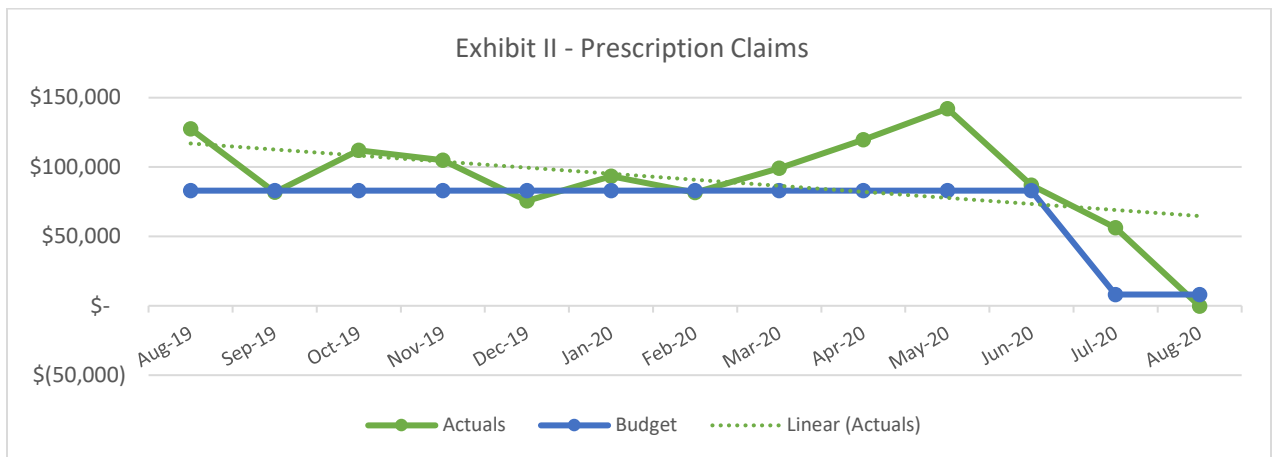
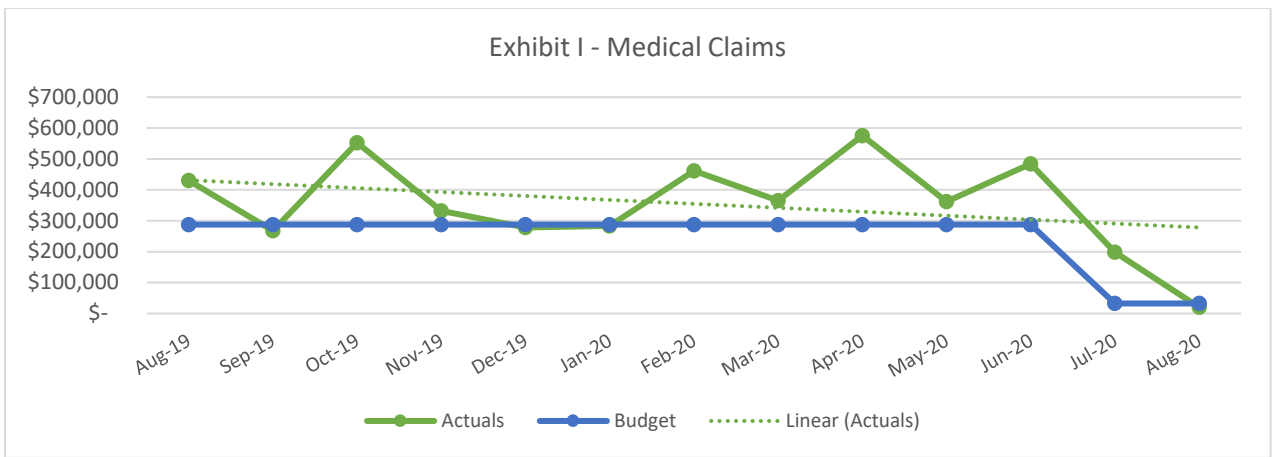
LHSEBT Fiscal Year Surplus History:

LHSEBT's All Year's Cash Position as of August 31, 2020 was \$4,355,842. Considering the Trust's estimated Incurred But Not Paid (IBNP) liability of **(\$515,396)**, LHSEBT is reporting an estimated surplus position of \$3,840,446. This surplus is what will be used to pay outstanding claims and administrative expenses during the run-out period as no further contributions will be made to the Trust by the District.



With regards to the August 2020 financial report, the following items merit your attention:

1. Gross Revenue came in at \$216 for the month.
 - a. Gross Revenue consisted of a nominal deposit by the District for interest/investment income.
2. Claim Funds include Medical, Rx and Dental claims, less any stop loss reimbursements and Rx rebates. This line item is running at -97% for the month and 279% for the year. More specifically, claims are running as follows (See Exhibits I, II and III below):
 - a. Gold Plan Medical claims are at 65% for the month and 355% year;
 - b. Gold Plan Rx claims are at -3% for the month and 360% for the year;
 - c. Dental claims are 403% for the month and 924% for the year.
 - i. High dental claims are likely due to increased utilization prior to the end of the plan year and group termination.



3. Premiums and Claim Administration reflect prior year census adjustments which require debits or credits with various vendors. These adjustments should be completed this month.
4. General Operating is at 534% for the month and 497% for the year.
 - a. Benefit Administration includes \$19,500 for run-out fees that were refunded by ECA.
 - b. Actuary is at 1,921% for the month due to receipt of invoices for all services rendered to the Trust.
 - c. General Administration is at 823% for the month and 476% for the year due to run-out fees paid to Gilsbar.

5. The Trust has 13 large claims that exceeded 50% of the specific deductible (\$85,000) from the 2019-20 plan year. The cases totaled \$3,232,251; 6 claims exceeded the specific deductible and lasered deductible by \$757,088, of which \$716,240 has been reimbursed. Gilsbar is in the process of seeking reimbursement for the remaining \$40,848. There is an additional large claim that exceeded the specific deductible however, it is not eligible for reimbursement due to a laser. ECA will continue to monitor the large cases and keep the Board apprised.

Please note that figures used in this overview have been taken from the financial reports attached. The numbers are rounded, and therefore may not calculate to the penny.

If you have any questions on anything included here, please don't hesitate to contact me. I can be reached at your convenience at 928.753.4700 x305 or via email at stormk@ecollinsandassociates.com.

c: Michael Murray, Director of Business Services

LHSEBT - Lake Havasu Schools Employee Benefit Trust

2020-21

Aug-20

	Annual Budget	MTD Budget	MTD Actual	YTD Budget	YTD Actual	% Total MTD	% Total YTD
GROSS REVENUE	\$6,145	\$512.04	\$216	\$1,024	\$1,347	42.09%	131.51%
Contributions	\$0	\$0	\$0	\$0	\$268		
Interest & Investment Income	\$6,145	\$512	\$216	\$1,024	\$1,079	42.09%	105.32%
COBRA/ASRS	\$0	\$0	\$0	\$0	\$0		
CLAIM FUNDS	\$506,000	\$42,167	(\$40,931)	\$84,333	\$235,569	-97.07%	279.33%
Medical (Gold)	\$370,400	\$30,867	\$20,192	\$61,733	\$218,872	65.42%	354.54%
Medical (HDHP)	\$20,000	\$1,667	\$0	\$3,333	\$0	0.00%	0.00%
Medical (Silver)	\$0	\$0	\$0	\$0	\$0		
Stop Loss Reimbursement	\$0	\$0	(\$224)	\$0	(\$224)		
Rx (Gold)	\$92,600	\$7,717	(\$254)	\$15,433	\$55,613	-3.30%	360.35%
Rx (HDHP)	\$5,000	\$417	\$0	\$833	\$286	0.00%	34.30%
Rx (Silver)	\$0	\$0	\$0	\$0	\$0		
Rx Rebates	\$0	\$0	(\$66,684)	\$0	(\$66,684)		
Dental	\$18,000	\$1,500	\$6,040	\$3,000	\$27,706	402.70%	923.54%
PREMIUMS	\$0	\$0	(\$101)	\$0	(\$3,819)		
Specific Stop Loss (American Fidelity)	\$0	\$0	(\$197)	\$0	(\$3,810)		
Aggregate Stop Loss (American Fidelity)	\$0	\$0	(\$7)	\$0	(\$112)		
Basic Life Insurance (Guardian)	\$0	\$0	\$248	\$0	\$248		
VTL (Guardian)	\$0	\$0	\$59	\$0	\$59		
STD (Guardian)	\$0	\$0	(\$203)	\$0	(\$203)		
Vision (United Health Care)	\$0	\$0	\$0	\$0	\$0		
CLAIM ADMINISTRATION	\$27,172	\$2,264	\$383	\$4,529	(\$713)	16.91%	-15.75%
Medical Admin (Gilsbar)	\$27,172	\$2,264	(\$36)	\$4,529	(\$573)	-1.58%	-12.65%
Cobra Admin (Gilsbar)	\$0	\$0	(\$3)	\$0	(\$51)		
% of Savings	\$0	\$0	\$0	\$0	\$0		
Dental Admin (Ameritas)	\$0	\$0	(\$29)	\$0	(\$29)		
FSA Admin (Gilsbar)	\$0	\$0	\$0	\$0	\$27		
HSA Admin (Gilsbar)	\$0	\$0	\$0	\$0	\$4		
Utilization Review (AHG)	\$0	\$0	(\$4)	\$0	(\$64)		
Case Management (AHG)	\$0	\$0	\$0	\$0	\$0		
Medical Network (BCBSAZ)	\$0	\$0	\$457	\$0	\$0		
Rx Integration (Gilsbar)	\$0	\$0	(\$2)	\$0	(\$27)		
Rx Admin (CVS Caremark/WI Rx)	\$0	\$0	\$0	\$0	\$0		
GENERAL OPERATING	\$62,000	\$5,167	\$27,598	\$10,333	\$51,373	534.16%	497.16%
Benefit Administrator (ECA)	\$0	\$0	(\$19,500)	\$0	\$0		
Wellness Administrator (ECA)	\$0	\$0	\$0	\$0	\$0		
Wellness Programs	\$0	\$0	\$0	\$0	\$0		
Clinic Operating Expenses	\$0	\$0	\$0	\$0	\$0		
Actuary (Cheiron)	\$12,500	\$1,042	\$20,010	\$2,083	\$20,010	1920.96%	960.48%
Actuary - GASB (Cheiron)	\$0	\$0	\$0	\$0	\$0		
Accountant (GDK)	\$0	\$0	\$0	\$0	\$0		
Auditor (Henfeld Meech)	\$0	\$0	\$0	\$0	\$0		
Legal	\$10,000	\$833	\$0	\$1,667	\$0	0.00%	0.00%
Legal - Investigation	\$0	\$0	\$0	\$0	\$0		
PCORI	\$0	\$0	\$0	\$0	\$0		
Telemedicine (Gold) (Teladoc)	\$0	\$0	\$0	\$0	\$0		
Telemedicine (HDHP) (Teladoc)	\$0	\$0	\$0	\$0	\$0		
General Administration	\$39,500	\$3,292	\$27,088	\$6,583	\$31,363	822.93%	476.40%
GRAND TOTAL BUDGET	\$595,172	\$49,598	-\$13,050	\$99,195	\$282,410	-26.31%	284.70%

Cash Position As Of June 30, 2020		\$4,636,905
Cash Position MTD	August-20	\$13,266
Cash Position YTD	August-20	(\$281,063)
Cash Position All Years		\$4,355,842

Prior Year	Cash Position	June 30, 2020	\$4,636,905
Surplus	IBNP	June 30, 2020	(\$595,000)
Calculations	Surplus Position	June 30, 2020	\$4,041,905
Current Year	Cash Position	August 2020	\$4,355,842
Surplus	IBNP	August 2020	(\$515,396)
Calculations	Surplus Position	August 2020	\$3,840,446

General Administration Expenses Detail	
LHSEBT	

	July	August	September	October	November	December	January	February	March	April	May	June	YTD
Expenses													
													\$0.00
Bank Fees													\$0.00
Cobra Dental Fees													\$0.00
Investment Management	\$0.00												\$0.00
Meeting Expenses													\$0.00
Misc. Expenses													\$0.00
Printing													\$0.00
Run Out	\$84.00	\$27,088.20											\$27,172.20
Trustees E&O	\$4,191.00												\$4,191.00
													\$0.00
													\$0.00

LHSEBT - Lake Havasu Schools Employee Benefit Trust

2020-21

Jul-20

	Annual Budget	MTD Budget	MTD Actual	YTD Budget	YTD Actual	% Total MTD	% Total YTD
GROSS REVENUE	\$6,145	\$512.04	\$1,131	\$512	\$1,131	220.94%	220.94%
Contributions	\$0	\$0	\$268	\$0	\$268		
Interest & Investment Income	\$6,145	\$512	\$863	\$512	\$863	168.54%	168.54%
COBRA/ASRS	\$0	\$0	\$0	\$0	\$0		
CLAIM FUNDS	\$506,000	\$42,167	\$276,500	\$42,167	\$276,500	655.73%	655.73%
Medical (Gold)	\$370,400	\$30,867	\$198,680	\$30,867	\$198,680	643.67%	643.67%
Medical (HDHP)	\$20,000	\$1,667	\$0	\$1,667	\$0	0.00%	0.00%
Medical (Silver)	\$0	\$0	\$0	\$0	\$0		
Stop Loss Reimbursement	\$0	\$0	\$0	\$0	\$0		
Rx (Gold)	\$92,600	\$7,717	\$55,868	\$7,717	\$55,868	723.99%	723.99%
Rx (HDHP)	\$5,000	\$417	\$286	\$417	\$286	68.60%	68.60%
Rx (Silver)	\$0	\$0	\$0	\$0	\$0		
Rx Rebates	\$0	\$0	\$0	\$0	\$0		
Dental	\$18,000	\$1,500	\$21,666	\$1,500	\$21,666	1444.39%	1444.39%
PREMIUMS	\$0	\$0	(\$3,718)	\$0	(\$3,718)		
Specific Stop Loss (American Fidelity)	\$0	\$0	(\$3,613)	\$0	(\$3,613)		
Aggregate Stop Loss (American Fidelity)	\$0	\$0	(\$105)	\$0	(\$105)		
Basic Life Insurance (Guardian)	\$0	\$0	\$0	\$0	\$0		
VTL (Guardian)	\$0	\$0	\$0	\$0	\$0		
STD (Guardian)	\$0	\$0	\$0	\$0	\$0		
Vision (United Health Care)	\$0	\$0	\$0	\$0	\$0		
CLAIM ADMINISTRATION	\$27,172	\$2,264	(\$1,096)	\$2,264	(\$1,096)	-48.41%	-48.41%
Medical Admin (Gilsbar)	\$27,172	\$2,264	(\$537)	\$2,264	(\$537)	-23.72%	-23.72%
Cobra Admin (Gilsbar)	\$0	\$0	(\$48)	\$0	(\$48)		
% of Savings	\$0	\$0	\$0	\$0	\$0		
Dental Admin (Ameritas)	\$0	\$0	\$0	\$0	\$0		
FSA Admin (Gilsbar)	\$0	\$0	\$27	\$0	\$27		
HSA Admin (Gilsbar)	\$0	\$0	\$4	\$0	\$4		
Utilization Review (AHG)	\$0	\$0	(\$60)	\$0	(\$60)		
Case Management (AHG)	\$0	\$0	\$0	\$0	\$0		
Medical Network (BCBSAZ)	\$0	\$0	(\$457)	\$0	(\$457)		
Rx Integration (Gilsbar)	\$0	\$0	(\$26)	\$0	(\$26)		
Rx Admin (CVS Caremark/WI Rx)	\$0	\$0	\$0	\$0	\$0		
GENERAL OPERATING	\$62,000	\$5,167	\$23,775	\$5,167	\$23,775	460.16%	460.16%
Benefit Administrator (ECA)	\$0	\$0	\$19,500	\$0	\$19,500		
Wellness Administrator (ECA)	\$0	\$0	\$0	\$0	\$0		
Wellness Programs	\$0	\$0	\$0	\$0	\$0		
Clinic Operating Expenses	\$0	\$0	\$0	\$0	\$0		
Actuary (Cheiron)	\$12,500	\$1,042	\$0	\$1,042	\$0	0.00%	0.00%
Actuary - GASB (Cheiron)	\$0	\$0	\$0	\$0	\$0		
Accountant (GDK)	\$0	\$0	\$0	\$0	\$0		
Auditor (Henfeld Meech)	\$0	\$0	\$0	\$0	\$0		
Legal	\$10,000	\$833	\$0	\$833	\$0	0.00%	0.00%
Legal - Investigation	\$0	\$0	\$0	\$0	\$0		
PCORI	\$0	\$0	\$0	\$0	\$0		
Telemedicine (Gold) (Teladoc)	\$0	\$0	\$0	\$0	\$0		
Telemedicine (HDHP) (Teladoc)	\$0	\$0	\$0	\$0	\$0		
General Administration	\$39,500	\$3,292	\$4,275	\$3,292	\$4,275	129.87%	129.87%
GRAND TOTAL BUDGET	\$595,172	\$49,598	\$295,460	\$49,598	\$295,460	595.71%	595.71%

Cash Position As Of June 30, 2020		\$4,636,905
Cash Position MTD	July-20	(\$294,329)
Cash Position YTD	July-20	(\$294,329)
Cash Position All Years		\$4,342,576

Prior Year	Cash Position	June 30, 2020	\$4,636,905
Surplus	IBNP	June 30, 2020	(\$595,000)
Calculations	Surplus Position	June 30, 2020	\$4,041,905
Current Year	Cash Position	July 2020	\$4,342,576
Surplus	IBNP	July 2020	(\$573,770)
Calculations	Surplus Position	July 2020	\$3,768,806

LHSEBT - Lake Havasu Schools Employee Benefit Trust

2019-20

Jun-20

	Annual Budget	MTD Budget	MTD Actual	YTD Budget	YTD Actual	% Total MTD	% Total YTD
GROSS REVENUE	\$6,115,382	\$509,615.13	\$906,068	\$6,115,382	\$6,677,635	177.79%	109.19%
Contributions	\$5,936,321	\$494,693	\$898,998	\$5,936,321	\$6,535,574	181.73%	110.09%
Interest & Investment Income	\$63,135	\$5,261	\$142	\$63,135	\$49,505	2.70%	78.41%
COBRA/ASRS	\$115,926	\$9,660	\$6,928	\$115,926	\$92,556	71.72%	79.84%
CLAIM FUNDS	\$4,677,036	\$389,753	\$565,184	\$4,677,036	\$5,341,413	145.01%	114.21%
Medical (Gold)	\$3,365,748	\$280,479	\$483,171	\$3,365,748	\$4,773,277	172.27%	141.82%
Medical (HDHP)	\$87,612	\$7,301	\$657	\$87,612	\$12,437	9.00%	14.20%
Medical (Silver)	\$0	\$0	\$0	\$0	\$19,759		
Stop Loss Reimbursement		\$0	(\$14,789)	\$0	(\$604,092)		
Rx (Gold)	\$970,743	\$80,895	\$86,816	\$970,743	\$1,157,490	107.32%	119.24%
Rx (HDHP)	\$25,269	\$2,106	\$77	\$25,269	\$49,637	3.66%	196.44%
Rx (Silver)	\$0	\$0	\$0	\$0	\$347		
Rx Rebates		\$0	\$0	\$0	(\$245,822)		
Dental	\$227,664	\$18,972	\$9,250	\$227,664	\$178,381	48.76%	78.35%
PREMIUMS	\$950,695	\$79,225	\$87,148	\$950,695	\$1,016,779	110.00%	106.95%
Specific Stop Loss (American Fidelity)	\$761,433	\$63,453	\$67,922	\$761,433	\$798,385	107.04%	104.85%
Aggregate Stop Loss (American Fidelity)	\$20,748	\$1,729	\$1,761	\$20,748	\$20,644	101.82%	99.50%
Basic Life Insurance (Guardian)	\$35,719	\$2,977	\$3,375	\$35,719	\$39,861	113.40%	111.60%
VTI (Guardian)	\$59,261	\$4,938	\$6,323	\$59,261	\$78,878	128.04%	133.10%
STD (Guardian)	\$30,524	\$2,544	\$4,188	\$30,524	\$35,355	164.67%	115.83%
Vision (United Health Care)	\$43,009	\$3,584	\$3,578	\$43,009	\$43,657	99.84%	101.51%
CLAIM ADMINISTRATION	\$265,588	\$22,132	\$23,675	\$265,588	\$258,779	106.97%	97.44%
Medical Admin (Gilsbar)	\$106,111	\$8,843	\$9,004	\$106,111	\$105,485	101.82%	99.41%
Cobra Admin (Gilsbar)	\$9,485	\$790	\$805	\$9,485	\$9,429	101.82%	99.41%
% of Savings	\$9,011	\$751	\$0	\$9,011	\$767		
Dental Admin (Ameritas)	\$19,812	\$1,651	\$1,576	\$19,812	\$19,536	95.47%	98.61%
FSA Admin (Gilsbar)	\$594	\$50	\$117	\$594	\$1,175	236.36%	197.73%
HSA Admin (Gilsbar)	\$0	\$0	\$60	\$0	\$428		
Utilization Review (AHG)	\$11,856	\$988	\$1,006	\$11,856	\$11,786	101.82%	99.41%
Case Management (AHG)	\$8,299	\$692	\$2,535	\$8,299	\$10,170	366.54%	122.54%
Medical Network (BCBSAZ)	\$93,366	\$7,781	\$7,970	\$93,366	\$92,852	102.43%	99.45%
Rx Integration (Gilsbar)	\$5,039	\$420	\$428	\$5,039	\$5,034	101.82%	99.90%
Rx Admin (CVS Caremark/WI Rx)	\$2,016	\$168	\$175	\$2,016	\$2,118	104.43%	105.06%
GENERAL OPERATING	\$222,063	\$18,505	\$13,174	\$222,063	\$121,732	71.19%	54.82%
Benefit Administrator (ECA)	\$75,760	\$6,313	\$6,500	\$75,760	\$75,000	102.96%	99.00%
Wellness Administrator (ECA)	\$32,604	\$2,717	\$0	\$32,604	\$0	0.00%	0.00%
Wellness Programs	\$50,507	\$4,209	\$0	\$50,507	\$0	0.00%	0.00%
Clinic Operating Expenses	\$0	\$0	\$0	\$0	\$0		
Actuary (Cheiron)	\$13,160	\$1,097	\$0	\$13,160	\$0	0.00%	0.00%
Actuary - GASB (Cheiron)	\$0	\$0	\$0	\$0	\$0		
Accountant (GDK)	\$3,912	\$326	\$650	\$3,912	\$4,475	199.36%	114.38%
Auditor (Henfeld Meech)	\$5,987	\$499	\$0	\$5,987	\$0	0.00%	0.00%
Legal	\$4,505	\$375	\$525	\$4,505	\$3,150	139.84%	69.92%
Legal - Investigation	\$7,647	\$637	\$0	\$7,647	\$525	0.00%	6.87%
PCORI	\$1,719	\$143	\$1,705	\$1,719	\$1,705	1190.28%	99.19%
Telemedicine (Gold) (Teladoc)	\$25,194	\$2,100	\$2,066	\$25,194	\$24,255	98.38%	96.27%
Telemedicine (HDHP) (Teladoc)	\$0	\$0	\$57	\$0	\$531		
General Administration	\$1,067	\$89	\$1,671	\$1,067	\$12,091	1879.76%	1133.17%
GRAND TOTAL BUDGET	\$6,115,382	\$509,615	\$689,181	\$6,115,382	\$6,738,703	135.24%	110.19%

Cash Position As Of June 30, 2019		\$4,697,974
Cash Position MTD	June-20	\$216,887
Cash Position YTD	June-20	(\$61,069)
Cash Position All Years		\$4,636,905

Prior Year	Cash Position	June 30, 2019	\$4,697,974
Surplus	IBNP	June 30, 2019	(\$616,000)
Calculations	Surplus Position	June 30, 2019	\$4,081,974
Current Year	Cash Position	June 2020	\$4,636,905
Surplus	IBNP	June 2020	(\$812,943)
Calculations	Surplus Position	June 2020	\$3,823,962

Gold Active/Cobra Census					
	EE	ES	EC1	EC1+	EF
Budget	301	38	17	23	63
Actual	298	45	55	0	61
% Budget	99.0%	118.4%	323.5%	0.0%	96.8%

Gold Retiree Census					
	EE	ES	EC1	EC1+	EF
Budget	31	9	0	0	0
Actual	23	6	0	0	0
% Budget	74.2%	66.7%	0.0%	0.0%	0.0%

HDHP Active/Cobra Census					
	EE	ES	EC1	EC1+	EF
Budget	3	0	0	0	0
Actual	9	2	3	0	2
% Budget	300.0%	0.0%	0.0%	0.0%	0.0%

HDHP Retiree Census					
	EE	ES	EC1	EC1+	EF
Budget	3	0	0	0	0
Actual	2	0	0	0	0
% Budget	66.7%	0.0%	0.0%	0.0%	0.0%

Total Medical Census					
	EE	ES	EC1	EC1+	EF
Budget	338	47	17	23	63
Actual	332	53	58	0	63
% Budget	98.2%	112.8%	341.2%	0.0%	100.0%

Active/ Cobra Dental Census					
	EE	ES	EC1	EC1+	EF
Budget	364	42	23	24	55
Actual	304	47	52	0	60
% Budget	83.5%	111.9%	226.1%	0.0%	109.1%

Retiree Dental Census					
	EE	ES	EC1	EC1+	EF
Budget	0	0	0	0	0
Actual	21	6	0	0	0
% Budget	0.0%	0.0%	0.0%	0.0%	0.0%

Active/ Cobra Vision Census					
	EE	ES	EC1	EC1+	EF
Budget	370	44	18	19	51
Actual	321	49	51	0	53
% Budget	86.8%	111.4%	283.3%	0.0%	103.9%

Retiree Vision Census					
	EE	ES	EC1	EC1+	EF
Budget	0	0	0	0	0
Actual	23	5	0	0	0
% Budget	0.0%	0.0%	0.0%	0.0%	0.0%

YTD Aggregate Calculations					
Contracted Aggregate Factors					
	EE	ES	EC1	EC1+	EF
	\$659	\$1,312	\$1,161	\$1,161	\$1,971
Total	\$5,595,909.62				
Med/Rx	\$6,012,946.38				
Difference	(\$417,036.76)				
Estimated % Attachment Point	107.45%				

LHSEBT - Lake Havasu Schools Employee Benefit Trust

2019-20

May-20

	Annual Budget	MTD Budget	MTD Actual	YTD Budget	YTD Actual	% Total MTD	% Total YTD
GROSS REVENUE	\$6,115,382	\$509,615.13	\$482,867	\$5,605,766	\$5,771,566	94.75%	102.96%
Contributions	\$5,936,321	\$494,693	\$475,634	\$5,441,628	\$5,636,576	96.15%	103.58%
Interest & Investment Income	\$63,135	\$5,261	\$5	\$57,873	\$49,363	0.09%	85.29%
COBRA/ASRS	\$115,926	\$9,660	\$7,228	\$106,265	\$85,628	74.82%	80.58%
CLAIM FUNDS	\$4,677,036	\$389,753	\$462,363	\$4,287,283	\$4,776,230	118.63%	111.40%
Medical (Gold)	\$3,365,748	\$280,479	\$360,928	\$3,085,269	\$4,290,105	128.68%	139.05%
Medical (HDHP)	\$87,612	\$7,301	\$955	\$80,311	\$11,780	13.08%	14.67%
Medical (Silver)	\$0	\$0	\$0	\$0	\$19,759		
Stop Loss Reimbursement		\$0	(\$47,217)	\$0	(\$589,303)		
Rx (Gold)	\$970,743	\$80,895	\$126,118	\$889,848	\$1,070,674	155.90%	120.32%
Rx (HDHP)	\$25,269	\$2,106	\$15,985	\$23,163	\$49,560	759.14%	213.96%
Rx (Silver)	\$0	\$0	\$0	\$0	\$347		
Rx Rebates		\$0	\$0	\$0	(\$245,822)		
Dental	\$227,664	\$18,972	\$5,594	\$208,692	\$169,131	29.49%	81.04%
PREMIUMS	\$950,695	\$79,225	\$75,283	\$871,470	\$929,631	95.02%	106.67%
Specific Stop Loss (American Fidelity)	\$761,433	\$63,453	\$68,101	\$697,981	\$730,463	107.33%	104.65%
Aggregate Stop Loss (American Fidelity)	\$20,748	\$1,729	\$1,761	\$19,019	\$18,883	101.82%	99.29%
Basic Life Insurance (Guardian)	\$35,719	\$2,977	\$3,342	\$32,743	\$36,486	112.28%	111.43%
VTI (Guardian)	\$59,261	\$4,938	(\$4,652)	\$54,323	\$72,555	-94.20%	133.56%
STD (Guardian)	\$30,524	\$2,544	\$3,067	\$27,980	\$31,166	120.59%	111.39%
Vision (United Health Care)	\$43,009	\$3,584	\$3,663	\$39,425	\$40,079	102.21%	101.66%
CLAIM ADMINISTRATION	\$265,588	\$22,132	\$21,763	\$243,456	\$235,103	98.33%	96.57%
Medical Admin (Gilsbar)	\$106,111	\$8,843	\$9,004	\$97,269	\$96,481	101.82%	99.19%
Cobra Admin (Gilsbar)	\$9,485	\$790	\$805	\$8,694	\$8,624	101.82%	99.19%
% of Savings	\$9,011	\$751	(\$228)	\$8,260	\$767		
Dental Admin (Ameritas)	\$19,812	\$1,651	\$1,635	\$18,161	\$17,960	99.02%	98.89%
FSA Admin (Gilsbar)	\$594	\$50	\$99	\$545	\$1,058	200.00%	194.21%
HSA Admin (Gilsbar)	\$0	\$0	\$144	\$0	\$368		
Utilization Review (AHG)	\$11,856	\$988	\$1,006	\$10,868	\$10,780	101.82%	99.19%
Case Management (AHG)	\$8,299	\$692	\$705	\$7,608	\$7,635	101.94%	100.36%
Medical Network (BCBSAZ)	\$93,366	\$7,781	\$7,985	\$85,586	\$84,883	102.63%	99.18%
Rx Integration (Gilsbar)	\$5,039	\$420	\$428	\$4,619	\$4,606	101.82%	99.72%
Rx Admin (CVS Caremark/WI Rx)	\$2,016	\$168	\$181	\$1,848	\$1,942	107.88%	105.12%
GENERAL OPERATING	\$222,063	\$18,505	\$11,567	\$203,558	\$108,558	62.50%	53.33%
Benefit Administrator (ECA)	\$75,760	\$6,313	\$6,500	\$69,447	\$68,500	102.96%	98.64%
Wellness Administrator (ECA)	\$32,604	\$2,717	\$0	\$29,887	\$0	0.00%	0.00%
Wellness Programs	\$50,507	\$4,209	\$0	\$46,298	\$0	0.00%	0.00%
Clinic Operating Expenses	\$0	\$0	\$0	\$0	\$0		
Actuary (Cheiron)	\$13,160	\$1,097	\$0	\$12,063	\$0	0.00%	0.00%
Actuary - GASB (Cheiron)	\$0	\$0	\$0	\$0	\$0		
Accountant (GDK)	\$3,912	\$326	\$2,600	\$3,586	\$3,825	797.45%	106.65%
Auditor (Henfeld Meech)	\$5,987	\$499	\$0	\$5,488	\$0	0.00%	0.00%
Legal	\$4,505	\$375	\$350	\$4,130	\$2,625	93.22%	63.56%
Legal - Investigation	\$7,647	\$637	\$0	\$7,010	\$525	0.00%	7.49%
PCORI	\$1,719	\$143	\$0	\$1,576	\$0	0.00%	0.00%
Telemedicine (Gold) (Teladoc)	\$25,194	\$2,100	\$2,066	\$23,095	\$22,189	98.38%	96.08%
Telemedicine (HDHP) (Teladoc)	\$0	\$0	\$51	\$0	\$474		
General Administration	\$1,067	\$89	\$0	\$978	\$10,420	0.00%	1065.30%
GRAND TOTAL BUDGET	\$6,115,382	\$509,615	\$570,975	\$5,605,766	\$6,049,523	112.04%	107.92%

Cash Position As Of June 30, 2019		\$4,697,974
Cash Position MTD	May-20	(\$88,108)
Cash Position YTD	May-20	(\$277,956)
Cash Position All Years		\$4,420,018

Prior Year	Cash Position	June 30, 2019	\$4,697,974
Surplus	IBNP	June 30, 2019	(\$616,000)
Calculations	Surplus Position	June 30, 2019	\$4,081,974
Current Year	Cash Position	May 2020	\$4,420,018
Surplus	IBNP	May 2020	(\$716,172)
Calculations	Surplus Position	May 2020	\$3,703,846

Gold Active/Cobra Census					
	EE	ES	EC1	EC1+	EF
Budget	301	38	17	23	63
Actual	299	45	55	0	61
% Budget	99.3%	118.4%	323.5%	0.0%	96.8%

Gold Retiree Census					
	EE	ES	EC1	EC1+	EF
Budget	31	9	0	0	0
Actual	23	6	0	0	0
% Budget	74.2%	66.7%	0.0%	0.0%	0.0%

HDHP Active/Cobra Census					
	EE	ES	EC1	EC1+	EF
Budget	3	0	0	0	0
Actual	9	2	3	0	2
% Budget	300.0%	0.0%	0.0%	0.0%	0.0%

HDHP Retiree Census					
	EE	ES	EC1	EC1+	EF
Budget	3	0	0	0	0
Actual	2	0	0	0	0
% Budget	66.7%	0.0%	0.0%	0.0%	0.0%

Total Medical Census					
	EE	ES	EC1	EC1+	EF
Budget	338	47	17	23	63
Actual	333	53	58	0	63
% Budget	98.5%	112.8%	341.2%	0.0%	100.0%

Active/ Cobra Dental Census					
	EE	ES	EC1	EC1+	EF
Budget	364	42	23	24	55
Actual	328	48	52	0	61
% Budget	90.1%	114.3%	226.1%	0.0%	110.9%

Retiree Dental Census					
	EE	ES	EC1	EC1+	EF
Budget	0	0	0	0	0
Actual	23	6	0	0	0
% Budget	0.0%	0.0%	0.0%	0.0%	0.0%

Active/ Cobra Vision Census					
	EE	ES	EC1	EC1+	EF
Budget	370	44	18	19	51
Actual	318	49	51	0	53
% Budget	85.9%	111.4%	283.3%	0.0%	103.9%

Retiree Vision Census					
	EE	ES	EC1	EC1+	EF
Budget	0	0	0	0	0
Actual	23	5	0	0	0
% Budget	0.0%	0.0%	0.0%	0.0%	0.0%

YTD Aggregate Calculations					
Contracted Aggregate Factors					
	EE	ES	EC1	EC1+	EF
	\$659	\$1,312	\$1,161	\$1,161	\$1,971
Total	\$5,116,204.01				
Med/Rx	\$5,442,224.18				
Difference	(\$326,020.17)				
Estimated % Attachment Point	106.37%				

LHSEBT - Lake Havasu Schools Employee Benefit Trust

2019-20

Apr-20

	Annual Budget	MTD Budget	MTD Actual	YTD Budget	YTD Actual	% Total MTD	% Total YTD
GROSS REVENUE	\$6,115,382	\$509,615.13	\$582,963	\$5,096,151	\$5,288,699	114.39%	103.78%
Contributions	\$5,936,321	\$494,693	\$575,654	\$4,946,934	\$5,160,942	116.37%	104.33%
Interest & Investment Income	\$63,135	\$5,261	\$81	\$52,612	\$49,358	1.54%	93.81%
COBRA/ASRS	\$115,926	\$9,660	\$7,228	\$96,605	\$78,400	74.82%	81.16%
CLAIM FUNDS	\$4,677,036	\$389,753	\$441,990	\$3,897,530	\$4,313,867	113.40%	110.68%
Medical (Gold)	\$3,365,748	\$280,479	\$575,168	\$2,804,790	\$3,929,177	205.07%	140.09%
Medical (HDHP)	\$87,612	\$7,301	\$375	\$73,010	\$10,825	5.14%	14.83%
Medical (Silver)	\$0	\$0	\$0	\$0	\$19,759		
Stop Loss Reimbursement		\$0	(\$210,233)	\$0	(\$542,086)		
Rx (Gold)	\$970,743	\$80,895	\$119,431	\$808,952	\$944,556	147.64%	116.76%
Rx (HDHP)	\$25,269	\$2,106	\$324	\$21,057	\$33,574	15.41%	159.44%
Rx (Silver)	\$0	\$0	\$0	\$0	\$347		
Rx Rebates		\$0	(\$59,267)	\$0	(\$245,822)		
Dental	\$227,664	\$18,972	\$16,192	\$189,720	\$163,537	85.35%	86.20%
PREMIUMS	\$950,695	\$79,225	\$89,402	\$792,246	\$854,349	112.85%	107.84%
Specific Stop Loss (American Fidelity)	\$761,433	\$63,453	\$70,198	\$634,528	\$662,362	110.63%	104.39%
Aggregate Stop Loss (American Fidelity)	\$20,748	\$1,729	\$1,806	\$17,290	\$17,123	104.45%	99.03%
Basic Life Insurance (Guardian)	\$35,719	\$2,977	\$3,365	\$29,766	\$33,143	113.06%	111.35%
VTL (Guardian)	\$59,261	\$4,938	\$7,148	\$49,385	\$77,207	144.73%	156.34%
STD (Guardian)	\$30,524	\$2,544	\$3,086	\$25,436	\$28,099	121.32%	110.47%
Vision (United Health Care)	\$43,009	\$3,584	\$3,799	\$35,841	\$36,415	105.98%	101.60%
CLAIM ADMINISTRATION	\$265,588	\$22,132	\$23,293	\$213,323	\$213,341	105.24%	96.39%
Medical Admin (Gilsbar)	\$106,111	\$8,843	\$9,236	\$88,426	\$87,477	104.45%	98.93%
Cobra Admin (Gilsbar)	\$9,485	\$790	\$826	\$7,904	\$7,819	104.45%	98.93%
% of Savings	\$9,011	\$751	\$0	\$7,509	\$996		
Dental Admin (Ameritas)	\$19,812	\$1,651	\$1,716	\$16,510	\$16,325	103.94%	98.88%
FSA Admin (Gilsbar)	\$594	\$50	\$99	\$495	\$959	200.00%	193.64%
HSA Admin (Gilsbar)	\$0	\$0	\$28	\$0	\$224		
Utilization Review (AHG)	\$11,856	\$988	\$1,032	\$9,880	\$9,774	104.45%	98.93%
Case Management (AHG)	\$8,299	\$692	\$1,625	\$6,916	\$6,930	234.96%	100.20%
Medical Network (BCBSAZ)	\$93,366	\$7,781	\$8,111	\$77,805	\$76,898	104.25%	98.83%
Rx Integration (Gilsbar)	\$5,039	\$420	\$439	\$4,199	\$4,179	104.45%	99.51%
Rx Admin (CVS Caremark/WI Rx)	\$2,016	\$168	\$181	\$1,680	\$1,761	107.64%	104.85%
GENERAL OPERATING	\$222,063	\$18,505	\$11,796	\$185,052	\$96,992	63.75%	52.41%
Benefit Administrator (ECA)	\$75,760	\$6,313	\$8,000	\$63,133	\$62,000	126.72%	98.21%
Wellness Administrator (ECA)	\$32,604	\$2,717	\$0	\$27,170	\$0	0.00%	0.00%
Wellness Programs	\$50,507	\$4,209	\$0	\$42,089	\$0	0.00%	0.00%
Clinic Operating Expenses	\$0	\$0	\$0	\$0	\$0		
Actuary (Cheiron)	\$13,160	\$1,097	\$0	\$10,967	\$0	0.00%	0.00%
Actuary - GASB (Cheiron)	\$0	\$0	\$0	\$0	\$0		
Accountant (GDK)	\$3,912	\$326	\$0	\$3,260	\$1,225	0.00%	37.57%
Auditor (Henfeld Meech)	\$5,987	\$499	\$0	\$4,989	\$0	0.00%	0.00%
Legal	\$4,505	\$375	\$0	\$3,754	\$2,275	0.00%	60.60%
Legal - Investigation	\$7,647	\$637	\$0	\$6,373	\$525	0.00%	8.24%
PCORI	\$1,719	\$143	\$0	\$1,433	\$0	0.00%	0.00%
Telemedicine (Gold) (Teladoc)	\$25,194	\$2,100	\$2,074	\$20,995	\$20,124	98.79%	95.85%
Telemedicine (HDHP) (Teladoc)	\$0	\$0	\$51	\$0	\$423		
General Administration	\$1,067	\$89	\$1,671	\$889	\$10,420	1879.60%	1171.83%
GRAND TOTAL BUDGET	\$6,115,382	\$509,615	\$566,480	\$5,096,151	\$5,478,548	111.16%	107.50%

Cash Position As Of June 30, 2019		\$4,697,974
Cash Position MTD	April-20	\$16,483
Cash Position YTD	April-20	(\$189,848)
Cash Position All Years		\$4,508,126

Prior Year	Cash Position	June 30, 2019	\$4,697,974
Surplus	IBNP	June 30, 2019	(\$616,000)
Calculations	Surplus Position	June 30, 2019	\$4,081,974
Current Year	Cash Position	April 2020	\$4,508,126
Surplus	IBNP	April 2020	(\$700,899)
Calculations	Surplus Position	April 2020	\$3,807,227

Gold Active/Cobra Census					
	EE	ES	EC1	EC1+	EF
Budget	301	38	17	23	63
Actual	299	43	55	0	61
% Budget	99.3%	113.2%	323.5%	0.0%	96.8%

Gold Retiree Census					
	EE	ES	EC1	EC1+	EF
Budget	31	9	0	0	0
Actual	23	7	0	0	0
% Budget	74.2%	77.8%	0.0%	0.0%	0.0%

HDHP Active/Cobra Census					
	EE	ES	EC1	EC1+	EF
Budget	3	0	0	0	0
Actual	8	2	3	0	2
% Budget	266.7%	0.0%	0.0%	0.0%	0.0%

HDHP Retiree Census					
	EE	ES	EC1	EC1+	EF
Budget	3	0	0	0	0
Actual	2	0	0	0	0
% Budget	66.7%	0.0%	0.0%	0.0%	0.0%

Total Medical Census					
	EE	ES	EC1	EC1+	EF
Budget	338	47	17	23	63
Actual	332	52	58	0	63
% Budget	98.2%	110.6%	341.2%	0.0%	100.0%

Active/ Cobra Dental Census					
	EE	ES	EC1	EC1+	EF
Budget	364	42	23	24	55
Actual	329	46	52	0	61
% Budget	90.4%	109.5%	226.1%	0.0%	110.9%

Retiree Dental Census					
	EE	ES	EC1	EC1+	EF
Budget	0	0	0	0	0
Actual	23	7	0	0	0
% Budget	0.0%	0.0%	0.0%	0.0%	0.0%

Active/ Cobra Vision Census					
	EE	ES	EC1	EC1+	EF
Budget	370	44	18	19	51
Actual	320	48	53	0	53
% Budget	86.5%	109.1%	294.4%	0.0%	103.9%

Retiree Vision Census					
	EE	ES	EC1	EC1+	EF
Budget	0	0	0	0	0
Actual	23	6	0	0	0
% Budget	0.0%	0.0%	0.0%	0.0%	0.0%

YTD Aggregate Calculations					
Contracted Aggregate Factors					
	EE	ES	EC1	EC1+	EF
	\$659	\$1,312	\$1,161	\$1,161	\$1,971
Total	\$4,635,839.76				
Med/Rx	\$4,938,237.74				
Difference	(\$302,397.98)				
Estimated % Attachment Point	106.52%				

LHSEBT - Lake Havasu Schools Employee Benefit Trust

2019-20

Mar-20

	Annual Budget	MTD Budget	MTD Actual	YTD Budget	YTD Actual	% Total MTD	% Total YTD
GROSS REVENUE	\$6,115,382	\$509,615.13	\$984,957	\$4,586,536	\$4,705,736	193.27%	102.60%
Contributions	\$5,936,321	\$494,693	\$966,858	\$4,452,241	\$4,585,287	195.45%	102.99%
Interest & Investment Income	\$63,135	\$5,261	\$10,821	\$47,351	\$49,277	205.67%	104.07%
COBRA/ASRS	\$115,926	\$9,660	\$7,278	\$86,944	\$71,172	75.34%	81.86%
CLAIM FUNDS	\$4,677,036	\$389,753	\$263,710	\$3,507,777	\$3,871,877	67.66%	110.38%
Medical (Gold)	\$3,365,748	\$280,479	\$363,570	\$2,524,311	\$3,354,009	129.62%	132.87%
Medical (HDHP)	\$87,612	\$7,301	\$1,346	\$65,709	\$10,450	18.43%	15.90%
Medical (Silver)	\$0	\$0	\$0	\$0	\$19,759		
Stop Loss Reimbursement		\$0	(\$218,075)	\$0	(\$331,852)		
Rx (Gold)	\$970,743	\$80,895	\$91,576	\$728,057	\$825,126	113.20%	113.33%
Rx (HDHP)	\$25,269	\$2,106	\$7,582	\$18,952	\$33,250	360.04%	175.45%
Rx (Silver)	\$0	\$0	\$0	\$0	\$347		
Rx Rebates		\$0	\$0	\$0	(\$186,555)		
Dental	\$227,664	\$18,972	\$17,711	\$170,748	\$147,345	93.35%	86.29%
PREMIUMS	\$950,695	\$79,225	\$86,172	\$713,021	\$764,947	108.77%	107.28%
Specific Stop Loss (American Fidelity)	\$761,433	\$63,453	\$67,331	\$571,075	\$592,163	106.11%	103.69%
Aggregate Stop Loss (American Fidelity)	\$20,748	\$1,729	\$1,733	\$15,561	\$15,317	100.20%	98.43%
Basic Life Insurance (Guardian)	\$35,719	\$2,977	\$3,325	\$26,789	\$29,778	111.72%	111.16%
VTL (Guardian)	\$59,261	\$4,938	\$6,907	\$44,446	\$70,059	139.86%	157.63%
STD (Guardian)	\$30,524	\$2,544	\$3,191	\$22,893	\$25,013	125.46%	109.26%
Vision (United Health Care)	\$43,009	\$3,584	\$3,685	\$32,257	\$32,617	102.81%	101.11%
CLAIM ADMINISTRATION	\$265,588	\$22,132	\$21,317	\$199,191	\$190,048	96.31%	95.41%
Medical Admin (Gilsbar)	\$106,111	\$8,843	\$8,861	\$79,583	\$78,241	100.20%	98.31%
Cobra Admin (Gilsbar)	\$9,485	\$790	\$792	\$7,114	\$6,994	100.20%	98.31%
% of Savings	\$9,011	\$751	\$0	\$6,758	\$996		
Dental Admin (Ameritas)	\$19,812	\$1,651	\$1,658	\$14,859	\$14,609	100.39%	98.32%
FSA Admin (Gilsbar)	\$594	\$50	\$99	\$446	\$860	200.00%	192.93%
HSA Admin (Gilsbar)	\$0	\$0	\$44	\$0	\$196		
Utilization Review (AHG)	\$11,856	\$988	\$990	\$8,892	\$8,742	100.20%	98.31%
Case Management (AHG)	\$8,299	\$692	\$475	\$6,224	\$5,305	68.68%	85.23%
Medical Network (BCBSAZ)	\$93,366	\$7,781	\$7,796	\$70,025	\$68,786	100.20%	98.23%
Rx Integration (Gilsbar)	\$5,039	\$420	\$421	\$3,779	\$3,740	100.20%	98.97%
Rx Admin (CVS Caremark/WI Rx)	\$2,016	\$168	\$182	\$1,512	\$1,580	108.12%	104.54%
GENERAL OPERATING	\$222,063	\$18,505	\$8,284	\$166,547	\$85,195	44.76%	51.15%
Benefit Administrator (ECA)	\$75,760	\$6,313	\$6,000	\$56,820	\$54,000	95.04%	95.04%
Wellness Administrator (ECA)	\$32,604	\$2,717	\$0	\$24,453	\$0	0.00%	0.00%
Wellness Programs	\$50,507	\$4,209	\$0	\$37,880	\$0	0.00%	0.00%
Clinic Operating Expenses	\$0	\$0	\$0	\$0	\$0		
Actuary (Cheiron)	\$13,160	\$1,097	\$0	\$9,870	\$0	0.00%	0.00%
Actuary - GASB (Cheiron)	\$0	\$0	\$0	\$0	\$0		
Accountant (GDK)	\$3,912	\$326	\$0	\$2,934	\$1,225	0.00%	41.75%
Auditor (Henfeld Meech)	\$5,987	\$499	\$0	\$4,490	\$0	0.00%	0.00%
Legal	\$4,505	\$375	\$200	\$3,379	\$2,275	53.27%	67.33%
Legal - Investigation	\$7,647	\$637	\$0	\$5,735	\$525	0.00%	9.15%
PCORI	\$1,719	\$143	\$0	\$1,289	\$0	0.00%	0.00%
Telemedicine (Gold) (Teladoc)	\$25,194	\$2,100	\$2,036	\$18,896	\$18,050	96.96%	95.52%
Telemedicine (HDHP) (Teladoc)	\$0	\$0	\$48	\$0	\$372		
General Administration	\$1,067	\$89	\$0	\$800	\$8,749	0.00%	1093.19%
GRAND TOTAL BUDGET	\$6,115,382	\$509,615	\$379,482	\$4,586,536	\$4,912,067	74.46%	107.10%

Cash Position As Of June 30, 2019		\$4,697,974
Cash Position MTD	March-20	\$605,475
Cash Position YTD	March-20	(\$206,331)
Cash Position All Years		\$4,491,643

Prior Year	Cash Position	June 30, 2019	\$4,697,974
Surplus	IBNP	June 30, 2019	(\$616,000)
Calculations	Surplus Position	June 30, 2019	\$4,081,974
Current Year	Cash Position	March 2020	\$4,491,643
Surplus	IBNP	March 2020	(\$665,186)
Calculations	Surplus Position	March 2020	\$3,826,457

Gold Active/Cobra Census					
	EE	ES	EC1	EC1+	EF
Budget	301	38	17	23	63
Actual	293	41	55	0	60
% Budget	97.3%	107.9%	323.5%	0.0%	95.2%

Gold Retiree Census					
	EE	ES	EC1	EC1+	EF
Budget	31	9	0	0	0
Actual	23	7	0	0	0
% Budget	74.2%	77.8%	0.0%	0.0%	0.0%

HDHP Active/Cobra Census					
	EE	ES	EC1	EC1+	EF
Budget	3	0	0	0	0
Actual	7	2	3	0	2
% Budget	233.3%	0.0%	0.0%	0.0%	0.0%

HDHP Retiree Census					
	EE	ES	EC1	EC1+	EF
Budget	3	0	0	0	0
Actual	2	0	0	0	0
% Budget	66.7%	0.0%	0.0%	0.0%	0.0%

Total Medical Census					
	EE	ES	EC1	EC1+	EF
Budget	338	47	17	23	63
Actual	325	50	58	0	62
% Budget	96.2%	106.4%	341.2%	0.0%	98.4%

Active/ Cobra Dental Census					
	EE	ES	EC1	EC1+	EF
Budget	364	42	23	24	55
Actual	323	46	52	0	61
% Budget	88.7%	109.5%	226.1%	0.0%	110.9%

Retiree Dental Census					
	EE	ES	EC1	EC1+	EF
Budget	0	0	0	0	0
Actual	23	7	0	0	0
% Budget	0.0%	0.0%	0.0%	0.0%	0.0%

Active/ Cobra Vision Census					
	EE	ES	EC1	EC1+	EF
Budget	370	44	18	19	51
Actual	314	46	52	0	53
% Budget	84.9%	104.5%	288.9%	0.0%	103.9%

Retiree Vision Census					
	EE	ES	EC1	EC1+	EF
Budget	0	0	0	0	0
Actual	23	6	0	0	0
% Budget	0.0%	0.0%	0.0%	0.0%	0.0%

YTD Aggregate Calculations					
Contracted Aggregate Factors					
	EE	ES	EC1	EC1+	EF
	\$659	\$1,312	\$1,161	\$1,161	\$1,971
Total	\$4,157,446.16				
Med/Rx	\$4,242,939.68				
Difference	(\$85,493.52)				
Estimated % Attachment Point	102.06%				

MEMORANDUM

TO: **LHSEBT Trustees**

FROM: **ERIN P. COLLINS & ASSOCIATES, INC. (ECA)**
Jaime Schulenberg, Sr. Account Manager

DATE: October 15, 2020

RE: Incurred But Not Paid (IBNP) Analysis

The Incurred but Not Paid (IBNP) claim reserve calculation is provided annually by the Trust's contracted actuary, Cheiron, and provides an estimate of outstanding claim payments for services already delivered to plan members, but for which the claim has not yet been received by the Trust for payment. The IBNP estimate also includes an administrative settlement expense based on the actual contractual obligation associated with paying IBNP claims during the plan closure.

The IBNP liability for the 2019-20 Plan year is reported at \$595,000 which reflects a reduction of \$21,000 over the previous year.

We will discuss how this analysis impacts the Trust's wind-down and run-out in the next agenda item.

If you have any questions between now and the date of the meeting, I can be reached at (928) 753-4700 ext. 302 or via email at jaimes@ecollinsandassociates.com.

Via Electronic Mail

August 10, 2020

Ms. Jaime Schulenberg
Sr. Account Manager
Erin P. Collins & Associates, Inc.
1115 Stockton Hill Road #101
Kingman, Arizona 86401

Re: 6/30/2020 Incurred But Not Paid (IBNP) Claims Reserves

Dear Jaime:

We have completed our analysis of the Lake Havasu Schools Employee Benefit Trust's (LHSEBT's) liability for claims that were incurred but not paid (IBNP) as of June 30, 2020.

The IBNP liability is calculated following the close of each fiscal year so that it can be reflected in the Plan's audited financial statements in accordance with generally accepted accounting practices. The claims liability as of June 30, 2020 was calculated based on actual LHUSD experience data. Please see the attachments for additional details on the methods and data used to calculate the figures in this letter.

Results

Our projected ending claims run-out amounts by coverage as of June 30, 2020 are shown in the following table.

IBNP as of June 30, 2020

	IBNP as of <u>June 30, 2020</u>
Medical/Drugs	\$ 488,000
Dental	18,000
Administration	<u>89,000</u>
Total	\$ 595,000

Ms. Jaime Schulenberg

August 10, 2020

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The methodologies used to estimate the liability for all of these coverages are described in the Attachment 2 - Methodology & Assumptions.

The figures contained in this analysis were prepared for the sole purpose of estimating LHSEBT's liability for IBNP claims. This letter was prepared for LHSEBT and is not intended to benefit any third party, and Cheiron assumes no duty or liability to any such party. In preparing this letter, we relied on information (some oral and some written) supplied by ECA and some of LHSEBT's health vendors. This information includes, but is not limited to, the plan provisions, employee data, and financial information. We performed an informal examination of the obvious characteristics of the data for reasonableness and consistency in accordance with Actuarial Standard of Practice No. 23.

Future actuarial measurements may differ significantly from the current measurements due to such factors as the following: plan experience differing from that anticipated by the assumptions; changes in assumptions; and changes in plan provisions or applicable law.

This letter and its contents have been prepared in accordance with generally recognized and accepted actuarial principles and practices and our understanding of the Code of Professional Conduct and applicable Actuarial Standards of Practice set out by the Actuarial Standards Board as well as applicable laws and regulations. Furthermore, as a credentialed actuary, I meet the Qualification Standards of the American Academy of Actuaries to render the opinion contained in this letter. This letter does not address any contractual or legal issues. I am not an attorney and our firm does not provide any legal services or advice.

Should you or the Trustees have any questions or would like additional information or analyses, please contact us.

Sincerely,

Cheiron

A handwritten signature in blue ink, appearing to read "Michael Schionning", is written over a light blue horizontal line.

Michael Schionning, FSA, MAAA
Principal Consulting Actuary

Attachments

ATTACHMENT 1 - DATA SOURCES

Premium and Expense Information: We received the following spreadsheets containing both claim lag and aggregate payments for the following:

- 1) Medical claims
- 2) Prescription drug claims
- 3) Dental claims
- 4) Claim lag tables
- 5) Administrative expenses associated with plan settlement activities

ATTACHMENT 2 - METHODOLOGY & ASSUMPTIONS

Methodology:

To establish IBNP reserves as of June 30, 2020, we have examined each Plan's actual incurred and paid claims for the last 36 months from the data provided. We created lag tables from July 1, 2017 through June 30, 2020.

Our estimates include all claims incurred but not indicated as paid in the databases. Our estimates do not include: i) a "checks not cleared" component of the unpaid liability, which is the average days between the claim paid date and the date the check is cashed, or ii) lag time for invoices received, but not yet processed or paid.

In estimating the IBNP, we developed completion factors and applied them to the claim lag table. For dates of service in May and June 2020, we used a blend of the completion factor method and Projected Paid Lag Per Person Per Month (PPPM) method. Both methods use previous patterns of payments (number of months from incurred month to paid month) to estimate incurred claims from those paid to date. The completion factor method uses ratios, and the Projected Paid Lag PPPM method uses a trended average projected dollar amount paid by covered person for each lag month.

The chart below shows the weights assigned to the Projected Paid Lag PPPM method in calculating the amount to weight the results of the two methods.

Weight Given to Projected Paid Lag PPPM Method		
	May 2020	June 2020
Medical	50%	100%

The average of one month of claims is used to estimate the IBNP for dental claims.

Assumptions:

Trend assumptions used for the Projected Paid Lag PPPM method are as follows:

- 8% Medical
- 8% Pharmacy
- 4% Dental

MEMORANDUM

TO: **LHSEBT Trustees**

FROM: **ERIN P. COLLINS & ASSOCIATES, INC. (ECA)**
Jaime Schulenberg, Sr. Account Manager

DATE: October 15, 2020

RE: Update re LHSEBT Wind Down Process and Run-Out Claims

This memo is intended to update Trustees on the process for the wind down of the LHSEBT as well as the status of run-out claims.

As a reminder, the Trust Document mandates that the Trust will remain in existence “for so long a period as may be necessary to wind up its affairs.” This period typically lasts 12-18 months, during which time claims that were incurred on or before 06/30/20 but not paid, are processed. The Trust Board remains in place during this wind down period in order to oversee the fiduciary aspects of the wind down, which consists mostly of monitoring the claims payments and Fund balance via the financial reporting process and to hear any appeals.

In addition to the payment of any outstanding medical, prescription, dental or vision claims, the Trust has paid administrative costs necessary to wind up its operations as follows:

- Gilsbar (3 Months of Fee for 6 Months of Claims Processing) – \$27,172
 - After 12/31/20, the Trust will pay Gilsbar a per claim fee of \$22
- Cheiron – \$20,010
 - NOTE: Cheiron had an error in their billing system and did not invoice LHSEBT for any services provided since the contract was awarded in 2017 (despite numerous requests from ECA)
- ECA (3 Months of Fee for Ongoing Administration) – Agreed to waive
- National Cooperative/CVS (1 Month of Admin Fee for Claims Processing) – \$0
- JS&H (Legal Consultation/Advice) – Estimated at \$5,000 (\$653 YTD)

Claims and fees are paid from the funds remaining in the Trust after 06/30/20. Once the wind-down process has completed, any remaining funds in the Trust will be used by the District to pay for benefits in accordance with the Trust Document.

According to the financial and bank statements for the Trust, as of June 30, 2020, there was \$4,636,905 in cash; based on the IBNP analysis conducted by the actuary of \$595,000, there appears to be more than enough money on hand to take care of all remaining liabilities. We will, of course, continue to keep Trustees updated on the financial status of the Trust during the wind-down period.

At such time as the outstanding claims have been paid, Trustees are to render a final accounting of the affairs of the Trust to the District's Governing Board and shall then be discharged from further duty.

If you have any questions prior to the meeting, I can be reached at (928) 753-4700 ext. 302 or via email at jaimes@ecollinsandassociates.com.

MEMORANDUM

TO: **LHSEBT Trustees**

FROM: **ERIN P. COLLINS & ASSOCIATES, INC. (ECA)**
Jaime Schulenberg, Sr. Account Manager

DATE: October 15, 2020

RE: Updates & Announcements

Formerly called “Admin Update,” this item is intended to allow for staff and/or Trustees to provide updates on outstanding items, provide information about items of note that don’t require an agenda item for discussion, and to make any relevant announcements.

ECA

As an FYI, ECA was recently acquired by Gallagher Benefit Services, a division of Gallagher. We are thrilled with this partnership and the enhancements in service we will be able to provide our clients as a result. There will be no changes to staffing and we will continue to operate in the same manner as we always have, providing customized services to our clients with a personal touch. We will operate as “ECA, a Gallagher Company” through June 30, 2020 and then will operate as “Gallagher.”

Compilation Reports by GDK

Mike Bonney from GDK has not provided Compilation Financial reports for March – June 2020 as required by contract. We have been attempting to obtain those reports for many months to no avail. As of the date of this report, Mr. Bonney has indicated we should have them by 10/27/20. It should be noted that GDK billed and was paid for preparation and delivery of those reports in the amount of \$325/mo., for a total of \$1,300.

If you have any questions between now and the date of the meeting, I can be reached at (928) 753-4700 ext. 302 or via email at jaimes@ecollinsandassociates.com.