

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

Trust Board Minutes
March 20, 2019

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, in the District Boardroom, 2200 Havasupai Blvd., Lake Havasu City, Arizona at 5:06 p.m. on March 20, 2019.

1.1 Roll Call

BOARD MEMBERS PRESENT: Marcia Cox, Chairperson
 Hal Christiansen, Vice Chairperson (via phone)
 Amy Barney, Trustee
 Julie Sasseen, Trustee

BOARD MEMBERS ABSENT: Dr. Fadi Atassi, Trustee

GOVERNING BOARD MEMBERS
PRESENT: N/A

ADMINISTRATION PRESENT: Mike Murray, Director of Business Services

OTHERS:

 Michael Hensley, J, S & H Legal
 Storm Kinion, ECA – Broker/Consultant
 Jaime Schulenberg, ECA – Broker/Consultant
 5 Others

1.2 Pledge of Allegiance/Moment of Silence

1.3 Call for an Executive Session

Ms. Schulenberg confirmed there were two items requiring an Executive Session to discuss a dental appeal and the Report of Investigation of Prior Trust Consultant.

Trustee Sasseen moved to adjourn to Executive Session regarding the dental appeal and investigation, seconded by Trustee Barney and unanimously approved.

Regular session resumed at 6:02 p.m.

2. Call to the Public
None

3. Old Business

Trustee Sasseen made a motion to review old business, seconded by Trustee Barney and unanimously approved.

3.1 Update on the "Action on Clinic Lease" agenda item from the 02/05/19 meeting.

Chairperson Cox reported she had signed the termination agreement to end the Trusts obligation with the lease of the former Health and Wellness Clinic. She further reported she received \$1,000.00 for the phone system and \$1,175.00 for the remainder of the security deposit. Chairperson Cox delivered those checks to Mike Murray and they were deposited. The Trust is responsible to pay the owner of the clinic \$12,575.00; ECA requested payment from Gilsbar. If the new tenant doesn't buy the remaining equipment, a day needs to be scheduled to allow interested parties the opportunity to go to the clinic and make offers on what is left.

4. New Business

Trustee Barney made a motion to review new business, seconded by Trustee Sasseen and unanimously approved.

4.1 Discussion and Possible Action re Dental Appeal (Executive Session)

Vice Chairperson Christiansen made a motion to deny the appeal, seconded by Trustee Sasseen and unanimously approved.

4.2 Report on Review of EBT Consultant (Executive Session)

4.3 Trustee Training

Mr. Hensley suggested moving the Trustee training to the end of the meeting to allow those that did not want to listen to the training the opportunity to hear the remaining business and then leave.

4.4 Approval of Meeting Minutes: January 17, February 04, and February 05, 2019.

Vice Chairperson Christiansen moved to approve the meeting minutes for January 17, February 04, and February 05, 2019 as presented, seconded by Chairperson Cox and unanimously approved.

4.5 Review of Financial Report for January 2019.

Ms. Kinion reviewed the financial report for the month ending January 31, 2019. Ms. Kinion reported the Trust lost money due to only one deposit being made as well as large claims. The overall YTD deficit is primarily due to large claims. Medical/Rx is running high also due to large claims. The Trust has 10 large claims that exceed 50% of the specific deductible of \$130,000; ECA tracks any claims over \$65,000. The claims total approximately \$1,723,214; four of which have exceeded the specific deductible by \$623,418. The Trust is still in the process of receiving those dollars.

Vice Chairperson Christiansen moved to approve the January 2019 Financial Report, seconded by Trustee Sasseen, and unanimously approved.

4.6 Updates and Announcements

Ms. Schulenberg provided a follow-up to the January 17, 2019 Call to the Public. Kathryn Hubert had asked the Board to consider reinstating the Employee Assistance Program (EAP) and asked about the disclaimer that members hear when they call Gilsbar. Ms. Schulenberg explained that on July 01, 2017 the EAP was discontinued due to cost and low utilization. Ms. Schulenberg further reported the benefits and rates were already approved for 2019-20 and an EAP was not considered for this plan year. The Board would like an EAP considered for the future and ECA is happy to obtain quotes. She also reported that members have access to mental health counseling through the medical insurance; there are over 30 mental health professionals serving Lake Havasu City. Ms. Schulenberg will have Gilsbar prepare a claims report for mental health.

Ms. Schulenberg also addressed the disclaimer members hear when they call Gilsbar. The disclaimer indicates Gilsbar cannot guarantee that the information provided regarding benefits are accurate and in all cases, policy documents prevail. These disclaimers are common among third-party administrators most often because benefits can never be guaranteed until an actual claim is submitted. Chairperson Cox requested that ECA provide Ms. Hubert with a summary of the follow-up.

Chairperson Cox previously inquired how many members would be positively impacted by the reduction in the deductible. Based off the reports provided by Gilsbar, 89 members would see a reduction in their out-of-pocket expenses based on the same medical scenarios.

Vice Chairperson Christiansen approached Lake Havasu Eyecare about joining the United Healthcare Vision network and they agreed to meet with a representative. ECA contacted UHC and they are currently in negotiations.

Vice Chairperson Christiansen excused himself from the meeting at 6:31 p.m.

4.3 Trustee Training

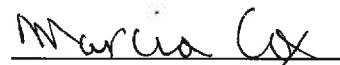
Mr. Hensley presented Legal Updates for Group Health Plan Trustees. The presentation included benefit plan fiduciary responsibilities, definitions of duties, open meeting and Executive session laws, public records and HIPPA. At the conclusion of the presentation Ms. Schulenberg told the Board she would send the slides to the LHSEBT to have them added to their website

5 Adjournment


Trustee Barney moved to adjourn at 7:15p.m., seconded by Chairperson Cox and unanimously carried.

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

Minutes of the Special Trust Board Meeting of March 20, 2019 are approved as submitted.



Marcia Cox, Chairperson



Hal Christiansen, Vice Chairperson