

LAKE HAVASU UNIFIED SCHOOL DISTRICT #1
EMPLOYEE BENEFIT TRUST
BOARD OF TRUSTEES MEETING – APRIL 25, 2018

TRUST MEMBERS PARTICIPATING

Marcia Cox, Hal Christiansen, Dr. Fadi Atassi & Sam Scarmardo

OTHERS PARTICIPATING

Mike Murray, Kelly Morrison, Cheri Tropple, & Naomi Morgan – LHUSD#1
Erin Collins, Jaime Schulenberg & Elena Lacy - Erin P. Collins Associates
Joyce Perez – Gilsbar
Michael Hensley – JS & H

OTHERS ATTENDING (PER SIGN IN SHEET)

Jeff Goss, Nissa Harris, Nina Mersing, Nichole Cohen,

Meeting called to order at 3:01 p.m. Roll call was taken. Pledge to the flag followed with moment of silence.

Marcia Cox Vice Chairman asked for "Call to the Public." There were none.

Sam Scarmardo made a motion to move into executive session for General Legal Advice and Consultation on Contracts Pursuant to ARS §38-431.03(A)(3) and (4).

Hal Christiansen seconds the motion.

Motion unanimously approved by Trustees in attendance.

Executive session adjourned to superintendent conference room.

Hal Christiansen made a motion to reconvene from executive session.

Sam Scarmardo seconds the motion

All unanimous, meeting reconvened at 4:18 p.m.

It was stated that Dr. Fadi Atassi had left early at 4:00 p.m. during the executive session.

- **Section 125 Plan Document**

- Jaime Schulenberg stated when attempting to review Section 125 Plan Document, it does not exist. Section 125 is separate from normal medical, dental and vision documents. The Trust

needs the Section 125 Plan Document. Gilsbar can create this document for \$300.00. ECA recommends the Trust authorize expenditures to have the document created.

Marcia Cox questioned if premiums are being prepaid tax and if we are in violation.

Jaime Schulenberg confirmed.

Erin Collins explained it may have been done however it cannot be found.

Jaime Schulenberg stated the document would be effective July 1, 2018. Once developed, it will need to be reviewed and approved. Then adopted at a public meeting.

Hal Christiansen made a motion to have Gilsbar create Section 125 Plan Document in the amount of \$300.00 and ask to have the document prepared and implemented by July 2018.

Sam Scarmardo seconds the motion.

Motion unanimously approved by Trustees in attendance.

- **Meeting Start Time**

Marcia Cox expressed concern that due to EBT meetings starting at 3:00 p.m., makes it hard for staff to attend. At this time would like to suggest starting the meetings at a later time. This is the Employee Benefit Trust and the employees should have a chance to attend.

Sam Scarmardo requested to have meetings on a different day of the week or possibly on the fourth Wednesday of the month.

Mike Murray recommended the meeting times and dates to be consistent due to Open Meeting Laws.

Jaime Schulenberg mentioned vendors will need time to prepare reporting documentation for meetings.

Erin Collins suggested the meetings to be quarterly unless otherwise specified.

Unanimous decision to move forward with quarterly meetings the third Thursday of the month at 5:00 p.m. The next EBT Board of Trustees Meeting will take place on Thursday, July 19, 2018 at 5:00 p.m.

- **Cerner v. BCBSAZ LabCorp Charges**

Joyce Perez presented the methodology on how they came to the numbers provided. In the Summary handout, will focus on the Allowed column. Received an invoice from LabCorp that

listed codes and charges. Looked at two years of data (2016-17). Identified 34 out of 40 CPT codes found in data from plan. Each CPT code had different charges for each code. Came up with an average on actual health plan. Cost fluctuates depending on service. To get a true comparison, the invoice would need to go to Blue Cross to get re-priced.

Erin Collins stated Blue Cross would not re-price due to confidential information.

Joyce Perez stated the allowed amount number is the best comparison to get the raw number after discounts.

Erin Collins stated there were changes made and starting July everything will go to Blue Cross Contract through LabCorp. Billing will be complete with identifiable codes.

- **Administrative Update**

Erin Collins discussed the Health & Wellness cost comparison break down into visits, scripts, additional services and management fee. Send spreadsheet back to Cerner with list of clarifications. Once ECA has letter, will send to Trustees.

Jaime Schulenberg reported Gilsbar response to a comment at a public meeting where the prior broker stated Gilsbar provided funding rates for the plan. Gilsbar CEO provided the statement and wanted it for the record.

Jaime Schulenberg clarified on the Life Insurance Commission that Guardian did not pay commission on the current life contract.

Jaime Schulenberg recounted the staff meeting at LHHS PAC on March 29. The meeting went well with great comments. Some staff were not happy with rates as others were understanding. Spoke with the Clinic in regards to some complaints on services.

Jaime Schulenberg reported the benefit changes effective July 1st in regards to the Clinic. Cerner is in the process of updating their systems and procedures. Gilsbar is having more of a struggle with the side of processing labs. They are working to have labs paid appropriately without additional cost to the member.

Marcia Cox questioned the copay on labs.

Jaime Schulenberg reassured there is only one copay when a member goes in for an office visit and labs are drawn.

Open enrollment is around May 6th and ECA is working on material for staff to get out to members.

- **Future Agenda**
Non at this time

Sam Scarmardo motions to adjourn.

Hal Christiansen seconds the motion.

Motion unanimously approved by Trustees in attendance.

Meeting adjourned at 4:55 p.m.

Respectfully submitted,

Naomi Morgan, Secretary, LHUSD #1 Employee Benefit Trust

Minutes of LHUSD #1 EBT Meeting of February 21, 2018 are approved as submitted.

Kari Thompson, Chairperson, LHUSD #1 Employee Benefit Trust