

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

Trust Board Minutes
February 04, 2019

WORK SESSION:

1. Routine Opening of Meeting – Call to Order

The Work Session 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 3:31 p.m. on February 04, 2019.

1.1 Roll Call

BOARD MEMBERS PRESENT: Marcia Cox, Chairperson
Hal Christiansen, Vice Chairperson
Dr. Fadi Atassi, Trustee (Arrived at 3:35 p.m.)
Amy Barney, Trustee
Julie Sasseen, Trustee

BOARD MEMBERS ABSENT: N/A

GOVERNING BOARD MEMBERS PRESENT: N/A

ADMINISTRATION PRESENT: Mike Murray, Director of Business Services

OTHERS:
Sue Betz, ECA
Mike Bonney, GDK
Erin Collins, ECA – Broker/Consultant
Jen Edmonson, BCBSAZ
Rich Hanna, Ameritas
Storm Kinion, ECA – Broker/Consultant
Joyce Perez, Gilsbar
Chris Schanz, National Cooperative
Michael Schionning, Cheiron
Jaime Schulenberg, ECA – Broker/Consultant
Michele Soules, BCBSAZ
James Totten, UHC
7 Others

1.2 Pledge of Allegiance/Moment of Silence

1.3 Call for an Executive Session - None

2. Call to the Public – None

- 3. Trustee Barney made a motion to open vendor presentations, seconded by Vice Chairperson Christiansen and unanimously approved.**

3.1 Opening Remarks and Agenda Review

Mr. Collins from ECA gave opening remarks with a brief overview of the agenda and goals for the meeting.

3.2 2018 Medical Claims Review

Joyce Perez from Gilsbar provided a summary of the Trust's medical claims including top major diagnostic categories, utilization, and customer contact statistics.

3.3 Blue Cross Blue Shield AZ Review

Michele Soules and Jen Edmonson from Blue Cross Blue Shield of Arizona (BCBSAZ) provided information on the network of providers along with information regarding their resources and support. The executive summary included network savings, plan utilization and an update on Mayo. It also included information about Blue Card which provides national access and is available at an additional cost in 2020. The summary included the renewal rates and guarantees for the next three years beginning July 1, 2019.

3.4 2018 Rx Claims Review

Christopher Schanz from National Cooperative Rx provided an overview of the prescription claims for the current plan year which included an executive summary of savings, rebates, high dollar claims revenue and utilization. This included comparisons from Jan-Dec 2017 and Jan-Dec 2018 with the percent of change. Mr. Schanz also reviewed the top therapeutic class usages and costs associated with prescriptions in each class.

3.5 2018 Dental Claims Review

Rich Hanna from Ameritas provided a detailed report on paid claims and cost per employee per year. Mr. Hanna provided further explanation by showing the paid claims detail by procedure and In Network vs Out of Network utilization. The report also illustrated the PPO savings, return on investment and top provider utilization.

3.6 2018 Vision Claims Review

James Totten from United Healthcare provided an overview of the United Healthcare network including customer care, lens options, and network impact. Mr. Totten also

reviewed the plan benefits in detail including claims experience, utilization and top utilized providers.

5:20 p.m. - Break from the Vendor Presentations

5:50 p.m. - Vendor Presentations resumed

3.7 Financial Update

Mike Bonney from GDK, the Trust's CPA, presented a compilation financial statement which compared the periods ended December 31, 2018 versus December 31, 2017 as well as a six-month comparison between July – December 2017 and July – December 2018 to illustrate year over year results.

Storm Kinion with ECA reviewed the Trust's financial performance from January – December 2018, noting the Trust is improving financially.

3.8 Actuarial Rate Methodology

Michael Schionning, LHSEBT's actuary from Cheiron, reviewed the rate development, proposed claim funding rates, proposed benefit changes, alternative claim funding rates, projection methodology and plan experience.

3.9 Budget Building re 2019-20 Benefits/Rates

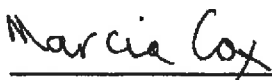
Ms. Schulenberg reviewed the proposed 2019-20 budget going over the recommended changes, budget assumptions, and vendor renewals.

4. Adjournment

Trustee Barney moved to adjourn at 7:48 p.m., seconded by Vice Chairperson Christiansen 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 Trust Board Meeting of February 04, 2019 are approved as submitted.



Marcia Cox, Chairperson



Hal Christiansen, Vice Chairperson