

LAKE HAVASU UNIFIED SCHOOL DISTRICT #1
EMPLOYEE BENEFIT TRUST
BOARD OF TRUSTEES MEETING – FEBRUARY 7, 2018

TRUST MEMBERS PARTICIPATING

Kari Thompson, Marcia Cox, Hal Christiansen, Dr. Fadi Atassi, Sam Scarmardo and Pat Rooney (non-voting member)

OTHERS PARTICIPATING

Mike Murray, Diana Asseier, Kelly Morrison, Cheri Tropple, Bonnie Breazeal & Mary Heronema – LHUSD#1
Erin Collins, Jaime Schulenberg, Elena Lacy & Missy Jenson - Erin P. Collins Associates
Joyce Perez – Gilsbar
Jeff Jennings - AHG
Chris Schanz – National Cooperative Rx
Rich Hanna – Ameritas
James Totten – United Healthcare
Mike Bonney – GDK CPA, LLC
Michael Schionning – Cheiron
Sharon Radetic, Chrissy Carmack, Christa Roberts, Stephanie Lewis, Dalton Jones and Dakota Zeik – Cerner (By WebEx)

OTHERS ATTENDING (PER SIGN IN SHEET)

Nina Mersing, Claude Sanders, Nichole Cohen, & Carol Nowakowski

Meeting called to order at 8:05 a.m. Roll call was taken. Pledge to the flag followed with moment of silence.

Kari Thompson asked for "Calls to the Public." There were none.

Opening Remarks: Erin Collins, ECA

Different vendors will be presenting (about 2 hours). Cerner unable to attend in person, so they will present on clinic operations via WebEx. Then will go into actuary perspective, how rates are developed. There will be a side discussion of the GASB liability changes. That is how employees look at the value of the retiree benefits that have been earned. There has been a change in the methodology and involves a question for the district when they adopt that change and how the evolution will change. Current estimate on that liability is unfunded at 14 million. Look at how it's running and operating and then go into the budget building process. It's a highly interactive process. Once the district and Trustees make changes, each decision has a financial consequence due to the rates. Depending on how the meeting goes, may need to have another session to go over the rates. The Trust is in a declining financial

position. The current rates are inadequate, both on the active and retiree level. Will need to build a plan to reverse fortunes overtime. There is some reserve in the Trust. It is declining and will need to come up with a plan. There are three subsidies that the district built in with retirees. One is cash subsidies that help offset the cost. That is direct. The indirect, the district is using a composite rate structure instead of separating the retiree and active rate when the retiree rate is built to absorb liability, they are combined. Active rates is increased, so active subsidies the retirees. Third, the underlying rate is not actuarially adequate to begin with as its funding loss. It becomes a third form of subsidies. Once done, will look at end to end review issued in December. Erin Collins and Associates recommended project is this coming year forward and recommend priorities. May want to add, change or delete some items. Will make sure this information goes out to the board and employees and fully transparent and arrange meetings for staff to get the message. This is potentially serious situation on finance and time to correct it.

2017 Medical Claims Review: Joyce Perez, Gilsbar

- Pareto Analysis.
- Total Top Major Diagnostic Categories – Medical Only.

Marcia Cox asked to clarify if Pareto Analysis and Major Diagnostic included Rx or expenses for the clinic.

Joyce Perez replied that they do not include Rx. It is only medical claims through the health plan.

- Employee vs. Dependent Claims – Medical Claims only.
- Discount Evaluation – Blue Cross Blue Shield Network, also PHCS Lab Network. 98% of claims are running through the plan through Blue Cross PPO Network.
- EE/ER Cost Share (Employee/Employer) – Slight increase on employee cost while employer (Trust) cost went down.

Marcia Cox asked how that factors in with the district paying that additional dependent premium.

Joyce Perez replied it does not take into consideration the actual premiums. This only includes deductibles, copays and co-insurance.

- Inpatient Admits – 68% of members who have had an inpatient hospital stay are using Havasu Regional Medical Center. The average cost is over \$6,600.00.
- Utilization Analysis – PMPM Bases (Per Member Per Month) – Office visits averaging about \$6.00, inpatient hospital averaging about \$38.00, routine wellness office visits \$3.00 and emergency hospital \$24.00.
- Customer Contact Calls and myGilsbar.com logins – Customer calls, 11% of members and myGilsbar.com logins, 20% of members. Need to communicate and promote to the members to use these services.

2017 Utilization and Case Management: Jeff Jennings, AHG (American Health Group)

- Pre-Certification and utilization review case management
- Inpatient admission summary
 - Comparing days request and days used.
 - Trying to get someone out of the hospital quicker.

- Savings by reducing hospital stays.
- Pre-Certification makes sure things are medically necessary.
- Doctors and nurses on staff to assist with the process.

Nicole Cohen asked what DRG is.

Marcia Cox responded with, Diagnostic Related Groups.

Jeff Jennings commented they make sure the patient is getting the best care and plan.

Sam Scarmardo questioned under the plan, a colonoscopy is pre-certifiable to assure medically necessary.

Erin Collins clarified Sam's question. There are two types; a screening colonoscopy and a diagnostic. Screening under Federal law, you get one preventative screening every 10 years if you are 50+. If you are systematic, and need further treatment, that is when it is pre-certification.

- Admission Type Breakdown
 - Estimate \$750.00 per day for a stay in a hospital, which is low.

Marcia Cox asked how they came up with the \$750.00 figure.

Jeff Jennings responded that they try to low ball the number on overall happenings in a hospital day. A generic number they came up with after looking at different cost.

- Admission Rate Benchmark
 - Different institutions in Book of Business uses to compare each group.
- Hospital Days Benchmark
 - Use the same method.

Dr. Fadi Atassi asked how you predict the 146.3.

Jeff Jennings responded that some depend on each group as some are higher & some lower.. Use an average for the entire book.

Marcia Cox confirmed this represents all the customers that you have in the companies.

- Top 5 Disease Categories
- Utilization Profile
 - 2016 – 64% of employees
 - 2017 – up to 6% using plan

Marcia Cox verified when utilizing pre-certs, it's nothing to do with regular office visits.

- Case Management
 - Will show how many on case management and how many discharged, so numbers may seem off as some numbers are not discharged. Not going to discharge until done with case management. Could still be going through services into the following year. Will not be discharged due to the end of year. Trying in inform members there are nurses to help is they make that phone call.

Marcia Cox stated that it shows 29 admissions and out of that 29, only 7 admitted under case management and 5 discharged. Some of the 29 do not need case management such as surgery, cancer, diabetes, and heart disease.

Veronica responded that when something is pre certified, they will reach out to the patient to help manage on their own. That way a case manager would not be needed. Case managers will work with doctors' offices until the patient feels they have things under control on their own. Hard part is patients initiating contact.

Erin Collins mentioned one that isn't done well is shortage of beds for detoxification services. They can reach out and request assistance or HR staff can request case management.

- Discharge Reasons
 - Unable to make contact
 - Not appropriate for case management
 - Goals met
- ROI (Return on Investment)
 - For every dollar spent in case management, want to return \$4.00 in savings.

Marcia Cox asked when you calculate ROI, if that patient had not been participating in case management that the cost would have been higher and do you determine that from actual claims or estimates.

Jeff Jennings replied the director of case management takes the cost of days in the hospital, looks at all the different numbers and information to determine. Will find out the numbers Jennifer (case manager) uses and email the information to ECA.

Veronica replied if a case manager helped a patient go from an out of network hospital to in-network or got the patient out of rehab sooner, would run into savings. Depending on the circumstances and transfer of facilities.

2017 Prescription Claims Review: Chris Schanz (National Cooperative Rx)

- Behind the scenes of the planned participants up to 285
 - Number of prescriptions 4.820
 - Generic Dispensing Rate 82.7%
 - \$120,000 in rebates this year. (Rebate Summary in packet for review)
 - 5% of total planned participants are paying usually see 10-12% on average.
 - Generic Dispensing Rate about 83% which is good. Just shy of the cooperative benchmark at 86%
 - 58% of total gross cost is coming from specialty medications.
 - 97 prescriptions are considered specialty. Almost 60% of drug spend. We are already managing these and have a strategy in place to handle specialty drugs.
- Executive Summary
 - Snapshot comparisons the Trust to the remainder of the coop.
- Top Therapeutic Classes

-Good to see anti diabetics in the top five as a preventative class and to avoid any medical complications.

- Pharmacy Choice

-Most advantages pricing that is offered in the contract is by mail. A lot of members are taking advantage of the 90 day supply which is a larger discount.

Dr. Fadi Atassi questioned the out of pocket for employees the same for local pharmacy or mailing order.

Chris Schanz confirmed there is the copay and should have incentive to go through the mail.

Jaime Schulenberg corrected that there is no incentive for 90 day supply or mailing.

Chris Schanz stated it's a convenience for participants. There is a deeper discount for the plan with mail orders.

Mike Murray confirmed the back end savings that benefits the plan.

Chris Schanz stated some plans require to go through the mail.

Marcia Cox concerns of medications mailed affected by sitting in the heat and asked if there are other arrangements to get the medications.

Chris Schanz replied, yes, they can use cold packs or a cooler upon request. Could also have it mailed to place of work or directly to CVS for pick-up.

Kari Thompson replied there used to be advantages of mailing but once switched over, there wasn't a big cost difference. Easier to pick up at CVS.

Dr. Fadi Atassi suggested may want to make an incentive.

Marcia Cox asked if there is auto fill.

Chris Schanz replied something would have to be set up for auto fill.

- Cooperative Wide Update (review packet)
- Specialty Cost Share Tier
 - ECA recommends \$200.00 cap.
 - Straight 10% co-insurance specialty drugs.
 - Found coupon and manufacture will pay up to 75% of what the members are being asked to pay.

Sam Scarmardo replied the coupons do not work if you have Medicare Plan D or anything similar in a government program.

Chris Schanz responded a vast majority of groups have a tier for specialty drugs. You are in the minority.

Hal Christiansen, going back to prescription by mail, individual member may not see a savings but the Trust will see a savings. Lowering costs for participants and potentially mail to work.

Chris Schanz replied yes, there is opportunity there and an increase in mail order could save plan dollars.

Pat Rooney asked if participants would be notified of the delivery.

Chris Schanz responded that it can be tracked on line.

2017 Dental Claims Review: Rich Hanna (Ameritas)

- Paid Claims
 - Down 12.6%. Roughly \$28,000 savings year to year.
 - 99.8% of claims run through network
- Return on Investment
 - Last six years spend about \$613,000 between network and claims savings. Just over a million dollars in savings for the Trust.
- Paid Claims by Procedure Type
- PPO Claims
 - Benchmark 81.6% throughout the state.
 - See network utilization.
 - Above benchmark savings, especially being out of a metro city.

2017 Vision Claims Review: James Totten (United Healthcare)

- Vision care can predict 28 diseases by looking in the eye.
 - Catch early, can save on medical expenses.
- Network Utilization
 - Half private practice, half large retail chains.
- Do not need ID card
- Price cap in network
 - Poly carbs for kids – n/c
 - Scratch resistant – n/c
 - Anti-reflective coating - \$40.00
 - Progressives (4 levels) start at \$70.00 and go up to \$250.00

Came in July of 2017 with rate guarantee until 2020. Rates for employees will not change on fully insured rate. Members are using plan and it spikes right before the start of school.

Marcia Cox asked if there was a significant difference in the benefit with this plan compared to the previous plan that would see a high utilization the first year.

James Totten does not have the answer to that.

Kari Thompson stated on a personal note, it was cheaper prior, not to use insurance and paid out of pocket for glasses.

James Totten stated with the plan now, \$10.00 copay for exam, \$10.00 copay for materials, pay up to \$100.00 on frames and \$105.00 on contacts. There are four private practice providers in LHC. South Western Eye Center (In Network), Havasu Eye Center (In Network), LHC Family (Out of Network), and Riverview (Out of Network). For the large retail chains, Wal-Mart and JC Penny (Nationwide). Wal-Mart is cheaper than private practice due to higher volume of inventory. Do not have any out of network claims currently.

Marcia Cox verified no claims at South Western Eye Center.

James Totten confirmed and stated that South Western Eye Center is also Mohave Eye Center.

Kari Thompson asked if there have been any feedback. Some employees have tried using JC Penny Center and were told they were not a provider and getting turned away.

James Totten stated that JC Penny was brought on in the middle of the year. They are selling Optical Vision. Members can call or print ID card in line. The network known as Spectra Network branding.

Kari Thompson verified the rate guarantee till 2020, would that stay in effect if there were changes in the plan.

James Totten replied it's something to look into.

Kari Thompson questioned if recruiting providers will continue.

James Totten confirmed they will and that Riverview is out. They have tried multiple offers and have been declined.

Financial Update: Mike Bonney, GDK CPA, LLC

Each Trustee has a copy of December Statement. Prepared on modified cash basis. Audit required to be performed on a true accrual basis. Benefit using modified cash basis, some unfunded liabilities. When audit report received at end of year will make any necessary adjustments. Just spoke to auditor during break. Claims received, but not paid which is not reflected in the financial statements.

- Statement of Net Assets
 - As of December, there were two accounts. One at Wells Fargo and the other at Morgan Stanley. Still showing Morgan Stanley, as the district was waiting for all checks to clear out of one account before funds can be moved over. Informed yesterday that those funds were transferred to Wells Fargo and Morgan Stanley accounts are now closed.
 - Money transferred two days ago was \$929,220.09. The difference is made up of two components. Very old, outstanding checks at approximately \$6,900.00 that were over a year old. Staff researched and determined to void the checks. The other is \$144,000.00. Had difficulty identifying the beginning balance and worked with staff and auditor. Need to make the necessary adjustments as of June 30, 2017 for the \$144,000.00 to reduce money to \$929,220.09 that was transferred from Morgan Stanley to Wells Fargo account. Will come into balance with auditors report.
- Statement of Activity
 - Miscellaneous expenses at \$114,000.00 was unavailable to review in full when sent out. Amount was misclassified. Will make those corrections. Can either restate and reissue December Financials or make adjustments with January Financials. Opinion, it would be cleaner if restate December Financials and send to Mr. Murray and disperse to Trustees.

Hal Christiansen questioned the \$6,900.00 outstanding checks, if they are payable to vendors.

Mike Bonney confirmed and that they were possibly paid again and checks were never voided.

Nichole Cohen questioned the \$144,000.00 if that was from the Morgan Stanley account.

Mike Bonney replied that they started in middle of a year. Tried to start with one month and go forward. Could not reconcile, so it was necessary to go back to the beginning of that fiscal year. At that time, the audit had not been completed and was waiting for the audit reports and knew there would be an issue. The \$144,000.00 was prior to firm coming on board.

Marcia Cox asked if that part goes back when we didn't have any bank reconciliation.

Mike Bonnie confirmed that is correct.

Marcia Cox asked if we could go back to the last audit and that \$144,000.00. Would have happened between that audit and when you started.

Mike Bonney replied that it would have been prior to June 30, 2016.

Marcia Cox asked if we can find out when bank reconciliation stopped.

Mike Murray agreed we can go back in files and see when it actually stopped.

Mike Bonney will be getting Financial Statements more organized and understandable between now and July 2018. Crucial at year end.

Erin Collins showed graph of bank balance for the Trust since January 2014. District contribution, one million. District budgeted 10% increase.

Kari Thompson clarified the districts contribution was \$500,000.00.

Mike Murray commented no, the 1.066 was pro 123 that was actually fought for the year before deposited in February.

Review of Actuarial Rate Methodology and GASB Analysis PART 1: Michael Schionning, Cheiron

- Projection Methodology - Look at medical, drug and dental.
 - Medical Plan – Over last few years, medical has been improving and coming down.
 - Prescription Drug Plan – Constant increase which is typical.
 - Dental Plan – Since 2016 has been dropping
- Development of Funding Factors
 - From scratch using current Silver vs. Gold Plan, not a huge difference.
- Proposed Benefit Changes
 - Medical/Rx Gold Plan – Add a copay for the Health and Wellness Clinic.
 - Change outpatient behavioral health from 80% and co-insurance to \$55.00 copay.
 - Change non-routine colonoscopy from 100% with no deductible to 80% after deductible.
 - Reduce physician office copay to \$35.00
 - Reduce physician office copay to \$25.00 PCP/\$35.00 specialist.
 - Eliminate MOM as the sole mammography provider.
 - Provide unblended Gold funding rates for active/retiree.
 - Add Rx specialty copay.
- Vision Plan

- Move from fully insured to self-insured plan.
- \$10.00 copay
- Covers exams, frames and lenses. One time each 12 months.

Health and Wellness Clinic Reviews: Sharon Radetic, Chrissy Carmack, Christa Roberts, Stephanie Lewis, Dalton Jones and Dakota Zeik, Cerner via WebEx

Stephanie Lewis talked on 2018 Mid-Program Performance Rebuild

WOW 2017 – 2018

- District changed the design structure effective July 2017.
 - Have one initial screening. Believe that is reason for decline in participation.
- Cohort
 - 31% Cohort decreased or maintained zero high risk factors.
 - Cohort Group are members who participated in the program from the start of the program.
 - 215 members of the group.
- Lab and Biometric.
 - No high risk averages.
 - Offered full plate diet to focus on healthy eating.
 - Offered cooking classes to target obesity and cholesterol.
- Health Risks
 - Offer back pain education.
- Next Steps
 - Opportunities of device integration.
 - Onsite fitness classes.
 - Weight loss challenges.

Chrissy Carmack, NP discussed:

- Health Center Utilization
- Population Engagement – monthly incentives.
- Patient satisfaction

Hal Christiansen asked the 275 completed surveys out of 2,374 visits, does everyone have an opportunity to complete a survey.

Chrissy Carmack confirmed yes, they do and try to capture surveys.

Sharon Radetic stated about 2% completing surveys.

Chrissy Carmack stated they are striving coming year, trying to capture 25% per quarter.

Hal Christiansen asked when are patients taking the survey.

Chrissy Carmack replied as patients exit, on their way out, they are asked to complete. iPad is also taken into room as patient is waiting for medication and surveys are all done in person.

Kari Thompson needed clarification on total member visits wellness and biometrics- if they are happening on the same day.

Chrissy Carmack responded they are on the same day but separate them out. One visit for biometrics would be with MA and one visit with provider for coaching.

Kari Thompson asked if any historical data on what visits are trending.

Chrissy Carmack responded that information is on the dashboard. Mike Murray has access to the dashboard information.

Mike Murray stated he can get the information.

Nichole Cohen questioned the 1,535 other visits, are those happening on same day as well as wellness visits.

Chrissy Carmack responded typically no, some have another subject need and checked in as a separate visit.

Mike Murray asked of 1,535 visits, when listed as physical and labs listed separately, will that be recorded as more than one visit.

Chrissy Carmack responded no, that would be one visit if they are there for a physical and labs are on different visits.

Dr. Fadi Atassi asked if they have a number of how many patients checked in a yearly basis regardless who they see.

Chrissy Carmack replied that would be total visits. They check in for every visit.

Marcia Cox wanted to verify the 417 wellness visits and 412 biometric screenings, would have to check in and out for each "visit".

Chrissy Carmack replied MA checks patient out for biometrics and back in again to see provider for coaching visit.

Dr. Fadi Atassi asked in the 1,535, is the 412 included.

Chrissy Carmack replied those are all pulled out. The 1,535 number is all lab except wellness visits.

Erin Collins called to adjourn the meeting for lunch.

Meeting reconvened at 12:17 p.m.

Review of Actuarial Rate Methodology and GASB Analysis PART 2: Michael Schionning, Cheiron

Marcia Cox questioned the report on Development of Funding Factors, does not include administrative or stop loss costs.

Michael Schionning confirmed.

Marcia Cox questioned medical experience improving due to services at the clinic.

Michael Schionning confirmed.

- GASB (Government Accounting Standards Board)
 - Sets accounting rules the government has to follow. Retirement and non-pension benefits.
 - GASB 45 applies to the employer
 - GASB 43 is prefunded plan.
 - Change to pension accounting.
 - 75 becomes effective for FY2018.
 - Old CAFR under the current status most information under footnotes.
 - Liability significantly larger.
 - Big issue for EBT-long term expected return of general fund assets.
 - Change to 20 year municipal bond index.
 - Typical policy rules has biggest impact on funded plans – how often you need to do valuations. You are unfunded.
 - Has to be done every two years.
 - Could pick your own valuation date to be 7-1-17 or 1-1-18.

Kathy Cox questioned the inflation phase in an unfunded plan, as inflation increases, how will that affect us.

Michael Schionning replied there is no impact, plane closed.

- Two Subsidies
 - Explicit subsidies, how much premium EBT paying for compared to how much retiree is paying.
 - Implicit subsidies, set rates by blending members.
 - Issue that current premium rates are not enough.
 - Most use Explicit.

Marcia Cox asked when talking about the premiums, are you only district funded.

Michael Schionning responded yes, strictly what EBT funds.

Erin Collins stated this is District Liability current number is \$14 million with new evaluation method and using actuary based premium. The numbers could go up.

Budget Building: Erin Collins

One of the challenges was data from multiple included Center operating costs in funding projects.

- Make recommendations.
- District has 10% budgeted.
- Base number is higher than that.
- End up with a deficit.
- Differences will publish a correct rate.
- Continue to draw down the surplus while restructure.

Jaime Schulenberg spoke about the operating expenses. Expenses that show in the budget when first working did not have all additional operating expenditures for the clinic. It has developed as time has gone on. Once we go back through and is properly allocated, will make sure Mike has all the numbers. Then will figure claims portion and what can be pulled out.

Memo with assumptions on overall budget with regard to stop loss – does not cover prescription liability.

Jaime Schulenberg stated they built in 35% which will account including Rx stop loss going forward.

Dr. Fadi Atassi questioned the Cerner Management Fee.

Jaime Schulenberg replied the bulk of the fee which is approximately \$54,000.00 is going for staff salary.

Marcia Cox stated it should be 50% staff and 50% proprietary and confidential.

Kari Thompson replied we pay a fixed fee and pay for all the office visits for the staff that are there.

Benefits and Rates: Jaime Schulenberg

Options in actuary price and review plan for cost saving opportunities.

Gold Plan, add a copay for clinic visits. Cerner can accept credit/debit cards only and offset invoices opposed to sending money back to Trust for reconciliation.

Claude Sanders concern paying two copays when the nurse practitioners at the clinic are unable to provide the necessary help and member goes to a specialist.

Jaime Schulenberg stated preventative is no cost and a change in community copay to offset cost.

Jaime Schulenberg discussed the change in:

- Behavioral health benefit of \$55.00 copay.
- Routine colonoscopies to 80% after deductible.

Kari Thompson concerned issues of routine colonoscopies change to non-routine if something is found.

Erin Collins replied that will happen if it becomes diagnostic.

Joyce Perez stated it depends on how the claim was submitted and will be working with Erin Collins and Associates with this matter.

Jaime Schulenberg continued with:

- Implementing \$25.00 copay for primary provider and \$35.00 copay for specialists.
- Possibly eliminating MOM as sole mammography provider.
- Vision Plan. Lack of providers and spoke with Vision Care Direct regarding self-funded program.

The rates are higher than current rates.

Erin Collins stated the district budgeted 10% which makes a gap of 18% trying to close.

Jaime Schulenberg stated discussions on trying to find 18% in benefit changes and get there long term.

Erin Collins stated the urgency to get that done in a year.

Kari Thompson questioned the availability on coupons for specialty Rx.

Chris Schanz replied the vast majority have coupons and CVS has case managers that will help with coupon subsidies.

Mike Murray asked if there would be a benefit by bringing us to where the Rx average was.

Jaime Schulenberg responded that they can make some recommendations.

Erin Collins stated they are looking at financially balancing the plan.

Kari Thompson asked if there is a savings to eliminate the Silver Plan.

Jaime Schulenberg replied there is a slight cost to put everyone on the Gold Plan.

Sam Scarmardo questioned legal ratification by getting rid of the clinic.

Erin Collins responded that we are contracted until March 2020. The hospital called about bidding the clinic. There is a meeting set in March.

Erin Collins suggest a 10-minute break.

Meeting reconvened at 2:30 p.m.

Marcia Cox made a motion to move into executive session.

Hal Christensen seconds the motion.

Motion unanimously approved by Trustees in attendance.

Dr. Fadi Atassi made a motion to reconvene from executive session.

Sam Scarmardo seconds the motion.

All unanimous, meeting reconvened to regular session at 3:07 p.m.

Erin Collins moving onto end to end review and priority setting. Recommendation comes off of that.
Item #3 to be corrected to \$50,000.00

Sam Scarmardo left early at 3:15 p.m.

Kari Thompson questioned vision.

Jaime Schulenberg responded updated on the budget will be at the February 21 meeting.

Had Christensen made a motion to set this as-is.

Marcia Cox seconds the motion.

All unanimously approved by Trustees in attendance.

Hal Christensen made a motion to approve minutes.

Marcia Cox seconds motion.

Discussion: Hal Christensen mentioned items in minutes that are to be followed up on would like addressed in future agendas.

Minutes unanimously approved by Trustees in attendance.

Election of Officers: Erin Collins

The restated and amended Trust agreement changed some positions. Will need to review tape and have Board do an amended motion to incorporate. At this time, Trustees would elect chairman, vice chairman, and chair appointed secretary.

Kari Thompson responded this will need to align with the Board.

Diana Asseier commented the two EBT positions opening will brought before the Board at the next meeting to advertise and be filled by June and start in July.

Kari Thompson stated appointing officers the first meeting of the fiscal year would be the start of terms.

Jaime Schulenberg stated the recording secretary has retired and will need to name a new secretary.

Kari Thompson responded to appoint Naomi Morgan as Recording Secretary.

Hal Christensen made a motion to nominate Marcia Cox as Vice Chairman.

Dr. Fadi Atassi seconds the motion.

Motion unanimously approved by Trustees in attendance.

Administrative Update: Jaime Schulenberg

Facilitated an onsite meeting with district staff and Guardian. Will resolve contract amendments and bring back for review and approval.

-Several retirees enrolled in Silver Plan was not communicated to Gilsbar. Eight were mis-enrolled in the Gold Plan. Benefits have been paid. There are 20 claims to be re-processed. Asking for fiscal impact and hot that will impact the members. Will bring this back for further discussion.

-During open enrollment, a special packet is sent out to retirees and they have the choice to choose Silver or Gold Plan.

Hal Christiansen asked why we have the Silver Plan.

Jaime Schulenberg responded its less rich plan and makes it less expensive for retirees.

Kari Thompson stated the district doesn't contribute as much into the retirement plan. The retirees are paying a larger portion. Gives retirees the option to pay less or more expensive plan.

Hal Christiansen asked if it costs more to administrator or more work.

Cheri Tropole responded there is a difference in the premium. Would prefer if there was only one.

Hal Christensen suggested the elimination of the Silver Plan.

Jaime Schulenberg stated ECA is working with Trust attorney on requesting records from the previous broker.

- Award a contract with janitorial services at the clinic.
- Working on clinic cost comparison and lab comparison.
- Following this meeting, a
- A survey will be sent out in reference to this meeting.

Marcia Cox questioned if a time line was established for the cost comparison.

Erin Collins responded there is not.

Kari Thompson asked for a review on fixed costs at the center.

Jaime Schulenberg stated part of the budget ECA prepared can break that down further.

Pat Rooney asked if this information on rates will get out to the staff.

Erin Collins replied once everything is more in place after February 21 meeting, will be available to answer questions.

Kari Thompson set February 21, 2018 for the next meeting at 3:00 p.m.

Hal Christensen made a motion to adjourn meeting.

Fadi Atassi second the motion.

Motion unanimously approved by Trustees in attendance.

Meeting adjourned at 3:45 p.m.

Respectfully submitted,

Kari Thompson, Chairman, LHUSD #1 Employee Benefit Trust