

**LAKE HAVASU UNIFIED SCHOOL DISTRICT #1
EMPLOYEE BENEFIT TRUST
BOARD OF TRUSTEES MEETING– MARCH 8, 2018**

TRUST MEMBERS PARTICIPATING

Kari Thompson (late arrival), Marcia Cox, Hal Christiansen, and Sam Scarmardo

OTHERS PARTICIPATING

Mike Murray, Bonnie Breazeal, Cheri Tropple, Kelly Morrison & Naomi Morgan – LHUSD #1
Erin Collins & Elena Lacy - Erin P. Collins Associates

OTHERS ATTENDING (PER SIGN IN SHEET):

Claude Sanders and Kathy Cox

Meeting called to order at 3:03 p.m. Roll call was taken. Pledge to the flag followed with moment of silence.

Marcia Cox asked for "Calls to the Public." There were none.

2018-19 Benefits and Rates:

Erin Collins stated after the last meeting, there was request for Trustees to place additional changes.

1. Require Health & Wellness to use the Trust's BlueCross contract with LabCorp.
-Will draw at the clinic and run through LabCorp.
2. Add \$10.00 co-pay for all medication at the clinic.

Mike Murray inquired about form of payment.

Elena Lacy responded the clinic is able to take debit/credit.

Marcia Cox clarified that OTC medication is all generic

3. Eliminate OTC medication at the Health & Wellness clinic.
4. High cost specialty medication initial dispense limited every two weeks.
5. Consider 3D mammography through MOM.
-Slight cost increase.

Erin Collins asked Elena Lacy if Jaime Schulenberg had any recommendations for 3D mammography.

Elena Lacy responded Jaime was against implementing 3D mammography due to the high increase the Trust is experiencing.

Hal Christensen questioned if 2D was initially used in an exam, would the patient then need to use 3D.

Erin Collins responded if further testing is needed, 3D or needle biopsy would be done. The procedure would change from screening to diagnosis treatment.

Sam Scarmardo asked what the cost factor is between 2D and 3D.

Erin Collins responded approximately \$30.00 per test.

Marcia Cox commented the largest savings is change in labs.

Mike Murray questioned if LabCorp representative would be at the clinic a couple times a week for lab draws.

Erin Collins answered that Cerner would conduct the draw and send it to LabCorp.

Hal Christiansen made a motion to approve changes on items 1 through 4 as presented and not approve item 5 change of 2D to 3D mammography.

Sam Scarmardo seconds the motion.

Motion unanimously approved by Trustees in attendance.

Hal Christensen asked Mike Murray how the information will be presented to the staff.

Mike Murray responded he is working with ECA to hold an all staff meeting in the PAC this spring.

Hal Christensen asked for ECA to present to staff where they will be able to understand it.

Erin Collins stated there will need to be a second move as the first made changes and the second will be to adopt the overall rate. Reviewed approved changes on Gold and Silver Plans from past and present meetings.

Marcia Cox confirmed the changes to be effective July 1.

Mike Murray suggested starting the savings now with LabCorp.

Erin Collins will discuss with Jaime Schulenberg.

Erin Collins covering spreadsheet in handout.

- 2017-18 Current rates until July.
- Shows what rates should be in July if actuarially appropriate.
- What District adopted with 10% increase.
- Cost share between district and employees, same with retirees.
- Funding gap results in cash portion of the Trust is \$541,000.00.

Mike Murray asked if part of the compensation package of a one-time \$150,000.00 contribution to EBT could help.

Erin Collins responded it would help cut down the \$541,000.00

Mike Murray stated currently evaluating benefits and programs to determine if they are cost effective.

Kari Thompson arrived at 3:43 p.m.

Hal Christiansen made a motion to adopt the 2018-2019 premiums as shown.

Sam Scarmardo seconds the motion.

Motion approved by Trustees Sam Scarmardo, Hal Christiansen and Marcia Cox. Kari Thompson suppressed her vote as she was not in part of the discussion.

Silver Plan Enrollment:

Erin Collins stated there was an administrative error when retirees signed up for the Silver Plan and ended up on the Gold Plan. Five out of the 17 claims processed would like back on the Silver Plan. Gilsbar will seek reimbursement from providers. Members impacted will pay an additional \$1,699.97.

Hal Christensen made a motion to approve recommendation.

Kari Thompson seconds the motion.

Motion unanimously approved by Trustees in attendance.

Life Insurance:

Erin Collins recommends correction to the policy be put back where it was.

1. Untie Voluntary Life and Voluntary AD & D.
2. Family Voluntary AD & D.
3. Spouse VTL Rates.
4. Basic Life/AD & D.
5. Guardian confirmed districts rehire provision is first of the month following six months.
6. Align back to July 1 to June 30.
7. Recommend getting rid of dual enrollment coverage. (Only one spouse to cover dependent kids)

Sam Scarmardo asked it would be a double payment.

Erin Collins stated the district was being charged twice.

Elena Lacy clarified this is a ratification. Changes were already approved.

Hal Christensen made a motion to approve changes as previously authorized by chair.

Marcia Cox seconds the motion.

Motion unanimously approved by Trustees in attendance.

Administrative Update:

Erin Collins commented on items to follow up from previous meeting.

- Health & Wellness Clinic – Full Plate Diet Session.
- Renewal Meeting Survey (will resend).
- Bank Balance Graph (attached to packet).
- Health & Wellness Clinic Visit Trend from 1/1/13 to 12/31/17.

- Mike Bonney's restated and revised 12/2017 financial report.
- American Health Group Case Management ROI Calculation.
- Directory for United Health Care.

Marcia Cox questioned the reconciled balance of \$144,000.00 if we can find out what it was for.

Mike Murray responded depends on how much time and effort for Mike Bonney to research. It will be difficult to locate due to lack of proper reconciliation in the past.

Kathie Cox asked if Cerner provided the data comparison cost report between the Clinic vs. availability with BlueCross Network.

Erin Collins confirmed Cerner met the deadline of February 28. Mike Schionning the actuary is still processing the report.

Future Agenda Items:

Marcia Cox concerned past due invoices of lab charges from Cerner to be disputed or audited.

Erin Collins will clarify with Marcia Cox.

Kari Thompson asked if there are future meeting dates and times.

Elena Lacy responded April 25 is already scheduled.

Diana Asseier stated there will be an Open Meeting Law training on April 23.

Hal Christiansen made a motion to adjourn meeting.

Sam Scarmardo seconds the motion.

Motion unanimously approved by Trustees in attendance.

Meeting adjourned at 4:05 p.m.

Respectfully submitted,

Kari Thompson, Chairperson, LHUSD #1 Employee Benefit Trust