

NORTHWEST ARIZONA EMPLOYEE BENEFIT TRUST
DRAFT - Minutes of Annual Renewal Meeting
Thursday, February 16, 2023, and Friday, February 17, 2023

Northwest Arizona Employee Benefit Trust
DRAFT – Minutes of Work Session
Thursday, February 16, 2023, 8:30 A.M.

Trustees Present:

Ron Foggin, City of Kingman
Jess Knudson, Lake Havasu City
Toby Cotter, City of Bullhead City
Rebecca Stone, Lake Havasu Unified School District #1

Others Present:

Lindsay Bitterman, Lake Havasu Unified School District #1
Jenise Dimmick, GBS
Kari Dunlop, Lake Havasu Unified School District #1
Jake Goll, Navitus
Mike Groeger, Blue Cross Blue Shield
Mike Hensley, Jones, Skelton & Hochuli
Jennifer Huppenthal, American Health Group
Ray Jennings, American Health Group
Edigar Kajirwa, City of Bullhead City
Krista Keller, AmeriBen
Bobbie Kimelton, Lake Havasu City
Anthony Kozlowski, Lake Havasu City
Jared Loo, Ameritas
Danielle Marshall, City of Bullhead City

Phylcia Martel, City of Kingman
Rachele Martin, Blue Cross Blue Shield
Laura Montini, GBS
Stephanie Moore, GBS
Ushawn Morton, Blue Cross Blue Shield
Mike Murray, Lake Havasu Unified School District #1
Travis Pruitt, City of Bullhead City
Mike Schionning, Cheiron
Taylor Schulenberg, City of Bullhead City
Kelly Schoonmaker, AmeriBen
Brittney Sertic-Bayliss, Lake Havasu City
Rose Stamps-Proper, Ameritas
Taylor Stevens, Cheiron
Lisa Thompson, Navitus
Krista Toschlog, City of Kingman

1. Call to Order

The meeting was called to order by Chairperson Foggin at 8:32 A.M.

2. Roll Call

All Trustees and Alternate Trustees of the Northwest Arizona Employee Benefit Trust were present.

3. Call to the Public

There were no comments from the Public.

4. Opening Remarks and Introductions

Chairperson Foggin thanked the vendors and GBS for their participation and preparation for the renewal meeting. Stephanie Moore from GBS welcomed everyone to the 2023-24 Northwest Arizona Employee Benefit Trust renewal meeting and reviewed the agenda. All participants introduced themselves.

5. Fiduciary Responsibility, HIPAA and Open Meeting Law Refresher

Mike Hensley from JSH provided a fiduciary, HIPAA and open meeting law refresher presentation.

6. Review of Trust Administration

Stephanie Moore from GBS provided Trustees with a presentation on Trust Administration.

7. Review of Trust Financial Status

Jenise Dimmick from GBS presented the 2021-22 plan year financial summary compared to the prior four plan years as well as the financial status of the Trust as of November 2022.

8. Medical Network and BlueCare Anywhere Review

Rachele Martin and Michael Groeger from BCBSAZ presented the claims savings report from July 1, 2021 through June 30, 2022.

Meeting recessed for break at 10:08 a.m. and resumed at 10:25 a.m.

9. Medical Claims Review

Kelly Schoonmaker from AmeriBen presented the medical claims experience incurred from July 1, 2022 through December 31, 2022 compared to the prior period of January 1, 2021 through December 31, 2021.

10. Medical Management Review & Patient Advocacy

Jennifer Huppenthal and Ray Jennings from American Health Group gave a presentation on precertification and medical case management for the period of July 1, 2022 through December 31, 2022. They also reviewed their Patient Advocacy Program with Trustees.

11. Prescription Drug Claims Review

Lisa Thompson and Jake Goll from Navitus presented prescription claim utilization for the period July 1, 2022 through December 31, 2022.

12. Dental & Vision Claims Review

Jared Loo and Rose Stamps-Proper from Ameritas presented dental and vision claims utilization for the period July 1, 2022 through December 31, 2022.

Meeting recessed for lunch at 12:12 p.m. and resumed at 1:30 p.m.

13. Life Insurance and EAP Review

Stephanie Moore from GBS provided a report on Life Insurance and EAP for the period of July 1, 2022 through December 31, 2022.

14. Wellbeing Program Review

Laura Montini from GBS reviewed NAEBT wellness programming and participation, the Virgin Pulse wellness portal, and member survey results.

15. Recommended Claim Funding Rates and Benefit Options for the 2023-24 plan year

Mike Schionning and Taylor Stevens from Cheiron reviewed the actuarial rate development for the 2023-24 plan year including the proposed claim funding rates and proposed benefit design changes. The Medical/Rx rate changes for recommended was 5%, and the minimum was 2.5%. The Dental rate changes for recommended was -10.1%, and the minimum was -12%. The Vision rate changes for recommended was -8.2%, and the minimum was -10.2%.

Meeting recessed for break at 2:35 p.m. and resumed at 2:50 p.m.

16. 2023-24 Budget Building and Renewal Discussion

Stephanie Moore reviewed the 2023-24 proposed draft budgets, reviewed all the components that factor into the annual benefits budget and discussed proposed benefits and rates for the 2023-24 plan year. The starting point for the renewal discussion was the actuary's recommended funding factors of Medical/Rx at 5%, Medical/Rx for LHUSD at -2.1%, Dental at 0%, and Vision at 0%. Trustees reviewed and discussed various plan design options.

17. Adjournment

Chairperson Foggin adjourned the meeting at 4:16 P.M.

**NORTHWEST ARIZONA EMPLOYEE BENEFIT TRUST
DRAFT - Minutes of Board of Trustees Trust Meeting
Friday, February 17, 2023, 9:00 A.M.**

Trustees Present:

Ron Foggin, City of Kingman
Jess Knudson, Lake Havasu City
Toby Cotter, City of Bullhead City
Rebecca Stone, Lake Havasu Unified School District #1

Others Present:

Lindsay Bitterman, Lake Havasu Unified School District #1
Jenise Dimmick, GBS
Kari Dunlop, Lake Havasu Unified School District #1
Jake Goll, Navitus
Mike Hensley, Jones, Skelton & Hochuli
Edigar Kajirwa, City of Bullhead City
Krista Keller, AmeriBen
Bobbie Kimelton, Lake Havasu City
Anthony Kozlowski, Lake Havasu City
Jared Loo, Ameritas
Danielle Marshall, City of Bullhead City
Phylicia Martel, City of Kingman

Rachele Martin, Blue Cross Blue Shield
Laura Montini, GBS
Stephanie Moore, GBS
Ushawn Morton, Blue Cross Blue Shield
Mike Murray, Lake Havasu Unified School District #1
Travis Pruitt, City of Bullhead City
Mike Schionning, Cheiron
Taylor Schulenberg, City of Bullhead City
Kelly Schoonmaker, AmeriBen
Brittney Sertic-Bayliss, Lake Havasu City
Taylor Stevens, Cheiron
Krista Toschlog, City of Kingman

1. Call to Order

The meeting was called to order by Chairperson Foggin at 9:00 A.M.

2. Roll Call

All Trustees and Alternate Trustees of the Northwest Arizona Employee Benefit Trust were present.

3. Call to the Public

There were no comments from the Public.

4. Approval of the Minutes from the Trust Meeting held on December 7, 2022

Trustee Knudson made a motion to approve the December 7, 2022 Trust Meeting Minutes as presented without changes, Trustee Stone seconded the motion, and the motion passed unanimously.

5. Approval of October 2022 through November 2022 Financials

Trustee Stone made a motion to approve the October through November 2022 Financials as presented, Trustee Knudson seconded the motion, and the motion passed unanimously.

6. Discussion and Possible Action Regarding an award of contract for Trust Auditor Services

Stephanie Moore from GBS reviewed the proposal for Auditor and recommended the Trust contract with Doug Kienitz for the 2023-24 plan year. Toby expressed that he would like to start a new RFP to see if additional firms will respond since Doug Kienitz has been the auditor since the inception of the Trust. There was a discussion regarding why firms did not respond to the RFP.

Trustee Knudson made a motion to deny the contract with Doug Kienitz and redo the RFP for Auditor, Trustee Cotter seconded the motion, and the motion passed unanimously.

7. Discussion and Possible Action Regarding an award of contract for Flexible Spending Account Services

Stephanie Moore from GBS reviewed the proposal for Flexible Spending Account Services. The committee unanimously recommends that NAEBT contract with HSA Bank for Flexible Spending Account services effective July 1, 2023.

Trustee Cotter made a motion to approve the contract with HSA Bank to provide Flexible Spending and Dependent Care Account administration services for the 2023-24 plan year, Trustee Stone seconded the motion, and the motion passed unanimously.

8. Discussion and Possible Action Regarding the Health Risk Assessment Surcharge and Virgin Pulse points for Provider Rendered Wellness Screenings

Laura Montini from GBS discussed the Health Risk Assessment Surcharge and reminded Trustees why it was implemented. Laura also discussed rewarding members Virgin Pulse points for members for screenings obtained in a provider's office and also provided reporting options to Trustees. Trustees agreed to discuss and vote on each item separately.

Trustee Cotter made a motion to remove the \$75 surcharge for the Health Risk Assessment via payroll deduction and reward \$50 in Virgin Pulse for participating in the Health Risk Assessment or submitting an alternate screening form, Trustee Stone seconded the motion, the motion passed with Chairperson Foggin providing a nay vote.

Trustee Cotter made a motion to approve Virgin Pulse Points for skin cancer screenings, retinopathy screenings, and mammograms in a provider's office and to change the plan design to allow skin cancer screenings to be covered in a provider's office, motion failed due to no second.

Trustee Cotter made a motion to approve Virgin Pulse Points at half the value a member would receive for an onsite screening for skin cancer screenings, retinopathy screenings, and mammograms in a providers office and to change the plan design to allow skin cancer screenings to be covered in a providers office effective July 1, 2023, Trustee Knudson seconded the motion, and the motion passed unanimously.

9. Discussion and Possible Action Regarding LHUSD NAEBT Membership Renewal

Stephanie Moore from GBS reviewed the process for membership renewal with Trustees.

Trustee Cotter made a motion to invite Lake Havasu Unified School District to renew their NAEBT membership effective July 1, 2023 for a period of five years, Trustee Knudson seconded the motion, and the motion passed unanimously.

10. Discussion and Possible Action Regarding Approval of the 2023-24 Benefits and Rates

Stephanie Moore from GBS reviewed and discussed the budget, benefits, and rates presented during the renewal work session. Trustees discussed the changes that were made during the work session.

Benefit Change Options discussed for approval effective July 1, 2023:

Medical/Rx:

5.0% Recommended Increase/ LHUSD 2.1% Decrease

Skin Cancer Screening covered in Providers Office

AHG Patient Advocacy Program

Allowable amount of air ambulance to 200% of Medicare rate

Increase In-network and Out-of-network deductible to \$1,500/\$3,000 (HSP Only)

Dental:

Add additional cleaning per year for expectant mothers

Increase Child Age Limit to 19 for Ortho banding

Increase Ortho Lifetime Maximum to \$2,000 including current treatment

Funding to create a rate pass

Vision:

Add Retinopathy Screening in Providers Office

Add Walmart to Network

Glasses and Contacts \$200 each - One each per 12 month period

8.2% Recommended Decrease

Trustee Cotter made a motion to approve the 2023-24 Benefit Changes and Funding Rates as discussed and presented, Trustee Stone seconded the motion, and the motion passed unanimously.

11. Discussion and Possible Action Regarding Approval of the 2023-24 Administrative Vendor Contract Amendments

Stephanie Moore from GBS provided the Trust with an overview of the administrative contracts that were up for renewal effective July 01, 2023.

- **AmeriBen (Third Party Administrator)**
 - A one year extension of the current contract with a 5% increase to the claims administration fee changing from \$17.85/PEPM to \$18.84 plus \$0.50 for compliance with CAA/NSA/TIC for a total of \$19.34/PEPM. No change to other fees.
- **American Health Group (Medical Management)**
 - Two year extension of the current contract with an increase from \$2.00/PEPM to \$2.20/PEPM for precertification, no change to the case management hourly fee and an increase from \$165 to \$200 per case for independent medical review.
- **Gallagher Benefit Services (Consulting/Pool Administration)**
 - Optional two year extension through 06/30/2026. 2024-25 at \$11.00/PEPM and 2025-26 at \$11.55/PEPM. Contracts with GBS are written as annual renewable terms and acceptance of a rate guarantee does not alter the Trust's ability to terminate.
- **Gallagher Benefit Services (Wellbeing Consulting/Program Administration)**
 - Optional two year extension through 06/30/2026. 2024-25 at \$7.87/PEPM and 2025-26 at \$8.26/PEPM

Trustee Knudson made a motion to accept the Administrative Vendor Contract Renewal Offerings as presented and that the Trust Chairperson be authorized to execute all renewal documents upon review and approval by legal counsel, Trustee Cotter seconded the motion, and the motion passed unanimously.

12. Administrative update

Stephanie Moore from GBS reminded the Trust that the maximum amount of time an employee can stay on the plan if they are not working is six months. Stephanie also gave an update on LGIP statements, changes regarding PHE with AmeriBen and Navitus, the Community Health Center in Havasu, a new Radiology office with high tech equipment, and the CEO at Western Regional Medical Center.

13. Individual Entity Reports

Bullhead City – Toby thanked everyone for their work in putting together the meeting and discussed a new hospital opening by the end of the year. Eddie discussed the new fitness court that was installed in Bullhead City.

Lake Havasu City – Jess Knudson thanked the vendors for their partnership and expressed that he is looking forward to the new Community Health Center opening and is hoping to be able to get discounted rates at the hospital.

Lake Havasu Unified School District #1 – Rebecca Stone is thankful for the partnerships and

expressed that benefits are important to their staff and is used as a recruiting tool. City of Kingman – Chairperson Foggin thanked everyone for their support. He also expressed that there is new administration at the hospital, Kingman Crossing is moving forward, and that Kingman now has an endocrinologist. Krista Toschlog thanked everyone for their partnerships.

14. Future Agenda Items

Trustee Knudson reminded everyone of the innovation meeting discussed to be held in November and requested the employee survey be completed by then to assist with ideas.

15. Next Meeting Date

The next meeting date is set for May 10, 2023, at Lake Havasu Unified School District.

16. Adjournment

Trustee Cotter motioned for adjournment, Trustee Stone seconded the motion, and the motion passed unanimously.

Chairperson Foggin adjourned the meeting at 11:15 A.M.

Respectfully Submitted,

Jenise Dimmick, Recording Secretary