

**Cochise Combined Trust**  
**Minutes of Tuesday, January 26, 2016**  
**Annual Renewal Trust Meeting**

**Trustees Present:**

Wendy Davis, Chairperson  
Julie Morales, Vice Chairperson/Treasurer  
J.D. Rottweiler, Trustee  
Jim Vlahovich, Trustee

**Others Present:**

Linda Nichols, Cochise College  
Wendy De La Cruz, Cochise County  
Stephanie Moore, ECA  
Jaime Schulenburg, ECA  
Elena Lacy, ECA  
Bethany Hiser, ECA  
Michael Schionning, Cheiron  
Kristin Fitch, AmeriBen  
Rich Hanna, Ameritas  
Karla Anderson, Navitus  
Alisa Dugan, Navitus  
Mike Hensley, Jones Skelton & Hochuli  
Carol Schneider, County Employee

**1. Call to Order**

The meeting was called to order at 8:34 a.m.

**2. 2015 Medical Claims Review**

Kristin Fitch, presented the medical claims review for July through December that included AmeriBen's performance summary, plan performance highlights, and clinical performance.

**3. 2015 Prescription Drug Utilization Review**

Alisa Dugan and Karla Anderson from Navitus, reviewed the Navitus report that went over the Trust's prescription benefit program including a summary of plan statistics, drug utilization

review, clinical program management, specialty drug program, network management, plan design modeling, and forecasting.

#### **4. 2015 Dental Claims Review**

Rich Hanna reviewed the January through December 2015 dental claims administered by Ameritas including paid claims, types of procedures and plan savings.\

#### **5. 2015 Wellness Program Review**

Stephanie Moore reviewed the Trust's wellness program that included the wellness goals, medical claims and health risk assessment review, wellness program review and noted that ECA would work with the new awarded wellness administrator Humana to get things rolling for the 2016-17 plan year.

#### **6. Conflict of Interest and Open Meeting Law**

Mike Hensley provided a presentation on Conflict of Interest and the Arizona Open Meeting Law.

#### **7. Healthcare Reform Update**

Mike Schionning provided a presentation of the healthcare reform laws that would impact the Trust.

#### **8. Trust Financial Status through November 30, 2015**

Bethany Hiser reviewed the Trust's financial performance through November 30, 2015.

- Fiscal Year-to-Date Cash Position is at -\$554,306
- Premium Holiday is at \$39,157
- All-Years Cash Position is \$8,711,379
- Estimated IBNR Liability is running at -\$1,271,404
- Surplus for All-Years is \$7,486,237

#### **9. Recommended Claim Funding Rates and Benefit Options for 2016-17**

Mike Schionning with Cheiron reviewed the actuarial rate development for the plan year beginning July 1, 2016 including the proposed claim funding rates.

#### **10. 2016-17 Renewal Discussion and Budget Building**

Stephanie Moore reviewed the 2016-17 proposed budget and benefit changes going over the recommended claim funding rates, insurance and administrative fees and the benefit change options.

Trustees reviewed the following options for the EPO Plan:

- Increase the family maximum out of pocket to \$13,700
- Increase the single maximum out of pocket to \$2,500 or 3,000

- Increase the deductible to \$350/\$1050, \$400/\$1,200 or \$500/\$1,500
- Increase the ER co-pay to \$100
- Cover the first two Teladoc visits at \$0 cost to the member or cover all Teladoc visits at \$0 cot to the member.

Trustees reviewed the following options for the Prescription Plan:

- 50% Coinsurance on Nasal Corticosteroids or
- Remove PPIs and Nasal Corticosteroids from the formulary.

## **11. Adjournment**

Meeting was adjourned at 3:56pm.

# **COCHISE COMBINED TRUST**

## **Minutes of Wednesday, January 27, 2016**

### **Annual Retreat Trust Meeting**

#### **Trustees Present:**

Wendy Davis, Chairperson  
Julie Morales, Vice Chairperson/Treasurer  
J.D. Rottweiler, Trustee  
Jim Vlahovich, Trustee

#### **Others Present:**

Linda Nichols, Cochise College  
Wendy De La Cruz, Cochise County  
Stephanie Moore, ECA  
Bethany Hiser, ECA  
Michael Schionning, Cheiron  
Rich Hanna, Ameritas  
Karla Anderson, Navitus  
Alisa Dugan, Navitus  
Mike Hensley, Jones Skelton & Hochuli  
Edward Gilligan, Deputy County Administrator  
Carol Schneider, County Employee

## **1. Call to Order**

The meeting was called to order at 9:00a.m.

## **2. Discussion and Possible Action re Award of Contract for Vision Administrator/Network Services**

Stephanie Moore, ECA, explained that if CCT went with Ameritas we would see a 5.77% savings over our current contract with EyeMed with the same level of service. If we went with the self-insured option, we would be seeing an 8% savings. Mike Schionning and Stephanie Moore's recommendation is that if we are considering going with the self-insured option that we leave the rates exactly the way that they are. The only thing that would change is the service provider. We would keep EyeMed and administer the product through Ameritas.

The recommendation is that CCT would go with the self-funded option and continue to offer at the same rates that you are currently offering for the fully insured. We would keep everything the same and we would go with Ameritas for the self-funded product.

J.D Rottweiler, Trustee, wanted to be walked through the self-insured program compared to what they are doing now.

Stephanie Moore, ECA, explained that the product that CCT currently has now is a fully insured product, we are buying insurance and paying a premium. If the Trust moved to a self-insured product, claims would be handled just like dental and if there were savings over the administrative fees and claims, those funds would go to the Trust and not the insurance company.

Wendy Davis, Chairperson, wanted to hear from Linda Nichols and Wendy De La Cruz on an HR's standpoint with customer service and experience. Linda asked why is it recommended that we use the Ameritas network for vision. Ameritas can offer flat amounts that can be offered to employees but that wouldn't give the network savings that we are after. From EyeMed's perspective they are just a distribution center, they do not have sales people in every state to be able to establish relationships with their clients. Linda asked how it works from the provider's standpoint and Rich explained that it is seamless. They act as the administrator.

*J.D Rottweiler, Trustee, moved we accept the recommendation and select the self-insured plan through Ameritas using the current rates and benefits. Julie Morales seconded the motion and the motion passed unanimously.*

## **3. Discussion and Possible Action re Award of Contract for Legal Services**

Stephanie Moore briefly went over the two candidates indicating that both firms are qualified to represent the Trust and then compared the proposed rates. Of concern was that if the Trust selected Fennimore Craig we would have to go through multiple attorney's in order to handle different situations as they arise. In doing so, this would be difficult to keep track of who to go to for those different situations and a main key factor being cost. With Jones Skelton & Hochuli we are able to be pretty consistent in working with Mike Hensley for our legal questions.

ECA's recommendation is that the Trust approve the contract with Jones Skelton. Trustee, J.D asked what the length of the contract would be and the price increases. Stephanie Moore explained that it was that there was no increase now, a small one next year.

*Trustee Rottweiler motioned to approve the contract with Jones Skelton & Hochuli, Trustee Julie Morales seconded that motion and the motion passed unanimously.*

**4. Approval of the October 22, 2015 Regular and Executive Trust Meeting Minutes**

*Trustee Vlahovich moved to approve the October 22, 2015 Regular and Executive Meeting Minutes, Trustee Rottweiler seconded that motion and the motion passed unanimously.*

**5. Approval of September through November 2015 Financials**

*Trustee Jim Vlahovich moved to approve the September through November 2015 financials, Trustee Julie Morales seconded the motion and it was passed unanimously.*

**6. Review of June 30, 2015 Audit**

*Stephanie Moore provided a bound copy of the Audit for each of the Trustees. It was determined that everything is in line for recommended accounting standards. There was no action required on this item.*

**7. Approval of 2016-17 Vendor Contract Amendments**

*AmeriBen: was set to increase at 5% but offered a 2.5% increase for the 2016-17 plan year which takes the rate from \$14.70 to \$15.07 PEPM. No change is STD or COBRA admin at \$0.75 PEPM. BCBS Provider Network asked for a \$0.25 increase as they have done so for the last two years. Their rate goes from \$13.25 to \$13.50. Cheiron asked for no changes to their hourly rate or to not exceed \$15,000. ECA asked to hold their rate at \$9.00 for pool administration and \$1.00 for dental administration. Navitus, in accordance to their contract, increased their per member per month rate from \$2.30 to \$2.37. The Auditor, Dough Keinitz added \$100 to his annual fee taking it from \$6,300 to \$6,400 per year. The EAP provider held their rate at \$1.15 and Teladoc is holding their \$1.00 PEPM rate.*

Chairperson, Wendy, had a question regarding the \$1.00 for dental administration for ECA. Stephanie explained that it had to do with the County and College coming together and it was something that was negotiated in there to manage the Dental Administration. Rich helped explain that when Ameritas bills the trust they are billing for their paid claims and that what he believes what the Trust was looking for was a whole bill based on the premium. Wendy Davis, chairperson, asked if that work was being done at ECA and it was explained that it was.

ECA staff recommendation is to accept the Vendor Contract Renewals and authorize the Chairperson to sign the Amendments of behalf of the Trust as they come in.

*Julie Morales, moved that the Trust approve the Vendor Contract Renewals and authorize the Chairperson to sign the Amendments as they come in. Chairperson, Wendy Davis, seconded the motion and it passed unanimously.*

#### **8. Approval of the 2016-17 Benefits and Rates**

*Stephanie Moore recommended the Trust approve the benefits and rates as discussed in yesterday's work session. Specifically, the minimum EPO and high deductible health plan medical Rx funding factors, proceeding with the minimum dental and short term disability funding factors, increasing the family out of pocket maximum to \$13,700, increasing the single out of pocket maximum to \$3,000, increasing the deductible to \$350 and \$1,050, Increasing the ER co-pay to \$100 and covering the first two Teladoc visits at no cost to the members, eliminating PPI inhibitors and nasal steroids from the Rx formulary.*

J.D Rottweiler, Trustee, had a question regarding the number of individuals who had met their per employee maximum and deductible. That question was unanswered due to waiting on AmeriBen for a report but Stephanie will follow up on that once the information is received.

J.D. Rottweiler, Trustee, had multiple questions regarding Teladoc. There was a lengthy discussion regarding the usage and fees associated with it.

*Trustee Jim Vlahovich moved to accept the 2016-17 Benefits and Rates. Trustee, Julie Morales, seconded that motion and it was passed unanimously.*

#### **9. Administrative Update**

Stephanie Moore updated Trustees on the following administrative items:

- Benefit Bites- catch the employees' attention with a single page of information instead of sending the newsletter.
- Teladoc- planning on doing a mailing at their cost to all the unregistered members of groups with packets of information and magnets.

#### **10. Future Agenda Items**

Nothing noted.

#### **11. Set Next Meeting**

The next meeting is scheduled a meeting on April 20, 2016 at 2p.m at Cochise County.

**12. Call to the public**

**13. Adjournment**

The meeting was adjourned at 9:53a.m

Respectfully Submitted,

Bethany Hiser  
Group Benefits Specialist