

Cochise Combined Trust
FINAL - Minutes of Annual Renewal Meeting
Wednesday, January 25, 2017 through Friday, January 27, 2017

RFP – EAP Vendor Interviews
Wednesday, January 25, 2017

Trustees Present:

Wendy Davis, Chairperson
Julie Morales, Vice Chairperson/Treasurer

Others Present:

Wendy De La Cruz, Cochise County
Robert Dover, ECA
Kenneth Goldberg, EAP Preferred
Stephanie Moore, ECA

Others Present by Telephonically:

Rick Dielman, Alliance Work Partners
Ann Starr, Alliance Work Partners

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| 1. 3:00 p.m. Alliance Work Partners | Representative from Alliance Work Partners in Attendance Telephonically:
Rick Dielman
Ann Starr |
| 2. 4:00 p.m. EAP Preferred | Representative from EAP Preferred in Attendance:
Kenneth Goldberg |

Both vendors made presentations as to their capabilities to serve as CCT's EAP Provider. Staff asked a series of formal questions of all finalists.

Cochise Combined Trust
DRAFT - Minutes of Workshop Session
Thursday, January 26, 2017

Trustees Present:

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

Others Present:

Karla Anderson, Navitus
Erin Collins, ECA
Wendy De La Cruz, Cochise County
Robert Dover, ECA
Ed Gilligan, Cochise County
Rich Hanna, Ameritas
Mike Hensley, Jones Skelton & Hochuli
Stephanie Moore, ECA
Nike Noack, Cochise County
Lynette Nowlan, Cochise County
Laura Phillipson, Navitus
Teresa Schiers, AmeriBen
Mike Schionning, Cheiron
Kelly Schoonmaker, AmeriBen
Chelsea Wigdal, Navitus

1. Call to Order

The meeting was called to order at 8:36 a.m.

2. Benefits Survey Discussion

There was a discussion regarding the results of the benefit surveys conducted at Cochise County and Cochise College.

3. 2016 Medical Claims Review

Kelly Schoonmaker, AmeriBen and Teresa Schiers, AmeriBen, presented the medical claims review for July through December, 2016 that included AmeriBen initiatives for 2017, plan performance reports and pre-certification reports.

4. 2016 Prescription Drug Utilization Review

Laura Phillipson, Karla Anderson and Chelsea Wigdal from Navitus, presented an executive summary of the prescription drug utilization for July through December, 2016 that included top ten drugs, top therapeutic categories, average script cost vs. script volume, Navitus specialty Rx, top pharmacy groups and retail network program opportunity.

5. 2016 Dental and Vision Claims Review

Rich Hanna from Ameritas, presented dental and vision claims for a 12-year calendar that included paid claims, return on investment, paid claims by procedure type and group, in network vs out of network claims, PPO savings and top provider utilization.

6. 2016 Wellness Program Review

Stephanie Moore from ECA presented the wellness screenings and Cochise 5K participation numbers compared to prior years and the participation and rewards for the Humana go365 program.

7. Conflict of Interest and Open Meeting Law Training

Mike Hensley from Jones, Skelton & Hochuli provided a training session on the Arizona Open Meeting Law and Conflict of Interest.

8. Trust Financial Status through December 31, 2016

Robert Dover from ECA reviewed the Trust's financial performance through December 31, 2016. It was asked to add LGIP to the review in next year's annual renewal meeting.

9. Recommended Claim Funding Rates and Benefit Options for the 2017-18 plan year

Mike Schionning from Cheiron reviewed the actuarial rate development for the 2017-18 plan year including the proposed claim funding rates.

10. 2017-18 Renewal Discussion and Budget Building

Stephanie Moore reviewed the 2017-18 proposed budget, benefits change options, the recommended claim funding rates and insurance and administrative fees. There was a discussion amongst the Trustees and entity administrative staff members regarding the benefit change options.

11. Adjournment

The meeting was adjourned at 4:50p.m.

COCHISE COMBINED TRUST

Draft – Minutes of Annual Renewal Trust Meeting

Friday, January 27, 2017

Trustees Present:

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

Others Present:

Karla Anderson, Navitus
Erin Collins, ECA
Wendy De La Cruz, Cochise County
Robert Dover, ECA
Ed Gilligan, Cochise County
Rich Hanna, Ameritas
Mike Hensley, Jones Skelton & Hochuli
Stephanie Moore, ECA
Nike Noack, Cochise County
Lynette Nowlan, Cochise County
Laura Phillipson, Navitus
Mike Schionning, Cheiron
Kelly Schoonmaker, AmeriBen

1. Call to Order

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

2. Approval of the October 20, 2016 Regular and Executive Trust Meeting Minutes

Vice Chairperson/Treasurer Morales made a motion to approve the October 20, 2016 Regular and Executive minutes as presented without changes, Trustee Vlahovich seconded the motion and unanimously carried.

3. Approval of September through November 2016 Financials

Trustee Vlahovich made a motion to approve the September through November 2016 Financials, Trustee Rottweiler seconded the motion and unanimously carried.

4. CCT Membership Renewals

Trustee Rottweiler made a motion to approve the Cochise County Membership Renewal, Chairperson Davis seconded the motion and unanimously carried.

Vice Chairperson/Treasurer Morales made a motion to approve the Cochise College Membership Renewal, Trustee Vlahovich seconded the motion and unanimously carried.

5. Review of June 30, 2016 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.

No motion required.

6. Award of Contract for Employee Assistance Program Vendor

EAP Preferred and Alliance Work Partners gave presentations on Wednesday with their Best and Final offers.

A motion was made to go into discussion.

Trustee Vlahovich made a motion to approve the contract to AWP for 5 sessions, Vice Chairperson/Treasurer Morales seconded the motion. After some discussion, Trustee Vlahovich made a motion to withdraw the original recommendation to contract with AWP for 5 sessions, Vice Chairperson/Treasurer Morales seconded the motion and unanimously carried.

Trustee Vlahovich made a motion to approve the contract to AWP for 3 sessions, Vice Chairperson/Treasurer Morales seconded the motion, Chairperson Davis, Vice Chairperson/Treasurer Morales and Trustee Vlahovich voted aye, Trustee Rottweiler voted nay. The motion passed.

7. Approval of 2017-18 Vendor Contract Amendments

AmeriBen: was set to increase at 5% but offered a 3% increase for the 2017-18 plan year which takes the rate from \$15.07 to \$15.52 PEPM. During the renewal meeting it was asked if AmeriBen would waive their increase. AmeriBen agreed to make an inquiry to the main office for approval to waive the 3% increase. No change to STD or COBRA admin at \$0.75 cents PEPM. Also, no change to UR/Case Management at \$3.48. BCBS Provider Network asked for a \$0.25 increase, they have done so for the last two years. Their rate goes from \$13.50 to \$13.75. Cheiron asked for a change to their hourly rate as follows: Principal Consulting Actuaries from \$340 - \$458 to \$346 - \$475; Consulting Actuaries from \$260 - \$385 to \$265 - \$410; Associate Actuaries from \$180 - \$260 to \$190 - \$275; Senior Actuarial Analysis from \$170 - \$190 to \$165 - \$205; Actuarial Analysis from \$145 - \$175 to \$145 - \$183; and Administrative Staff \$84 - \$100 to \$95 - \$107. This is the first increase in hourly rates since 2014-15 plan year. No change to the not to exceed limit at \$15,000. ECA has held their rate at \$9.00 for pool administration and \$1.00 for dental administration. Navitus, in accordance with their contract, was set to increase the per member per month rate from \$2.37 to \$2.44. It was asked if Navitus was willing to

waive their increase for the 2017-18 plan year. Navitus offered to check with the home office regarding the contracted increase. The Auditor, Doug Kienitz requested a \$100 increase to his annual fee taking it from \$6,400 to \$6,500 per year. Teladoc is holding their \$1.00 per month rate.

ECA recommended Trustees accept the Vendor Contract Renewal as stated and authorize the Trust Chairperson to sign the Amendments as they come in.

Trustee Rottweiler made a motion to enter executive session at 9:29 a.m. regarding wellness, Trustee Vlahovich seconded the motion and unanimously carried.

Trustee Vlahovich made a motion to exit executive session at 9:36 a.m., Trustee Rottweiler seconded the motion and unanimously carried.

Trustee Rottweiler made a motion to remove the following items and have a discussion prior to voting: AmeriBen, ECA Wellness offer of \$3.50 to schedule, contract, market/promote, bill, facilitate and negotiate on behalf of the Trust for all on-site wellness screenings, Navitus and Humana go365 and to approve Blue Cross Blue Shield of Arizona, Cheiron, ECA Pool Administration and Dental Administration, Douglas P Kienitz and Securian (Minnesota Life), Trustee Vlahovich seconded the motion and unanimously carried.

After discussion of each of the following, these decision(s) were made:

AmeriBen:

Trustee Vlahovich made a motion to approve the 3% increase, Vice Chairperson/Treasurer Morales seconded the motion and unanimously carried.

Navitus:

Trustee Rottweiler made a motion to approve the recommend rate increase, Trustee Vlahovich seconded the motion and unanimously carried.

Wellness (ECA and Humana go365)

Trustee Rottweiler made a motion to Table Humana go365 and the ECA offer of \$3.50, Trustee Vlahovich seconded the motion and unanimously carried.

8. Approval of the 2016-17 Benefits and Rates

Stephanie Moore, explained the option of the benefit changes. Stephanie sent a worksheet to the trustees breaking out the plans with changes from the X-Sheet.

ECA recommended the Trust approve the benefits and rates as discussed during the work session with the items on the X-sheet. That would be going with the minimum EPO and high deductible health plan medical Rx funding factors, proceeding with the recommended dental, vision and short term disability funding factors, for EPO and HDHP add sleep studies and outpatient imaging to Pre-Certification, add coverage for Diagnostic 3D mammograms, for EPO

increase deductible to \$500/\$1,500, increase Out-of-Pocket to \$3,500/\$14,300, add a National Wrap Network, add Buy-up EPO with \$250/\$750 deductible; \$2,000/\$4,000 Out-of-Pocket. For HDHP add Buy-up HDHP with \$1,300/\$2,600 deductible; \$3,000/\$6,000 Out-of-Pocket. For Dental, increase Orthodontia lifetime maximum to \$2,500 and for vision, increase Elective Contact Coverage to \$150, Increase Frame Coverage to \$150.

Trustee Rottweiler made a motion to accept the 2017-18 Benefits and Rates pending further discussion on Wellness, Trustee Vlahovich seconded the motion and unanimously carried.

9. Administrative Update

There were no administrative updates.

10. Future Agenda Items

Nothing noted.

11. Set Next Meeting

The next meeting is scheduled for April 12th, 2017 at 2p.m at Cochise College.

12. Call to the public

No public was present.

Trustee Rottweiler made a motion to enter executive session at 10:58 a.m. for Contract Discussion, Trustee Vlahovich seconded the motion and unanimously carried.

Trustee Rottweiler made a motion to exit executive session at 11:50 a.m., Vice Chairperson/Treasurer Morales seconded the motion and unanimously carried.

Vice Chairperson/Treasurer Morales made a motion to cancel the current contract with Humana go360 effective 6/30/17, Trustee Vlahovich seconded the motion and unanimously carried.

Trustee Rottweiler made a motion to contract with ECA for Wellness Screenings and produce a newsletter at the rate of \$3.50/PEPM, Trustee Vlahovich seconded the motion and it was unanimously carried.

13. Adjournment

The meeting was adjourned at 11:55a.m

Respectfully Submitted,

Robert Dover, Group Benefits Specialist