

Cochise Combined Trust
FINAL - Minutes of Annual Renewal Meeting
Thursday, January 16, 2020 and Friday, January 17, 2020

Cochise Combined Trust
FINAL - Minutes of Workshop Session
Thursday, January 16, 2020

Trustees Present:

Wendy Davis, Chairperson
Julie Morales, Vice Chairperson/Treasurer
Ed Gilligan, Trustee
J.D. Rottweiler, Trustee

Others Present:

Brandi Bain, Central Arizona College
Erin Collins, ECA
Derrick Cooper, ECA
Jenise Dimmick, ECA
Robert Dover, ECA
Ken Downie, Alliance Work Partners
Nikita Francis, Navitus
Mike Groeger, BCBS of Arizona
Rich Hanna, Ameritas
Mike Hensley, Jones Skelton & Hochuli
Matt Ingersoll, AmeriBen

Merle Jarvill, Navitus
Rachele Martin, BCBS of Arizona
Stephanie Moore, ECA
Elda Orduno, Cochise County
Laura Phillipson, Navitus
Paula Prock, Central Arizona College
Mike Schionning, Cheiron
Kelly Schoonmaker, AmeriBen
Rose Stamps-Proper, Ameritas
James Summers, Cheiron
James Tibbets, Cochise College

1. Call to Order

The meeting was called to order at 8:30 a.m.

2. Opening Remarks, Introductions and Agenda Review

Stephanie Moore from ECA welcomed everyone to the 2020-21 Cochise Combined Trust renewal meeting and reviewed the conference agenda.

3. Trust Financial Status

Robert Dover from ECA presented to the trustees a three-year financial summary of the trust on revenue, expenses, cash position, claims, large claims, and plan type enrollment.

4. Wellness Update

Derrick Cooper from ECA, presented a review of the past wellness programs, present wellness programs and future wellness programs. He also reviewed the top medical claims, screenings, chronic conditions including hierarchical groups, diabetes, obesity, and hypertension. He discussed the future of the wellness program with CCT's top risk of diabetes, obesity and hypertension. Derrick recommended for the 2020-21 plan year to implement chronic disease management and activity challenges.

5. Medical Claims Review

Kelly Schoonmaker and Matt Ingersoll from AmeriBen, presented the medical claims experience incurred from October 1, 2018 through September 30, 2019 and paid through November 30, 2019. Their presentation included the AmeriBen initiatives for 2020, plan performance reports, medical management executive summary from July 1, 2019 through September 30, 2019 and Teladoc July 2019 through December 2019.

6. Blue Cross Blue Shield Update

Rachele Martin and Mike Groeger from Blue Cross Blue Shield of Arizona discussed the claims savings report for the period of October 1, 2018 through September 30, 2019, updates on Blue Card and the Mayo network.

7. Prescription Claims Review

Nikita Francis, Laura Phillipson and Merle Jarvill from Navitus presented an executive summary of the prescription drug utilization for July 1, 2019 through November 30, 2019 that included top key performance metrics, plan paid trend and top categories by plan. Navitus offered the following recommendations, updating preventive list, changing copay differential between Walgreens and CVS and/or implement copay max (Navitus copay assistance program).

8. Dental and Vision Claims Review

Rich Hanna and Rose Stamps-Proper from Ameritas, presented dental and vision claims for July 1, 2019 through December 31, 2019 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. Rich will provide Central Arizona College a list of In-network providers in Pinal County.

9. Employee Assistance Program Review

Ken Downie from Alliance Work Partners presented EAP utilization from July 1, 2019 through December 31, 2019 that included promotional resources, online resources and, the importance of an EAP. Ken proposed for 2020-21 plan year an increase in session count and/or add training opportunities.

10. ACA Update and Recommended Claim Funding Rates and Benefit Options for the 2020-21 plan year

Mike Schionning from Cheiron updated the trustees with that the Cadillac Tax is officially done and the PCORI fee will be around through 2029. He then reviewed the actuarial rate development for the 2020-21 plan year including the proposed claim funding rates. The Medical/Rx rates changes for recommended was 3.0%, and the minimum was -1.5%. The Dental rate changes for recommended was 0.3%, and the minimum was -1.9%. The Vision rate changes for recommended was -1.5%, and the minimum was -3.6%. The Short-Term Disability (STD) rate changes for recommended was -55.5%, and the minimum was -56.6%.

11. 2020-21 Renewal Discussion and Budget Building

Stephanie Moore reviewed the 2020-21 proposed budget, with the Medical/Rx claim funding with the recommended rate of 3.0%, dental with a 0% increase and no increase or decrease to Vision and STD funding. Also, she reviewed the Insurance and Administrative fees and benefit change options (*see attached for the list of fees and benefit change options*).

12. Adjournment

The meeting was adjourned at 2:57 p.m.

COCHISE COMBINED TRUST

FINAL – Minutes of Annual Renewal Trust Meeting

Friday, January 17, 2020

Trustees Present:

Wendy Davis, Chairperson
Julie Morales, Vice Chairperson/Treasurer
Ed Gilligan, Trustee
J.D. Rottweiler, Trustee

Others Present:

Brandi Bain, Central Arizona College	Stephanie Moore, ECA
Derrick Cooper, ECA	Elda Orduno, Cochise County
Jenise Dimmick, ECA	Laura Phillipson, Navitus
Robert Dover, ECA	Paula Prock, Central Arizona College
Ken Downie, Alliance Work Partners	Mike Schionning, Cheiron
Nikita Francis, Navitus	Kelly Schoonmaker, AmeriBen
Rich Hanna, Ameritas	Rose Stamps-Proper, Ameritas
Mike Hensley, Jones Skelton & Hochuli	James Summers, Cheiron
Merle Jarvill, Navitus	James Tibbets, Cochise College
Rachele Martin, BCBS of Arizona	

1. Call to Order

The meeting was called to order at 8:30 a.m.

2. Executive Session - Discussion and Possible Action Regarding a Claim Subrogation Settlement Offer

This agenda item recessed into an executive session.

Trustee Gilligan made a motion to enter Executive Session to discuss the Claim Subrogation Settlement Offer; Trustee Rottweiler seconded the motion at 8:30 a.m. and the motion passed unanimously.

Vice Chairperson/Treasurer Morales made a motion to exit Executive Session; Trustee Rottweiler seconded the motion at 8:49 a.m., and the motion passed unanimously.

Trustee Rottweiler made a motion to enter Open Session; Vice Chairperson/Treasurer Morales seconded the motion at 8:51 a.m., and the motion passed unanimously.

Trustee Rottweiler made a motion for legal to pursue an agreement settlement but no less than \$43,000, Vice Chairperson/Treasurer Morales seconded the motion, and the motion passed unanimously.

3. Executive Session - Discussion and Possible Action Regarding a Benefit Exception Request

Trustee Gilligan made a motion to approve the benefit exception request, Trustee Rottweiler seconded the motion, and the motion passed unanimously.

4. Approval of the October 30, 2019, Regular Trust Meeting Minutes

Vice Chairperson/Treasurer Morales made a motion to approve the October 30, 2019, Regular Trust Meeting Minutes as presented without changes, Trustee Gilligan seconded the motion, and the motion passed unanimously.

5. Approval of September through November 2019 Financials

Trustee Rottweiler made a motion to approve the September through November 2019 Financials, Trustee Gilligan seconded the motion, and the motion passed unanimously.

6. June 30, 2019, Financial 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.

7. Discussion and Possible Action Regarding the award of contract for Pharmacy Benefit Manger

Robert Dover reviewed with Trustees the recently completed Request for Proposal process related to Prescription Benefit Management (PBM) services based on the Vendor Bid Schedule CCT has in place. Reviewed the cost comparison of each responding firm. ECA recommends Trustees approve contracting with Navitus for Pharmacy Benefit Manager services for a one-year term renewable for 4 additional one-year terms pursuant to the fee schedules as proposed by Navitus and authorize the Chairperson to execute the contract of behalf of the Trust.

Trustee Rottweiler made a motion to approve Cochise Combined Trust to contract with Navitus for Pharmacy Benefit Manager services for a one-year term renewable for 4 additional one-year terms pursuant to the fee schedules as proposed by Navitus and authorize the Chairperson to execute the contract on behalf of the Trust, Vice Chairperson/Treasurer Morales seconded the motion, and the motion passed unanimously.

8. Discussion and Possible Action Regarding the award of contract for Trust Auditor

Stephanie Moore discussed the Request for Proposal that ECA conducted for Auditor and reviewed the cost of each of the firms. ECA was confident each of the three firms would be well qualified to perform audit services for CCT.

Vice Chairperson/Treasurer Morales made a motion to approve Cochise Combined Trust to contract with Alan Noudali for audit services and authorize the Chairperson to execute the contract on behalf of the Trust subject to successful negotiation of a written agreement acceptable to Trust counsel.

9. Discussion and Possible Action Regarding Approval of the 2020-21 Benefits and Rates

Stephanie Moore reviewed and discussed the budget, benefits and rates presented during the renewal workshop.

Benefit Change Options:

Medical/Rx:

EPO:

- 1) Recommended Medical/Rx funding factors
- 2) Increase Max Out-of-Pocket to \$6,000 and include Rx per plan participant
- 3) Remove Mental Health Parity exemption
- 4) Implement the Copay Maximum Program
- 5) Add coverage for Medical Food with precertification
- 6) Increase compression stockings to 3 per prescribed limb per plan year

Buy-Up EPO

- 1) Maximum Medical/Rx funding factors
- 2) Remove Mental Health Parity exemption
- 3) Add \$2,500/\$5,000 to Medical Max Out-of-Pocket and include Rx
- 4) Implement the Copay Maximum Program
- 5) Add coverage for Medical Food with precertification
- 6) Increase compression stockings to 3 per prescribed limb per plan year

HDHP

- 1) Minimum Medical/Rx funding factors
- 2) Remove Mental Health Parity exemption
- 3) Add qualified Safe Harbor Medications with zero cost sharing
- 4) Implement the Copay Maximum Program
- 5) Add coverage for Medical Food with precertification
- 6) Increase compression stockings to 3 per prescribed limb per plan year

Buy-Up HDHP

- 1) Minimum Medical/Rx funding factors
- 2) Remove Mental Health Parity exemption
- 3) Add qualified Safe Harbor Medications with zero cost sharing
- 4) Implement the Copay Maximum Program
- 5) Add coverage for Medical Food with precertification

- 6) Increase compression stockings to 3 per prescribed limb per plan year

Dental

- 1) Minimum Dental funding factors.

Vision

- 1) Minimum Vision funding factors.

Short Term Disability

- 1) Minimum STD funding factors.

Trustee Rottweiler made a motion to accept the 2020-21 Benefits and Rates as listed above, Trustee Gilligan seconded the motion, and the motion passed unanimously.

10. Discussion and Possible Action Regarding Approval of the 2020-21 Administrative Vendor Contract Amendments

The following administrative contracts were up for renewal effective July 1, 2020:

- 1) Ameritas (Dental and Vision Provider Network and Administration) Ameritas is offering a one-year extension of the current administration rates of \$3.20 for Dental and \$1.66 for Vision.

Trustee Rottweiler made a motion to approve Ameritas as presented and authorized the Trust Chairperson to execute the renewal documents upon review and approval by legal counsel, Vice Chairperson/Treasurer Morales seconded the motion, and the motion passed unanimously.

- 2) Securian (Life Insurance) Securian is offering a one-year rate pass for life insurance products.

Trustee Rottweiler made a motion to approve Securian as presented and authorized the Trust Chairperson to execute the renewal documents upon review and approval by legal counsel, Trustee Gilligan seconded the motion, and the motion passed unanimously.

- 3) Erin P. Collins & Associates (Wellness Consulting) ECA wellness is requesting an increase to \$4.50 PEPM to continue the basic wellness program administration. Should Trustees add additional programming the wellness fee will increase as indicated in the proposal.

Trustee Gilligan made a motion to approve Erin P. Collins & Associates (Wellness Consulting) as presented and authorized the Trust Chairperson to execute the renewal documents upon review and approval by legal counsel, Trustee Rottweiler seconded the motion, and the motion passed unanimously.

- 4) Alliance Work Partners (EAP) Alliance Work Partners is offering a rate pass (\$1.11 PEPM) to CCT for the 2020-21 plan year to continue the current level of services.

Trustee Gilligan made a motion to approve Alliance Work Partners (EAP) as presented and authorized the Trust Chairperson to execute the renewal documents upon review and approval by legal counsel, Trustee Rottweiler seconded the motion, and the motion passed unanimously.

- 5) ECA reviewed Wellness Proposals with the Trustees and recommended implementing a chronic disease management program through Livongo.

Vice Chairperson/Treasurer Morales made a motion to consider implementing chronic disease management through Livongo and pay out of existing surplus plus \$12,000 admin fee to be paid out of surplus, no Trustees seconded the motion, and the motion failed.

11. Administrative Update

There were no administrative updates.

12. Future Agenda Items

Update the Vendor Bid schedule and discuss a Request for Proposal on Broker Services during the 2020-21 plan year.

13. Set Next Meeting

The next meeting is scheduled for April 29, 2020, 2:00 p.m. at Cochise County.

14. Call to the public

No public was present.

15. Adjournment

The meeting was adjourned at 9:57 a.m.

Respectfully Submitted,

Robert Dover, Group Benefits Specialist