

Cochise Combined Trust
Minutes of Annual Renewal Meeting
Thursday, January 21, 2021 and Friday, January 22, 2021

Cochise Combined Trust
DRAFT - Minutes of Workshop Session
Thursday, January 21, 2021

Trustees Present:

Wendy Davis, Chairperson
Elda Orduno, Vice Chairperson/Treasurer
Brandi Bain, Trustee
Jackie Elliott, Trustee
Sharon Gilman, Trustee
J.D. Rottweiler, Trustee

Others Present:

Karla Anderson, Navitus	Rachele Martin, BCBS of Arizona
Derrick Cooper, ECA	Stephanie Moore, ECA
Debbie Craig, Cochise College	Laura Phillipson, Navitus
Jenise Dimmick, ECA	Paula Prock, Central Arizona College
Ken Downie, Alliance Work Partners	Mike Schionning, Cheiron
Rich Hanna, Ameritas	Kelly Schoonmaker, AmeriBen
Mike Hensley, Jones Skelton & Hochuli	Rose Stamps-Proper, Ameritas
Wendy Koop, Cochise College	Lisa Thompson, Navitus

1. Call to Order

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

2. Opening Remarks, Introductions and Agenda Review

Chairperson Davis welcomed everyone to the 2021-22 Cochise Combined Trust renewal meeting and reviewed the agenda. A moment of silence was observed in memory of ECA staff member, Bob Dover, who recently passed away.

3. Trust Financial Status

Stephanie Moore from ECA presented the 2019-21 plan year financial summary as well as financial status of the Trust as of December 31, 2020. Chairperson Davis asked Trustee Bain to explain to the trust what incentives CAC offers on the HDHP plan. Trustee Bain explained that CAC contributes to HSA accounts twice per year plus a deposit for wellness participation to encourage members to enroll in the HDHP plan. Trustee Rottweiler asked

how much of the 80% of claims can be attributed to COVID, members not visiting the doctor, and/or the addition of CAC. Stephanie explained that the COVID claims are somewhat offsetting the claims that would have occurred, however there is still a deficit of claims from the delay of elective surgeries and procedures.

4. Wellness Update

Derrick Cooper from ECA, presented a review of the past, present, and future wellness programs. He also reviewed the top medical claims, screenings, and chronic conditions. Derrick discussed CCT's top risks of hypertension, obesity, and diabetes. Derrick offered his recommended programs for the 2021-22 plan year. There was a discussion regarding the significant increase in neoplasms and the 2021 schedule of screenings. Chairperson Davis asked what the time frame was for the CCT top diagnosis claims. Derrick stated that the period was from July 1, 2020 to December 31, 2020. Chairperson Davis asked if there was additional information available regarding results and how many members would be affected from the wellness programs presented. Derrick explained that he could provide more information from vendors depending on the program the trust was interested in.

5. Medical Claims Review

Kelly Schoonmaker from AmeriBen, presented the medical claims experience incurred from December 1, 2019 through November 30, 2020 and paid through November 30, 2020. The presentation included the AmeriBen initiatives for 2021, plan performance reports, medical management executive summary from July 1, 2020 through December 31, 2020 as well as Teladoc utilization from January 1, 2020 through December 31, 2020. Chairperson Davis asked why there is a Bisbee Hospital Association and Copper Queen Medical Associates listed on the provider comparison. Kelly explained that they have different tax ID numbers for their outpatient clinic. Vice-Chairperson/Treasurer Orduno asked when Zelis is used. Kelly explained that Zelis is used as a wrap network for out of network claims to see if they have contracted networks to get a contracted rate which benefits the plan and the member. Vice-Chairperson Orduno asked how Ameriben selects claims to be audited. Kelly explained that an outside company is used, and claims are selected at random. Trustee Rottweiler asked if Kelly had any change recommendations. Kelly explained that the positive changes that have been made to the plan throughout the last few years have made a difference in claims and the plans performance.

At the conclusion of the AmeriBen report, Stephanie Moore from ECA informed the trust that there was an error on the CAC budget that was included in the packet and that the error has been corrected and CAC had been notified.

6. Blue Cross Blue Shield Update

Rachele Martin from Blue Cross Blue Shield of Arizona presented the claims savings report for the period of December 1, 2019 through November 30, 2020. Mike Hensley, Trust Attorney, asked Rachele about the legislation pending nationally, and in some states to

make medical charges that the doctors charge transparent. Inquiring if she thinks that will affect discounts moving forward. Rachele explained that they do have representation at the hill working through this.

Meeting recessed for break at 9:58 a.m. and resumed at 10:15 a.m.

7. Prescription Claims Review

Lisa Thompson and Karla Anderson from Navitus presented an executive summary of the prescription drug utilization for July 1, 2020 through December 31, 2020 that included top key performance metrics, plan paid trend, top categories by plan and copay max savings. Trustee Rottweiler asked if there were any recommended changes or adjustments. Karla explained that copay max will continue to provide a savings to the plan and that they will continue to monitor and look for cost savings. Stephanie Moore from ECA asked Karla if she could go over the post-patent drug requirement so trustees could be informed prior to the budget building session. Karla gave a brief overview of the current post patent-drug requirement and how that affects High Deductible Health Plan participants.

8. Dental and Vision Claims Review

Rich Hanna and Rose Stamps-Proper from Ameritas presented dental and vision claims for July 1, 2020 through December 31, 2020 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.

9. Employee Assistance Program Review

Ken Downie from Alliance Work Partners presented EAP utilization from July 1, 2020 through December 31, 2020 that included engagement summary, utilization, promotional resources, online resources, and the importance of an EAP.

10. Recommended Claim Funding Rates and Benefit Options for the 2021-22 plan year

Mike Schionning from Cheiron presented the actuarial rate development for the 2021-22 plan year including the proposed claim funding rates. The Medical/Rx rate changes for recommended was 0.0%, and the minimum was 0.0%. The Dental rate changes for recommended was 0.0%, and the minimum was 0.0%. The Vision rate changes for recommended was 0.0%, and the minimum was 0.0%. The Short-Term Disability (STD) rate changes for recommended was 0.0%, and the minimum was 0.0%. Trustee Rottweiler asked with the new administration if there are any discussions related to healthcare within the next two to three years. Mike stated that it is still in the supreme court, however he does not see anything in the near future. Mike Hensley, Trust Attorney, stated that the only change he could potentially see would be reinstating the requirement to have insurance or pay a penalty.

Meeting recessed for lunch at 11:23 a.m. and resumed at 12:15 p.m.

11. 2021-22 Renewal Discussion and Budget Building

Stephanie Moore reviewed the 2021-22 proposed budget, with the Medical/Rx claim funding recommended rate of 0.0%, 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. Trustee Rottweiler asked Stephanie to explain if we have continued to increase MOOP to the plans, why would the trust increase MOOP and on HDHP Increase non-network deductible to \$7,500/\$15,000 from \$5,000/\$10,000. Stephanie stated that those options were priced to provide a significant change that would impact the least number of people, should the trust have a need to make a significant change. However, this year has not presented a need to make these significant changes. Chairperson Davis expressed that Cochise College is planning to not offer the HDHP Buy-up option for the 2021-22 plan year. Trustee Rottweiler asked how many members are affected by the post-patent brand Rx requirement. Stephanie stated that she would reach out to Navitus to provide those numbers. Trustees reviewed and discussed various plan design options.

12. Adjournment

The meeting was adjourned at 1:03 p.m.

COCHISE COMBINED TRUST
Minutes of Annual Renewal Trust Meeting
Friday, January 22, 2021

Trustees Present:

Wendy Davis, Chairperson
Elda Orduno, Vice Chairperson/Treasurer
Brandi Bain, Trustee
Jackie Elliott, Trustee
Sharon Gilman, Trustee
J.D. Rottweiler, Trustee

Others Present:

Derrick Cooper, ECA	Wendy Koop, Cochise College
Debbie Craig, Cochise College	Stephanie Moore, ECA
Jenise Dimmick, ECA	Paula Prock, Central Arizona College
Ken Downie, Alliance Work Partners	Mike Schionning, Cheiron
Rich Hanna, Ameritas	Kelly Schoonmaker, AmeriBen
Mike Hensley, Jones Skelton & Hochuli	

1. Call to Order

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

2. Discussion and Possible Action Regarding a Pre-Service Medical Benefit appeal.

This agenda item was withdrawn.

3. Approval of the October 28, 2020, Regular and Executive Session Trust Meeting Minutes

Trustee Gilman made a motion to approve the October 28, 2020, Regular and Executive Session Trust Meeting Minutes as presented without changes, Trustee Bain seconded the motion, and the motion passed unanimously.

4. Approval of October and November 2020 Financials

Trustee Rottweiler made a motion to approve the October and November 2020 Financials, Trustee Bain seconded the motion, and the motion passed unanimously.

5. June 30, 2020, Financial Audit

Stephanie Moore notified the trust that the format of the audit is a little different than what they are used to and that it was determined that everything is in line for recommended accounting standards. Stephanie asked the Trustees to provide her with the number of bound copies each entity would like. Chairperson Davis informed Stephanie that Cochise College would like an electronic copy.

No motion required.

6. Discussion and Possible Action Regarding the award of contract for Dental Administration Services and Network Access

Stephanie Moore reviewed the cost comparison of each responding vendor. The RFP Committee recommended that Trustees contract with Ameritas for Dental Claims Administrator and Dental PPO Network services as presented and authorize the Trust Chairperson to execute the contract upon review and approval by legal counsel.

Trustee Rottweiler made a motion to approve to contract with Ameritas for Dental Claims Administrator and Dental PPO Network services as presented and to authorize the Trust Chairperson to execute the contract upon review and approval by legal counsel, Trustee Bain seconded the motion, and the motion passed unanimously.

7. Discussion and Possible Action Regarding the award of contract for Vision Administration Services and Network Access

Stephanie Moore reviewed the cost comparison of each responding vendor. The RFP Committee recommended Trustees contract with EyeMed Direct for Vision Administration/Network based on the claims payment comparison, vendor interviews, and best and final offers.

Vice Chairperson/Treasurer Orduno made a motion to contract with EyeMed Direct for the Vision Administration/Network and to authorize the Trust Chairperson to execute the contract upon review and approval by legal counsel, Trustee Rottweiler seconded the motion, and the motion passed unanimously.

8. Discussion and Possible Action Regarding the award of contract for Legal Services

Stephanie Moore reviewed the cost for the only responding firm, Jones, Skelton & Hochuli, P.L.C.. ECA recommends that Trustees contract with Jones, Skelton & Hochuli, P.L.C. to provide legal services to the Trust.

Trustee Bain made a motion to approve to contract with Jones, Skelton & Hochuli, P.L.C. to provide legal services to the Trust and to authorize the Chairperson to execute the contract on behalf of the Trust, Trustee Elliott seconded the motion, and the motion passed unanimously.

9. Discussion and Possible Action Regarding the extension of zero cost-sharing for Teladoc and coverage for provider telephone/virtual visits through the end of the COVID-19 Public Health Emergency

ECA recommends that Trustees consider amending the 2020-21 plan to approve an extension of the \$0 member cost-sharing for Teladoc services and coverage for other provider telephone/virtual visits through the end of the COVID-19 PHE as declared by the HHS.

Trustee Gilman made a motion to extend of the \$0 member cost-sharing for Teladoc services and coverage for other provider telephone/virtual visits through the end of the 2020-21 plan year or the end of the COVID-19 PHE as declared by the HHS, whichever comes first, Trustee Rottweiler seconded the motion, and the motion passed unanimously.

10. Discussion and Possible Action Regarding Approval of the 2021-22 Benefits and Rates

Stephanie Moore reviewed and discussed the budget, benefits and rates presented during the renewal workshop. There are approximately 218 members or prescriptions that are currently affected by the potential change in the prescription plan. Stephanie stated that there was a question as to whether the increase could be absorbed into the funding rate. Mike Schionning, the Trust's actuary was asked to provide his opinion. He explained that the administration fee increase or the increase due to the post patent brand RX requirement could be absorbed into the rates, however you cannot absorb both increases into the rates and keep the integrity of the rate.

Benefit Change Options:

Medical/Rx:

EPO:

- 1) Recommended Medical/Rx funding factors

Buy-Up EPO

- 1) Recommended Medical/Rx funding factors

HDHP

- 1) Recommended Medical/Rx funding factors
- 2) Remove post patent brand Rx requirement

Buy-Up HDHP

- 1) Recommended Medical/Rx funding factors
- 2) Remove post patent brand Rx requirement

Dental

- 1) Recommended Dental funding factors.
- 2) Cover dependents to age 26 without regard to student status

Vision

- 1) Recommended Vision funding factors.
- 2) Cover dependents to age 26 without regard to student status

Short Term Disability

- 1) Recommended STD funding factors.

There was a discussion regarding which fees to include to create a partial rate pass. Chairperson Davis expressed that it was never the intention of the trust to impact the members affected by the post patent Rx requirement when the HDHP plan was implemented.

Trustee Rottweiler made a motion to approve the 2021-22 Benefits Budget as presented including the applicable administrative fee changes, elimination of the post patent brand Rx requirement for the HDHP plans, and to extend the eligibility on Dental and Vision to age 26 to match the medical plan for dependents, Trustee Bain seconded the motion, and the motion passed unanimously with Trustee Elliott recusing.

11. Discussion and Possible Action Regarding Approval of the 2021-22 Administrative Vendor Contract Amendments

The following administrative contracts were up for renewal effective July 1, 2021:

- 1) Cheiron (Actuary) - Cheiron is requesting the following hourly rate increases: Principal Consulting Actuaries increase from \$373-\$517 to \$383-\$531, Consulting Actuaries increase from \$278 - \$445 to \$295-\$458, Associate Actuaries change from \$188-\$297 to \$193-\$306, Sr. Actuarial Analysts increase from \$178-\$223 to \$183-229, Actuarial Analysts increase from \$157-\$198 to \$161-\$190, Administrative Staff change from \$107-\$116 to \$109-\$119 with no change to the not-to-exceed of \$15,500.
- 2) Gallagher Benefit Services/ECA. Inc. (Benefits Consulting/Pool Administration) - GBS/ECA is offering a multi-year proposal. A rate pass for 2021-22 - \$10.00/PEPM, 2022-23 - \$10.50/PEPM and 2023-24 - \$10.50/PEPM. No change to the \$1.00 dental administration fee.
- 3) Gallagher Benefit Services/ECA. Inc. (Wellness Consulting) - GBS/ECA wellness is offering a multi-year proposal. A rate pass for 2021-22 at \$4.50/PEPM, 2022-23 and 2023-24 at \$4.75/PEPM to continue the basic wellness program administration. Subject to increase if programs requiring administration are added.
- 4) Alliance Work Partners (EAP) Alliance Work Partners is offering a rate pass (\$1.11 PEPM) to CCT for the 2021-22 plan year to continue the current level of services.

Chairperson Davis stated that she supports this motion, however she does think the trust needs to explore some wellness programming maybe midyear as discussed in the workshop meeting.

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

12. Administrative Update

Stephanie Moore discussed the new website she is working on for the trust.

Chairperson Davis asked if all Trustees were on board for the open enrollment period for the month of April and all agreed that April will work.

13. Future Agenda Items

Trustee Rottweiler reported that members may need an appointment for specialty services and pre-authorizations are taking a significant amount of time to come back which has caused a member to miss their appointment due to the pre-authorization not being completed timely. Stephanie expressed that many times she has experienced that providers have not submitted pre-authorizations on time. Kelly Schoonmaker from Ameriben requested Trustee Rottweiler to send her further information to research this.

14. Set Next Meeting

The next meeting is scheduled for April 28, 2021, 2:00 p.m. to be held via zoom or at Central Arizona College.

15. Call to the public

No public was present.

16. Adjournment

The meeting was adjourned at 9:43 a.m.

Respectfully Submitted,
Jenise Dimmick, Account Manager Support Specialist