

ARIZONA METROPOLITAN TRUST
Draft – Minutes of Wednesday, February 12, 2025
Trust Meeting

The following Trustees were present and a quorum was met:

Matthew Williams, Chairperson	City of Litchfield Park
Jeanne Blackman	Town of Youngtown
Crystal Dyches	City of El Mirage
Jeff Kulaga	Town of Guadalupe
Bryant Powell	City of Apache Junction
Rob Schmitz	Sun City Fire District

The following Alternate Trustees were present:

Lisa Adams-Williams	City of Litchfield Park
Dawn Kurek	City of El Mirage
Patrick Larrabee	City of Guadalupe
Tarah Mayerhofer	Town of Wickenburg
Anna McCray	City of Apache Junction
Gina Monger	Town of Paradise Valley
Lisa Neubert	Sun City Fire District
David Trimble	Town of Fountain Hills

The following consultants/vendors/guests were present:

Ryan Benitez	Cheiron
Michele Domash	Cheiron
Ann Coupland	Delta Dental
Bryan Espinoza	Navitus
Sheri Gordon	Gallagher Benefit Services
Jinnett Hancock	Town of Fountain Hills
Mike Hensley	Jones Skelton & Hochuli
Krista Keller	AmeriBen
Rachele Martin	Blue Cross Blue Shield AZ
Laura Montini	Gallagher Benefit Services
Bill Ochs	Ochs
Jaime Schulenberg	Gallagher Benefit Services
Lisa Thompson	Navitus
Daniela Zubic	Gallagher Benefit Services

1. Call to Order

The meeting was called to order at 9:08 a.m.

2. Roll Call

Ms. Gordon performed roll call and confirmed a quorum was in attendance to take action on applicable matters before the Board.

3. Consent Agenda

Chairperson Williams presented the three items on the consent agenda for approval as outlined below:

- Approval of November 19, 2024 Regular Meeting Minutes
- Approval of December 12, 2024 Special Meeting Minutes
- Approval of October through December 2024 Financial Reports

Alternate Trustee Trimble made a motion to approve the consent agenda, seconded by Trustee Dyches and unanimously carried.

4. Discussion and Possible Action re Rx Appeal

Jaime Schulenberg reported that Gallagher had received a second-level claim appeal on behalf of an employee regarding coverage of a biomarker test, myPath Melanoma.

AmeriBen denied the first level appeal, reviewed by an independent doctor board-certified in Clinical Genetics, noting that there is “not enough good information or proof that this test helps (to detect, diagnose, or plan treatment) for any diagnosis.”

Trustee Powell made a motion to adjourn to Executive Session for legal advice, seconded by Trustee Blackman and unanimously carried.

Executive Session from 9:14a.m. to 9:19a.m.

Regular session was resumed at 9:19a.m. There was no further discussion regarding the appeal.

Trustee Powell made a motion to deny the appeal, seconded by Trustee Kulaga and unanimously carried.

5. Discussion and Possible Action re PBM Request for Proposal 2025-26

Ms. Schulenberg reported that at the November 19, 2024 meeting, Corey Tracy from Gallagher’s PBM practice, presented an overview of the PBM RFP process for the Trustees. The Trustees requested that Gallagher staff obtain a proposal to conduct the services discussed for the PBM RFP.

Ms. Schulenberg reported that a copy of the proposal is included in the meeting packet materials that includes the scope of work and cost proposal of \$65,000 to conduct the RFP process with additional fees for audits (\$45,000 increasing to \$55,000). As a reminder, Ms. Schulenberg reported that there is no direct out of pocket expense to the Trust; the winning PBM is required to incorporate the consulting fee into their pricing proposal.

Trustee Powell made a motion to approve the proposal from Gallagher to conduct the PBM RFP on behalf of the Trust, seconded by Vice Chairperson Blackman and unanimously carried.

6. Approval of 2025-26 Vendor Rates/Renewals

Ms. Schulenberg reviewed the vendor renewals presented during the Work Session. She noted that the following administrative contracts were up for renewal as of 07/01/2025 and requested approval as presented:

- Reinsurance – Will be marketed beginning in April and cannot be finalized until May or June, as it requires carriers to review the most recent data;
- AmeriBen (TPA) – Increase of 3% from \$17.94 to \$18.55/PEPM;
- AmeriBen (Utilization Management) – Increase of 3% from \$4.06 to \$4.20/PEPM;
- Cheiron – Increase of 15% from NTE \$15,000 Annually to NTE \$17,250 Annually;
- Kienitz (Auditor) – Increase of 3% from \$8,200 Annually to \$8,450 Annually;
- JS&H (Legal) – Increase to hourly rates of Partners from \$250 to \$265/hr. and Associates from \$210 to \$215/hr.
- MN Life/Securian – Rate pass with 3-year rate guarantee.

Trustee Dyches made a motion to approve the renewals as presented and authorize the Chairperson to execute all renewal documents upon review and approval by Legal, as well as to bind reinsurance on behalf of the Trust, seconded by Vice Chairperson Blackman and unanimously carried.

7. Approval of Rates and Benefits for 2025-26

Ms. Schulenberg reviewed the benefits and rates presented during the Work Session and noted that the fully encumbered rates used the recommended funding factor of +3.93% as well as the benefit changes noted below:

Medical

- Increase HDHP n Deductibles and Max Out-of-Pocket from \$3,200/\$6,400 to \$3,300/\$3,600 as required by the IRS;
- Add expanded preventive medications to HDHP; and
- Coverage for 3D Mammograms at all locations.

Dental

- None

Vision

- None

Her recommendation would be to adopt a rate increase between 4-5%, which would land somewhere between the minimum and recommended funding recommended by the actuary.

Ms. Schulenberg reported that the dental plan received a rate pass on funding and vision has recommended an increase of 5.61%.

Trustees discussed the surplus/reserve goal and requested further discussion and a meeting of the Finance Subcommittee to bring forward additional information and recommendations to Trustees.

Alternate Trustee Trimble made a motion to increase at the Medical/Rx premiums by 4.5%, dental and vision rates as presented, and approval of the benefit changes as presented, seconded by Trustee Kulaga and unanimously carried.

8. Administrative Update

Ms. Schulenberg reviewed the Administrative Update for the Trustees as outlined below:

- Gag Clause Attestations
 - Filed on behalf of AzMT in December 2024
- Substance Abuse Professionals - EAP
 - SAP services have been added to the Curalinc EAP contract. Cost is \$800 per evaluation payable by the entity who utilizes the service.
- FSA/HSA RFP
 - Staff conducted an RFP for FSA/HSA Administrator services and will present results to the Admin Group in February for consideration.
 - These are pass-through costs, however, if a decision is made to move the admin, we will bring forward the contract for approval by Trustees
- Telemedicine
 - Reviewed alternative telemedicine services to Teladoc
 - AllyHealth and DialCare costs are much higher than Teladoc
 - Sesame could be offered but it is unclear as to whether there is an opportunity to cost-share the consultation fees with members enrolled in the EPO or PPO plans as it currently done with Teladoc.
 - If Trustees are interested, we can explore this option further as we have time to discontinue Teladoc services under the AmeriBen umbrella.
- Cave Creek
 - Acceptance of membership offer pending.
 - Attending City Council meeting on 02/18/25.

9. Future Agenda Items

Chairperson Williams requested any future Agenda items for the Trustees consideration and discussion. A meeting of the Finance Subcommittee will be scheduled and an item will be placed on a future agenda regarding the surplus/reserve goal.

10. Set Next Meeting Date

The next meeting is scheduled for May 20, 2025 at 10:00 a.m. at Sun City Fire District.

11. Call to the Public

N/A

12. Adjourn

Vice Chairperson Blackman made a motion to adjourn at 9:56 a.m., seconded by Trustee Powell, and unanimously carried.

Respectfully Submitted,
Sheri Gordon
Recording Secretary