

ARIZONA METROPOLITAN TRUST
Final – Minutes of Monday, February 23, 2015 and Tuesday, February 24, 2015
Annual Renewal Work Session Meeting

Trustees Present:

Dr. Spencer Isom, Chairperson
Bryant Powell, Vice Chairperson
Jeanne Blackman, Trustee (via phone)
David Fitzhugh, Trustee
Sandra King, Alternate Trustee
Kathy Reyes, Alternate Trustee

Others Present:

Erin Collins, ECA Inc.
Justin Cook, Pinal County
Ann Coupland, Delta Dental of Arizona
Ken Downie, Alliance Work Partners
Alisa Dugan, Navitus
Christy Eusebio, City of El Mirage
Rachel Fleming, American Health Group
John Frick, Navitus
Tanya Edwards, AmeriBen/IEC Group
Dawn Hailey, City of El Mirage
Mike Hensley, Jones, Skelton & Hochuli
Leo Lew, Pinal County
Chris Mead, Navitus
Cherlene Penilla, City of Avondale
Liz Riley, City of Apache Junction
Brandy Rossiano, ECA Inc.
Mike Schionning, Cheiron
Jaime Schulenberg, ECA Inc.
Renee Sliter, AmeriBen/IEC Group (via phone)
Gregory Stanley, Pinal County
William Stipp, Buckeye Valley Fire District

1. Call to Order

The meeting was called to order at 9:30 a.m.

Ms. Schulenberg introduced Tanya Edwards as the new AzMT account manager from AmeriBen and reported that AmeriBen was restructuring some of their account assignments. AzMT will

also have a new Client Services Executive from Navitus, Alisa Dugan, as Chris Mead took a promotion.

2. Medical Claims Review

Renee Sliter from AmeriBen reviewed the medical claims for July through December 2014 which included AmeriBen's performance summary, the AzMT plan performance and MEDai.

Chairperson Isom asked if there were areas of the plan that would be of concern and Renee stated that at this time the plan is performing well and she didn't see any areas of concern.

3. Prescription Claims Review

Alisa Dugan and John Frick from Navitus reviewed the prescription claims for July through December 2014 which included a summary of plan statistics, drug utilization, clinical program management, specialty program, and network management.

4. Dental Claims Review

Ann Coupland from Delta Dental of Arizona reviewed the customer care statistics, claims by coverage category, dental network, and cost management savings for both dental plans. Ms. Coupland also reviewed the new network changes that occurred on July 01, 2014.

5. Pre-Certification and Case Management Review

Rachel Fleming with American Health Group presented the Trust's inpatient summary and case management report for January through December 2014

6. Employee Assistance Program Review

Ken Downie from Alliance Work Partners provided a utilization report for July through December 2014 reviewing the utilization, assessed problems, as well as the training and on-site promotion statistics.

Trustees asked as to why when members call in they have to provide a social security number. Ken stated that it is used for tracking purposes but will look to see if they could provide an alternate number.

7. Wellness Review

Brandy Rossiano with ECA Inc. presented the AzMT L.I.V.E. program review covering the wellness goals, medical claims review, wellness benefit utilization, 2014 program review, and 2015-16 goals and changes that included the following:

- New HRA format;
- Focus on early detection screening;
- Entity Wellness Budgets; and
- Increase participation.

Discussion occurred regarding ideas for the 2015-16 calendar; Both AmeriBen and AWP stated that the respective companies have programs that may help in overall wellness. Ms. Rossiano will work with all of AzMT's vendors to determine whether they have programs that can be used to bolster the wellness program.

Ms. Rossiano also reported that more and more counties, etc. are incentivizing wellness financially and reviewed some of their programs.

8. Healthcare Reform Update

Mike Schionning with Cheiron reviewed the healthcare reform changes that have already been implemented as well as future mandates as follows:

- Impact to Date:
 - Elimination of:
 - pre-existing conditions;
 - lifetime limits on Essential Health Benefits (EHB's); and
 - annual dollar limits on EHB's.
 - Dependent children covered until age 26 regardless of status;
 - Coverage for clinical trials;
 - Institute max out of pocket limits;
 - Maximum amounts that can be contributed to an FSA;
 - Waiting period;
 - New fees and taxes.
- Changes for 2015 and Later:
 - Auto Enrollment;
 - Employer shared responsibilities;
 - Pay or Play provisions;
 - Full time employee threshold;
 - Reporting requirements;
 - Cadillac Tax; and
 - Legislative Proposals.

9. Financial Summary

Elena Lacy, ECA Inc. reviewed the Trust's financial performance from January through December 2014.

Trustees asked that in future memos the words “over budget” not be used since the Trust is not necessarily running over budget. They would also like know the bottom line number and why the particular line item is running over projections.

10. Recommended Claim Funding Rates for 2015-16 and Pricing of Benefit Options

Mike Schionning reviewed the rate development, proposed claim funding rates, proposed benefit design changes, and alternative claim funding rates, projection methodology, and plan experience graphs.

11. Adjournment

The meeting was adjourned at 4:03 p.m.

Tuesday, February 24, 2015 Work Session Meeting (Continued)

12. Call to Order

The meeting was called to order at 9:30 a.m.

13. 2015-16 Renewal Discussion and Budget Building

Jaime Schulenberg with ECA reviewed the proposed 2015-16 budget in detail including the various line items that make up the premium rates. The draft budget utilized recommended funding factors and assumed benefit changes to the HDHP2 plan and the addition of a PPO buy up plan.

Trustees discussed the dental renewal at length and were not comfortable with taking the rate reduction. Ms. Schulenberg stated that normally would not recommend a rate reduction, however, she did in this case to make AzMT more competitive based on a review of other entity benefits and rates. Trustees requested that the dental be reviewed again for 2016-17.

Ms. Schulenberg reviewed the vision options and Trustees agreed that they like the voluntary self-insured option best

Short Term Disability options were briefly discussed but Ms. Schulenberg reported that any decision would have to be postponed because new quotes were being obtained to include the addition of Pinal County and Buckeye Valley Fire District.

Trustees requested a written “policy” stating that the premium differentials between existing members, including the “new member” rates, will remain unchanged going forward.

14. Call to the Public

No public was present

15. Adjournment

The meeting adjourned at 10:08 a.m.

Respectfully Submitted,

Elena Lacy
Recording Secretary