

**ARIZONA METROPOLITAN TRUST**  
**Final – Minutes of Wednesday, October 21, 2015**  
**Quarterly Trust Meeting**

**Trustees Present:**

Dr. Spencer A. Isom, Chairperson  
Bryant Powell, Vice Chairperson  
Mike Duran, Trustee  
James Alcantar, Alternate Trustee  
Sandra King, Alternate Trustee  
Leo Lew, Alternate Trustee  
Liz Riley, Alternate Trustee  
Kathy Reyes, Alternate Trustee

**Others Present:**

Erin Collins, ECA  
Justin Cook, Pinal County  
Chris Coyle, Delta Dental of Arizona  
Tanya Edwards, AmeriBen  
Kristin Fitch, AmeriBen  
Dawn Hailey, City of El Mirage  
Mike Hensley, Jones, Skelton & Hochuli  
Elena Lacy, ECA  
Cherlene Penilla, City of Avondale  
Brandy Rossiano, ECA  
Jaime Schulenberg, ECA

**1. Call to Order**

The meeting was called to order at 10:13 a.m.

**2. Executive Session for Legal Advice re Notice of Claim**

*Kathy Reyes, Trustee, made a motion to adjourn to executive session to receive legal advice regarding the notice of claim, seconded by Vice Chairperson Powell and unanimously carried.*

After reviewing the notice of claim in executive session, Trustee's provided direction to have the Trust's legal counsel work with the claimant's attorney and pay the claims.

**3. Approval of the July 06, 2015 Telephonic and August 04, 2015 Regular Trust Meeting Minutes**

*Vice Chairperson Powell made a motion to approve the July 06, 2015 Telephonic and August 04, 2015 Regular Trust Meeting minutes, seconded by Chairperson Isom and unanimously carried.*

#### **4. Approval of the July through August 2015 Financials**

Ms. Lacy reviewed the Trust's fund results as of August 2015 making note that there was an increase in the budget and claims lines due to the addition of Pinal County.

*Alternate Trustee Reyes made a motion to approve the July through August 2015 financials, seconded by Chairperson Isom and unanimously carried.*

#### **5. Discussion and Possible Action re Amendment to Bylaws**

Ms. Schulenberg reviewed the changes to the bylaws to incorporate language that individual loss information will not be shared with anyone other than the entity to which is applied.

*Vice Chairperson Powell made a motion to approve the amendment to the bylaws, seconded by Alternate Trustee Reyes and unanimously carried.*

#### **6. Discussion re Incurred by Not Reported (IBNR) Claims Analysis**

Ms. Schulenberg reported that the claims IBNR liability for the 2014-15 plan year is reported at \$945,000 by the Trust's contracted actuary, Cheiron. This is an increase of \$188,000 from the prior year which is due to claims coming in higher from January to June 2015 when compared to the same time period from the year before. This item was informational only.

#### **7. Discussion and Possible Action re 2015-16 Risk Management Plan**

Ms. Schulenberg reminded Trustees that the RMP is a document that outlines the Trust's history, organization structure, financial performance for the prior plan year and the work goals for the current plan year. Specifically, Ms. Schulenberg reviewed the work goals as follows:

- Healthcare Reform Requirements;
- Third Party Administration Request for Proposal;
- Vision TPA/Network;
- Marketing to New Members;
- Wellness Program;
- Website Re-Design;
- Development of a Member Entity Procedure Manual;
- Medical/Rx Reinsurance Review; and
- Trustee Annual Education/Renewal Meeting.

*Vice Chairperson Powell made a motion to approve the 2015-16 RMP as presented, seconded by Alternate Trustee Reyes and unanimously carried.*

## **8. Discussion and Possible Action re Standard Life Extension of Rate Guarantee**

Ms. Schulenberg reminded Trustees that AzMT awarded a contract to Standard Life for Life and AD&D benefits effective July 01, 2013 which contained a 3-year rate guarantee that expires June 30, 2016. Standard offered to extend the rate guarantee for another year due to the addition of Buckeye Valley Fire District and Pinal County. However, at the last Admin meeting, a recommendation was made to reject the offer and take Life/AD&D out to RFP for the next plan year.

Trustees and staff discussed their dissatisfaction including mechanisms for checking calculations to ensure a claim would be paid in the event of death.

*Chairperson Isom made a motion to deny the extension and take Life/AD&D out to bid, seconded by Alternate Trustee Reyes and unanimously carried.*

## **9. Discussion and Possible Action re Wellness Program Proposal**

Ms. Rossiano reviewed a proposed new direction for the wellness program, including mandatory HRA participation, nurse consultations, and fitness wearables. She requested approval from Trustees as to whether there is an interest in moving forward with the program.

*Chairperson Isom made a motion to approve the three aspects of the proposal concept with the understanding that the Admin Group will work out the details, seconded by Vice Chairperson Powell and unanimously carried.*

## **10. Medical Claims Update**

Ms. Edwards reviewed some new reporting including an executive summary, population metrics, medical economics, preventive services, medical management and a summary of amounts paid.

## **11. Prescription Claims Update**

In the absence of Navitus, Ms. Schulenberg gave a brief review of the Navitus report, noting there was nothing of concern.

## **12. Dental Claims Update**

Chris Coyle with Delta Dental reviewed the October 2014 through September 30, 2015 customer service statistics, claims by coverage, dentist selection, PPO usage and fee savings, and cost management savings.

## **13. Wellness Update**

Ms. Rossiano reviewed the completed and on-going AzMT L.I.V.E. programs including the Pharmacoadherence program, Entity Wellness Budgets, Organ Screenings, Health Heart Blood Draw with Flu and Pneumonia Vaccinations, Mobile On-Site Mammograms, Prostate On-Site Project and the Maintain Don't Gain Program.

#### **14. Admin Update**

Ms. Schulenberg reported on the following admin items:

- 2016-17 Renewal.
- The EAP report was attached for review.
- AzMT Website is still in process and Ms. Schulenberg reminded the Admin Group that she is waiting on feedback.
- Mutual of Omaha cut ECA a commission check in error, which was returned. Due to the numerous quotes that were provided, the commission was missed even though it was requested to quote net of commission. Due to this change, the STD rate was able to be reduced and the entities participating were advised to adjust their bills accordingly.
- ECA's open house will be held from 11:00a.m. to 2:00p.m on Friday at the new office in Phoenix.
- Healthcare Reform required coverage for some additional contraceptives which were added to the formulary.
- AzMT Marketing
  - The City Manager from Scottsdale has not returned back to work, but as soon as he is available, a meeting will be scheduled.
  - Tempe is not interested in AzMT at this time.

#### **15. Future Agenda Items**

None at this time.

#### **16. Set Next Meeting Date**

The next meeting is scheduled for February 9 – 10, 2016 with the location still to be determined.

#### **17. Call to the Public**

No public was present.

#### **18. Adjourn**

The meeting adjourned at 1:06 p.m.

Respectfully Submitted,

Elena Lacy  
Recording Secretary