

ARIZONA METROPOLITAN TRUST
Final – Minutes of Wednesday, February 08, 2017
Trust Meeting

Trustees Present:

Bryant Powell, Chairperson
David Fitzhugh, Vice Chairperson
Mike Duran, Trustee
Grady Miller, Trustee
Gregory Rose, Trustee (via phone)
Michael Thompson, Trustee
James Alcantar, Alternate Trustee
Kathleen Haggerty, Alternate Trustee
Sandra King, Alternate Trustee
Leo Lew, Alternate Trustee
Lisa Neubert, Alternate Trustee
Kathy Reyes, Alternate Trustee
Liz Riley, Alternate Trustee
Ray Temple, Alternate Trustee
David Trimble, Alternate Trustee

Others Present:

Karla Anderson, Navitus
Patrick Camunez, Pinal County
Erin Collins, ECA
Justin Cook, Pinal County
Ann Coupland, Delta Dental of Arizona
Ron Deadman, Sun City Fire District
Dawn Hailey, City of El Mirage
Michael Hensley, Jones, Skelton & Hochuli
Jacquelyn Ikonomov, ECA
Elena Lacy, ECA
William Miller, Navitus
Laura Phillipson, Navitus
Kelly Schoonmaker, AmeriBen
Jaime Schulenberg, ECA

1. Call to Order

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

2. Approval of the October 25, 2016 Regular, December 19, 2016 and January 12, 2017 Special Telephonic Trust Meeting Minutes

Ms. Lacy noted that at the time the current meeting packet was sent, there was an additional typo change to the October 25, 2016 regular meeting minutes that have been updated.

Trustee Miller made a motion to approve the October 25, 2016 Regular, December 19, 2016 and January 12, 2017 Special Telephonic meeting minutes, seconded by Trustee Thompson and unanimously carried.

3. Approval of the October through December 2016 Financials

Ms. Lacy reminded Trustees that she had reviewed the financials during the work session on February 07, 2017 and offered to answer any questions.

Alternate Trustee King made a motion to approve the October through December 2016 financials, seconded by Trustee Miller and unanimously carried.

4. Review of the June 30, 2016 Audit

Ms. Schulenberg reviewed the June 30, 2016 audit that was completed by the Trust's auditor, Doug Kienitz, noting that the Trust's Total Assets increased substantially due to the addition of Pinal County.

This line item was informational only.

5. Discussion and Possible Action re Revision of Bylaws

Ms. Schulenberg reported that Sections 5(A) and (B) has been updated to reflect the election of officers for a two-year term, that the Vice Chairperson would move to Chairperson should they elect to do so and that nominees have to be present to elect or reject nominations. Section 9(B) was also updated to reflect the Trust's principal address, which is the address of the Trust's legal counsel whose office recently moved.

Trustee Thompson made a motion to approve the Bylaws as revised, seconded by Vice Chairperson Fitzhugh and unanimously carried.

6. Approval of 2017-18 Vendor Contract Amendments

Ms. Schulenberg reviewed the vendor renewals which will be effective July 01, 2017.

Trustees discussed at length the 9% increase to the Wellness Admin fee as well as the fee increase from Delta Dental. ECA answered numerous questions concerning the wellness plan in general, and the ability to lower admin costs as the Trust expands on a more general level. Ms.

Schulenberg reported that a plan was already in development to create a 5-year wellness program plan with specific objectives and goals that will be presented to Trustees at a future date.

Vice Chairperson Fitzhugh made a motion to approve the 2017-18 Vendor Contract Amendments as presented, seconded by Alternate Trustee King and carried by majority vote. Alternate Trustee Lew (Pinal County) and Trustee Duran (Buckeye Valley Fire District) opposed the motion.

Chairperson Powell asked the two dissenting voters what additional information could be provided in the future to make them more comfortable; both indicated that they would like specific information to substantiate any vendor fee increases so that they could justify those to their governing boards.

7. Approval of the 201-18 Benefits and Rates

Ms. Schulenberg reviewed the benefits and rates from the work session meeting which included:

- Use of a 7.5% increase to the funding factors for Medical/Rx, Minimum funding factors for Dental and 50% of the recommended funding factor for Vision.

Medical/Rx

- Show a rounded 3% rate increase in the employee rate and a 5% rate increase in the dependent rates;
- Add Outpatient Imaging and Sleep Studies to the pre-cert list;
- Add coverage for 3D mammograms with a \$20 copay when obtained through the wellness plan's onsite vendor (AIWW);
- Allow for additional rehab visits when medically necessary;
- Increase ER Copay from \$50 to \$150 on the EPO plan;
- Move to Walgreen's Limited Pharmacy Network;
- Remove coverage for PPIs and Nasal Steroids; and
- Add a Dispense as Written (DAW) penalty for member election of brand v. generic.

Dental

- Cover dependent child(ren) to age 19 only on the base plan; and
- Add Dental Buy-Up with dependent child(ren) to age 26 regardless of student status and a \$4,000 annual max.

Vision

- Cover dependent child(ren) to age 19 only; and
- Add a vision buy-up plan that allows dependent child(ren) to age 26, if available.

Trustee Thompson made a motion to approved the 2017-18 Benefit and Rates as presented, seconded by Trustee Rose and carried by majority vote. Alternate Trustee Lew (Pinal County) opposed the motion.

8. Admin Update

Ms. Schulenberg reported on the following admin items:

- Vendor Reports – The EAP, Utilization Review, and Teladoc reports were attached for Trustee review.
- Marketing – Paradise Valley is going to be bringing forth a recommendation to join AzMT with an effective date of July 01, 2017, noting that after discussing with the Trust's legal counsel, Paradise Valley will be provided with a deadline. North County Fire and Medical District has submitted an application and the last of the information was sent to the actuary for review. They would like to join AzMT with an effective date of July 01, 2017.
- Thanked Trustees, staff and vendors for a successful renewal meeting and for their willingness to travel to Tucson.

9. Future Agenda Items

- Reserve Goal/Strategy
- Board Orientation
- EAP RFP

10. Set Next Meeting Date

The next meeting is scheduled for April 25, 2017 at 10:00 a.m. at the City of El Mirage's new City Hall.

11. Call to the Public

No public was present.

12. Adjourn

The meeting adjourned at 10:14 a.m.

Respectfully Submitted,

Elena Lacy
Recording Secretary