

ARIZONA METROPOLITAN TRUST
Minutes of Tuesday, November 27, 2018
Quarterly Trust Meeting

The following Trustees were present and a quorum was met:

Greg Stanley, Chairperson	Pinal County
Grady Miller, Vice Chairperson	Town of Fountain Hills
Ron Deadman, Trustee	Sun City Fire District
Bryant Powell, Trustee	City of Apache Junction

The following Alternate Trustees were present:

Jinnett Hancock	Paradise Valley
Dawn Kurek	City of El Mirage
Leo Lew	Pinal County
Fernanda Osgood	City of Maricopa
Kathy Reyes	City of Avondale
Liz Riley	City of Apache Junction (via phone)
Carolyn Sellmeyer	City of Litchfield Park
Ray Temple	Buckeye Valley Fire District
David Trimble	Town of Fountain Hills

The following consultants/vendors were present:

Ann Coupland	Delta
Mike Hensley	J,S & H
Storm Kinion	ECA
Kayla Simper	AmeriBen (via phone)
Jaime Schulenberg	ECA

The following guests were present:

Patrick Camunez	Pinal County
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1. Call to Order

The meeting was called to order at 10:01 a.m. Board member and staff introduced themselves.

2. Approval of Meeting Minutes

Vice Chairperson Miller made a motion to approve the August 28, 2018 regular Trust meeting minutes, seconded by Alternate Trustee Reyes and unanimously carried.

3. Discussion and Possible Action re Medical Claim Appeal #1

Ms. Schulenberg reviewed an appeal from a provider on behalf of a member. An in-network physician referred the member to Medilinks, an out-of-network provider, for a heart monitor and cardiac monitoring. They were paid based on Medicare like rates in accordance with the Summary

Plan Document. The claim totaled \$4,950.00 and \$348.69 was paid. American Health Group reviewed to determine whether there are any in-network providers and found at least one in the BCBSAZ network. ECA recommended denial as has been the decision in the past with these types of appeals.

Vice Chairperson Miller asked if there is a way to work with the physicians to minimize the number of out-of-network referrals, as this continues to be an on-going issue. ECA has reached out to BCBSAZ in other circumstances similar to this and will continue to work with them on how to control out-of-network referrals. Ms. Schulenberg stated it is important to continue to educate the members as well. Mr. Hensley added it might be good idea to put together a wallet card for members as a reminder for them to inquire if all providers they are working with are in-network.

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

4. Discussion and Possible Action re Medical Claim Appeal #2

Ms. Schulenberg reviewed an appeal from Advanced Reimbursement Solutions (ARS) attempting to obtain additional payment on behalf of Verve, an out-of-network facility who provided non-emergent epidural pain injections to an AzMT member. There have been several appeals from ARS on behalf of this same member with a couple of different out-of-network facilities. Verve was reimbursed based on Medicare like rates in accordance with the Summary Plan Document (SPD); total submitted was 13,600.00 and the total paid was \$258.24 for anesthesia. The plan does provide for anesthesia services at the in-network level when they are done at an in-network facility, however, in this situation, the member used an out-of-network facility which is why the claim was processed at the lower benefit level. Based on review by ECA and AmeriBen, the conclusion is the claim was processed in accordance with the SPD and denial was recommended.

Trustee Reyes wanted to confirm there were no time violations and the EOB and language were adequately disclosed; Mr. Hensley confirmed that was correct.

Vice Chairperson Miller made a motion to deny the appeal, seconded by Trustee Deadman and unanimously carried.

5. Discussion and Possible Action re Timely Filing of Appeals

Ms. Schulenberg advised the Board that an appeal had been filed on behalf of a member well after the deadline provided for in the Summary Plan Document. Before the appeal is presented, legal counsel recommended that Trustees discuss how they would like to handle these types of situations now and in the future.

In this case, the date of service was 11/13/17, the Explanation of Benefits (EOB) was issued on 01/23/18, the first level appeal was timely filed on 04/7/18, AmeriBen timely responded on 05/30/18 and a second level appeal, if it was to be presented, was due on 07/29/18. The second level appeal was dated 10/26/18, nearly three months late.

The question for Trustees is whether they want to hear appeals which aren't timely filed, which ECA recommends against. Mike Hensley indicated that the Board could designate ECA or someone else to deny non-timely filed appeals on its behalf or could instead hear them as they are received. If the board wishes to designate authority to deny to ECA or someone else, the appeals language in the SPD will need to be adjusted.

Trustee Powell inquired how clear the letter from AmeriBen is stating the second level appeal needs to be filed within 60-days; Ms. Schulenberg referenced the letter in Appeal #3 showing the board the sentence that says the additional level appeal must be filed within 60-days.

Alternate Trustee Reyes made a motion to authorize ECA to deny all non-timely appeals effective 07/01/19 and to make the necessary changes to the appeals language in the SPD, seconded by Vice Chairperson Miller and unanimously carried.

6. Discussion and Possible Action re Medical Claim #3

Alternate Trustee Reyes made a motion to deny the appeal based on non-timely filing, seconded by Alternate Trustee Hancock and unanimously carried.

7. Discussion and Possible Action re Dental Claim Appeal

Ms. Schulenberg reviewed a request for an exception to dental benefits. A member and his wife began dental procedures which require implants for a back tooth not bound by teeth on each side, a specific exclusion in AzMT's plan documents. This exclusion has been in the language since the plan was adopted in 2013 and is considered common. The member is asking for an exception to the language requiring that the implant be bound by a tooth on either side.

Ann Coupland from Delta Dental confirmed this is the current provision for this particular group contract. She also noted as groups go through the modernization of plan designs, many are the "bound by teeth on each side" clause. This may be language the Board wants to review going into the next renewal meeting.

ECA recommends denial due to the clear language of the plan but does suggest a review of language with Delta as part of the renewal process.

Trustee Powell requested clarification as to why this is considered common language. Ms. Coupland explained it began when implants were first allowed; the reason the dental association recognized this procedure code is because it was in lieu of doing a 3-unit bridge. If there was a single missing tooth, dentists would grind down two healthy teeth compromising them so a bridge could be put in. Modernized dental work discovered that an implant would eliminate compromising those two teeth. Trustee Powell requested a review of the language as part of the renewal process.

Vice Chairperson Miller inquired how far along the member and his wife were into the procedure and whether they could temporarily stop work until there was a review to see if the coverage might change. Ms. Schulenberg responded by referring to the appeal letter showing that the member is interested in increasing his flex spending in the next year (this letter was sent on 08/31/18) so the assumption is that the increase is for 07/01/19 and that they are planning on doing the work over a couple of years due to plan limitations and the expense. Ms. Coupland added that sometimes in preparation for the implant there are different procedures involved such as a bone graph, to preserve the space so there is no more bone loss. The implant is three separate procedures so depending on where they are in the process, they could possibly delay treatment until it has been reviewed. Ms. Coupland explained once the bone graph is done there really is no time limitation

Trustee Powell made a motion to deny the exception request, seconded by Alternate Trustee Reyes and unanimously carried.

8. Approval of the July through September 2018 Financials

Ms. Schulenberg reviewed the financials through September 2018 noting that the Trust has banked just under \$1M this year, making the All Years Cash Position just over \$12M; with the IBNP just under \$3.8M, the Surplus is sitting at approximately \$8.5M. Items of interest include:

- Interest continues to accumulate higher than budget due to the additional funds that have been invested in LGIP. As a side note, Ron Deadman and Rick Horst volunteered to serve on the Surplus/Reserve Subcommittee and a meeting will be scheduled ahead of the renewal meeting, likely in January.
- On the Medical Claims side there is quite a bit of high deductible utilization which is unusual at this time of year, due to having to meet the deductible first.
- There has been some increase in Non-Specialty Rx Brand utilization, anti-diabetics in particular.
- Vision Claims were not paid in September; ECA sent a payment request for claims to AmeriBen that they never received.
- The census is running over budget so there is an increase in any expenses paid on a per employee per month basis.
- Life/STD/LTD was also not paid in September due to ECA not receiving back-up timely from each entity. ECA receives audited invoices from each entity and sends a single check request to AmeriBen for processing so we have to wait for receipt of the necessary back-up.
- There are no large claims running over 50% of the specific deductible.

- The trust running at 23% of the total budget

Trustee Powell made a motion to approve the July through September 2018 financials, seconded by Vice Chairperson Miller and unanimously carried.

9. Wellness Update

Ms. Schulenberg reviewed the wellness memo noting the following:

- Health First reported a number of abnormal results from the Cardiac & Organ Screening; AmeriBen reviewed the claims system to determine whether affected members had sought follow-up care and reported many had and that there were no illnesses of note, i.e. malignancies, etc. There were two high risk results that ECA is waiting to hear back on and will update the Board at the Renewal Meeting.
- Livongo is the current trial diabetes program with 25 participants. Ms. Schulenberg reported she has a phone call with them for Friday for an update on the program. ECA will have additional information at the next meeting.
- The weight loss program, Nuaria, had its first trial run ending in the prior fiscal year. The program was just re-offered with 41 interested members and 25 selected participants.
- Stress Management is coming up in December and another Fitbit challenge in January.
- The first round of interviews have been conducted for a new Wellness Consultant with some promising candidates.

10. Administrative Update

Ms. Schulenberg reported on the following administrative items:

- Medical Network Request for Proposal - Responses due by 12/07/18; so far 3 of the 4 networks approached have declined to quote. BCBSAZ will be quoting and their proposal is forthcoming. Aetna declined due to not working with AmeriBen, Cigna declined due to bundling and United Healthcare was unsure how to proceed with the RFP.
- Blue Card National Access – According to our information, national access to the Blues network will be available for an additional fee effective 07/01/2019.
- Blue Cross Blue Shield and Phoenix Children’s Hospital – Reached an agreement with no disruption in service.
- Opioid Crisis – Navitus has new opioid initiatives effective 01/01/2019.
- Renewal Meeting – Will be at Los Caballeros in Wickenburg, February 11 – 13, 2019.
- Marketing – ECA has a meeting with Goodyear December 13, 2018. There is also interest from Fountain Hills Sanitation and preliminary discussion with Peoria, Tempe, and Glendale.
- AmeriBen Leadership Conference – Liz Riley and David Trimble attended the President’s Council and 2-day conference. AzMT receives two slots on the President’s Council that

rotate every other year. AmeriBen plans to grow at 15% per year. They will be bringing in CVS and nationwide access to BCBS is on the horizon. Currently privately owned, but will soon to become EE owned.

- AmeriBen President's Council Term - Alternate Trustee Riley's term is complete; the next member is solicited by entity in alpha order. If Ms. Schulenberg doesn't receive an answer from the next entity in-line it will be offered to the next in alpha order.

This item was for information only and no action was required/taken.

11. Future Agenda Items

None at this time.

12. Set Next Meeting Date

Renewal Meeting February 11-13, 2019

13. Call to the Public

No comments were made by the public.

14. Adjourn

The meeting adjourned at 10:52 a.m.

Respectfully Submitted,

Storm Kinion
Recording Secretary