

ARIZONA METROPOLITAN TRUST
Draft – Minutes of Wednesday, April 29, 2020
Trust Meeting

The following Trustees were present and a quorum was met:

Grady Miller, Chairperson	Town of Fountain Hills
Jeanne Blackman	Youngtown
Ron Deadman	Sun City Fire District
Crystal Dyches, Vice Chairperson	City of El Mirage
Jill Keimach	Town of Paradise Valley
Bryant Powell	City of Apache Junction

The following Alternate Trustees were present:

Jinnett Hancock	Town of Paradise Valley
Dawn Kurek	City of El Mirage
Leo Lew	Pinal County
Lisa Neubert	Sun City Fire District
Fernanda Osgood	City of Maricopa
Kathy Reyes	City of Avondale
Liz Riley	City of Apache Junction
Susan Slagle	City of Litchfield Park
Jackie Temple	Buckeye Valley Fire District
David Trimble	Town of Fountain Hills

The following consultants/vendors were present:

Mike Hensley	Jones Skelton & Hochuli
Storm Kinion	ECA
Jayne Merlino	ECA
Kelly Schoonmaker	AmeriBen
Jaime Schulenberg	ECA

The following guests were present:

Vince Lorefice	Town of Wickenburg
Tarah Mayerhofer	Town of Wickenburg
Dr. Carol McLean	Appellant (Via Telephone)

1. Call to Order

The meeting was called to order at 11:10 a.m.

2. Approval of the February 11 and 12 Regular Meeting Minutes

Trustee Blackman made a motion to approve the February 11 and 12 Work Session and Regular Meeting Minutes, seconded by Trustee Keimach and unanimously carried.

3. Approval of the January through February 2020 Financials

Ms. Kinion reviewed the financials through February 2020 noting expenses exceeded revenue by \$543,466, with a monthly financial position of (\$436,319) and a YTD cash position of (\$1,871,484).

- Interest continues to accumulate higher than budgeted due to the additional funds that have been invested in LGIP.
- On the Medical Claims side, the PPO, PPO Buy-Up and HDHP plans are over budget due to large claims. In the month of February there were 5 new large claims totaling \$619,481 YTD.
- Rx is running over budget due to high utilization and specialty medications on all plans. In February there were 38 specialty medications fills totaling \$277,469.
- Dental Buy-Up claims continue to run high for the year due to higher than anticipated enrollment.
- Vision Buy-Up claims continue to run high for the year due to higher than anticipated enrollment.
- The census is running over budget causing an increase in those expenses paid on a per employee per month basis.
- There are 24 large claims running over 50% of the specific deductible.
- The Trust is running at 74% of the total budget.

Trustee Blackman made a motion to approve the January through February 2020 financials, seconded by Trustee Keimach and unanimously carried.

4. Medical Claim Appeal Tabled from 02/12/20

Ms. Schulenberg reviewed an appeal, tabled from 02/12/20, received on behalf of a member by the provider who is requesting payment for psychological testing which was denied. Ms. Schulenberg summarized the appeal stating the provider contacted AmeriBen to confirm eligibility for “psych testing and general outpatient mental health services.” According to the provider, AmeriBen indicated psychological testing was covered, when in fact, it is excluded under the Plan; as such, the provider requested reimbursement for the incurred charges.

Ms. Schulenberg reported that she had listened to the call for benefits eligibility and confirmed that the provider’s office had not asked about psychological testing; instead, the questions were specific to mental health and those benefits were quoted correctly; as such, ECA recommended denial of the claims. The provider requested to hear the tape as she did not believe that was an accurate representation of the call, however, the tape could not be played on the virtual platform of the meeting.

Kelly Schoonmaker from AmeriBen reported that there were \$4,600 in denied claims, pointing out that claims were paid for the evaluation and other services provided. Dr. McLean argued that evaluation and testing are the same and therefore one could not be covered without the other. In order to receive legal advice, the meeting went into Executive Session.

Trustee Keimach made a motion to go into Executive Session, seconded by Alternate Trustee Reyes and unanimously carried.

Public Session Ended: 11:29 a.m.

Executive Session Began: 11:30 a.m.

Executive Session Ended: 11:44 a.m.

Public Session Reconvened: 11:44 a.m.

Trustee Blackman made a motion to approve the appeal in the amount of \$4,600.00, seconded by Alternate Trustee Reyes and unanimously carried. Ms. Schulenberg pointed out that the claims should pay under the benefit schedule, based on the network discount.

Trustee Blackman amended the motion to approve the appeal to pay under the Plan, seconded by Trustee Keimach and unanimously carried.

5. Subrogation Request

Ms. Schulenberg reviewed a request received through Phia for a subrogation settlement on behalf of a member involved in a motor vehicle accident. The case settled for \$550,000; the member must pay attorney fees in the amount of \$189,500 and there are other lien holders totaling \$14,000. AzMT has paid \$80,852.51 in accident-related claims. The attorney is proposing a settlement of \$39,400 with a member payout of \$307,100.

According to Phia the Trustees have the following options:

1. Accept the attorney's offer for reimbursement of \$39,400;
2. Reject the attorney's offer and pursue a different amount
3. Demand the full amount of \$80,852.51.

Mr. Hensley suggested the Trust instruct Phia to settle for between \$39,400 and \$54,000.

Trustee Keimach made a motion to reject the attorney's offer and negotiate an amount between \$39,400 and \$54,000, seconded by Vice Chairperson Dyches and unanimously carried.

6. Ratification of Coronavirus Telemedicine Coverage

Ms. Schulenberg explained that due to the Covid-19 pandemic, AzMT took steps to ensure access to testing and related services at no member cost share. ECA worked with Teladoc to implement mandated coverage at no member cost share through June 30, 2020; since there was no way to differentiate between a Covid vs. non-Covid visit, the only option was to waive all consult fees which was approved by Trust Chairman Grady Miller on March 20, 2020. The outlier is the HDHP; coverage is not required by federal tax law, so plans must choose to adopt it. Trust Chairman

Miller made the decision to provide the same Covid-related telemedicine coverage for HDHP members as those covered in other plans. These actions require ratification by the Board.

Vice Chairperson Dyches made a motion to ratify the Coronavirus Telemedicine coverage, seconded by Trustee Keimach and unanimously carried.

7. Discussion and Possible Action for New Website Services

Ms. Schulenberg reported under the current webmaster, LMN, Inc., there have been security and timeliness issues prompting ECA to investigate additional options. In addition, ECA was notified on 04/29/2020 that LMN, Inc. will no longer provide website services to AzMT as of 07/01/2020. As a result, ECA contacted Go Daddy for a quote to develop and manage the site. Go Daddy quoted a fee of approximately \$4,000 to include:

- Website Design;
- Website Care;
- Enhanced Security; and
- Host Service.

There was discussion over how long it would take for the new site to be live and if the old site would remain active in the interim. Ms. Schulenberg reported the new site could be live in 6-8 weeks and the current site will remain live until the new one is in place, at which time ECA will request it be removed.

Vice Chairperson Dyches made a motion to move forward with new website design and management, seconded by Alternate Trustee Slagle and unanimously carried.

8. Wellness Update

Ms. Merlino reviewed the upcoming wellness programs and screenings. Ms. Merlino reported the Health Risk Assessment, Dental seminars, and Skin Cancer screenings were being postponed due to coronavirus and will be rescheduled. The Cardiac and Organ screening and Flu/Pneumonia vaccinations have been scheduled. Ms. Merlino reviewed the following programs:

- The budget for Omada and Livongo did not permit for expansion of these programs for 2020-21; they will be reviewed for 2021-22;
- There is interest in a musculoskeletal program however, at this time, the budget does not permit; this will be looked at for 2021-22;
- Remove Health Coaching from Wellness Program objectives;
- Implement MoveSpring and terminate Fitbit. MoveSpring is a platform that allows multiple types of devices to participate in challenges,
- AzMT will not be bringing back the bone density test as the cost does not warrant bringing it back; and
- The date for the Wellness Program Luncheon is being looked at for the fall.

9. Administrative Update

Ms. Schulenberg reported ECA has arranged to receive bi-weekly reporting from AmeriBen on Covid-19 testing and treatment claims. To date, 43 members of AzMT have been tested with zero (0) positive results; the cost to date is \$3,288.

Ms. Schulenberg also reported that the following items that were planned for the meeting were postponed for discussion in person:

- AzMT Claims Audit – Ms. Schulenberg has reviewed it with CTI; they will come to the next meeting to review it with the Trustees;
- Risk Management Plan Goals for 2020-21;
- Membership Guidelines;
- RFP for Audit Services; and
- Review of Surplus/Deficit.

Ms. Schulenberg also reminded the entities that payments are coming in very late in the month, causing ECA to have to transfer money from LGIP to pay claims and administrative costs; she again urged members to make payments timely to have adequate funds to cover expenses.

10. Future Agenda Items

N/A

11. Set Next Meeting Date

The next meeting is scheduled for August 26, 2020 from 11:00 a.m. – 1:00 p.m., location to be determined. *EDITOR'S NOTE: ECA's office was unavailable on 08/26/20; alternative dates are being reviewed.*

12. Call to the Public

N/A

13. Adjourn

Trustee Keimach made a motion to adjourn at 12:18 p.m., seconded by Trustee Powell and unanimously carried.

Respectfully Submitted,
Storm Kinion
Recording Secretary