

**ARIZONA METROPOLITAN TRUST**  
**Minutes of Wednesday, February 14, 2024**  
**Trust Meeting**

**The following Trustees were present and a quorum was met:**

Matthew Williams, Chairman	City of Litchfield Park
Jeanne Blackman	Town of Youngtown
Mark Burdick	Buckeye Valley Fire District
Stephen Erno	Town of Wickenburg
Bryant Powell	City of Apache Junction
Rob Schmitz	Sun City Fire District

**The following Alternate Trustees were present:**

Dawn Kurek	City of El Mirage
Tarah Mayerhofer	Town of Wickenburg
Anna McCray	City of Apache Junction
Gina Monger	Town of Paradise Valley
Lisa Neubert	Sun City Fire District
David Trimble	Town of Fountain Hills

**The following Consultants/Vendors/Guests were present:**

Lisa Adams-Williams	City of Litchfield Park
Ryan Benitez	Cheiron
Jennifer Clatfelter	SupportLinc
Ann Coupland	Delta Dental
Jake Goll	Navitus
Sheri Gordon	Gallagher Benefit Services
Michael Groeger	Blue Cross Blue Shield of AZ
Jinnett Hancock	Town of Fountain Hills
Mike Hensley	Jones Skelton & Hochuli
Rachele Martin	Blue Cross Blue Shield of AZ
Laura Montini	Gallagher Benefit Services
Michael Reich	Cheiron
Kelly Schoonmaker	AmeriBen
Jaime Schulenberg	Gallagher Benefit Services
Lisa Thompson	Navitus

**1. Call to Order**

The meeting was called to order at 9:00 a.m.

**2. Roll Call**

Ms. Gordon performed roll call and confirmed a quorum was in attendance to take action on applicable matters before the Board.

**3. Consent Agenda**

Chairman Williams presented the two items on the consent agenda for approval and consideration as outlined below:

- Approval of November 29, 2023 Regular Meeting Minutes
- Approval of October through December 2023 Financial Reports

*Trustee Powell made a motion to approve the items on the consent agenda, seconded by Alternate Trustee Trimble and unanimously carried.*

**4. Discussion and Possible Action re Rx Appeal**

Jaime Schulenberg reported that Gallagher had received a second-level Rx appeal on behalf of an employee regarding coverage for a medication which is not the formulary.

Ms. Schulenberg reported that the member was prescribed Edarbyclor which is not on AzMT's formulary and as such, Navitus denied coverage. Navitus allows exceptions to coverage, however, in this case, the criteria to approve an exception were not met; specifically, all covered drugs used for the health condition were not tried and failed.

Ms. Schulenberg reported that the member's provider filed an appeal which indicates that other medications have been tried but failed to achieve optimal blood pressure management. The appeal further states the member is "unable to take all other alternatives due to concern/stress with previous history of side effects on multiple medications with in this drug category. The provider reports that he is at risk of developing worsening heart failure and valvular disease and is currently pending evaluation for possible mitral valve surgery in the future. His heart cannot take the added stress as it may worsen his condition if his blood pressure is not controlled."

Discussion ensued by the Trustees and Jake Goll from Navitus.

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

**5. Approval of Rates and Benefits for 2024-25**

Ms. Schulenberg reviewed the benefits and rates presented during the Work Session and noted that the rates included the benefit changes noted below:

**Medical**

- Increase HDHP n Deductibles and Max Out-of-Pocket fom \$3,000/\$6,000 to \$3,200/\$6,400 as required by the IRS

**Dental**

- Reduce Bitewing X-rays to 1x/year
- Increase Cleanings to 3x/year
- Add Special Healthcare Needs program

**Vision**

- None

**Other**

- Add Sword Virtual PT Program (includes Thrive PT/Bloom Pelvic Health)

Ms. Schulenberg reported that during discussion at the Work Session the Trustees had requested an increase to the Medical/Rx premium of 4% for 2024-25. Ms. Schulenberg noted that although there were minimal increases to the admin fee for the dental plan and some additional recommended benefit plan changes (as outlined above), the Dental rates would remain flat for 2024-25 while the Vision rates would increase slightly due to an increase in the admin fee.

*Trustee Erno made a motion to increase at the Medical/Rx premiums by 4% adopt and to approve the benefit changes as presented, seconded by Trustee Blackman and unanimously carried.*

*Alternate Trustee Trimble made a motion to approve the Dental and Vision rates and benefit changes as presented, seconded by Trustee Erno and unanimously carried.*

**6. Approval of 2023-24 Vendor Rates/Renewals**

Ms. Schulenberg reviewed the vendor renewals which will be effective July 01, 2024, including reinsurance (reiterating reinsurance will be marketed beginning in April, but will not be finalized until May or June as it requires carriers to review the most recent data), AmeriBen TPA and Medical Management, auditor, legal, EAP and dental.. She requested that Trustees approve the renewals as presented and.

*Trustee Powell made a motion to approve the renewals as presented and authorize the Chairman to execute all renewal documents upon review and approval by Legal, as well as to bind reinsurance on behalf of the Trust, seconded by Trustee Schmitz and unanimously carried.*

Ms. Schulenberg then went on to review additional vendor renewals that included options the Trust would need to elect.

Gallagher proposed two (2) options for both Pool Administration and Wellness – a three-year or five-year option with varying increases.

*Trustee Erno made a motion to approve the 5-year renewal proposal from Gallagher for both Pool Administration and Wellness, seconded by Trustee Powell and unanimously carried.*

Teladoc requested an increase in the admin and consultation fees, as well as proposed implementation of a new program, Primacy360, which would result in a different admin fee. Discussion ensued regarding the significant drop in utilization and the Trustees asked if Ms. Schulenberg could request a rate pass. Ms. Schoonmaker reported that the Trust could access

Teladoc through the AmeriBen umbrella at their rate of \$1.00 PEPM and lower consultation fees.

*Trustee Erno made a motion to terminate the current contract with Teladoc and work with AmeriBen to move the benefit under their umbrella at the rate of \$1.00 PEPM, seconded by Trustee Burdick and unanimously carried.*

VSP requested a nominal increase to their admin fee, however, also presented a number of benefit changes that would impact the admin fees further.

*Trustee Erno made a motion to approve the renewal with VSP with no benefit changes, seconded by Trustee Powell and unanimously carried.*

## **7. Adoption of Bylaws Changes Introduced 11/29/2023**

Ms. Schulenberg requested adoption of the Bylaw changes that were presented to the Trustees at the November 29, 2023 meeting which included the following:

- Section 8 (A) related to Membership Eligibility which was updated to remove restrictions on membership of fire districts, municipal corporations and other political subdivisions, as well as to allow membership of JPAs with underwriting of new entities; and
- Section 8 (B) (4) – Application for Membership which was updated to reflect that Trustees will take action on applications at the next regular meeting unless timing requires a special meeting.

Ms. Schulenberg recommended adoption of the Bylaws effective February 14, 2024.

*Trustee Erno made a motion to approve the revised Bylaws with an effective date of February 14, 2024, seconded by Alternate Trustee Trimble and unanimously carried.*

## **8. 07/01/24 Membership Renewals**

Ms. Schulenberg reported the membership terms for City of Apache Junction, Buckeye Valley Fire District, City of El Mirage, City of Litchfield Park, and the Town of Youngtown were up for renewal. She explained the renewal and termination process, indicating that Trustees would need to offer renewal to each entity if they wished to do so.

Ms. Schulenberg reminded the Trustees that a 2/3 affirmative vote was required to approve a renewal membership term and that the renewal term is for thirty-six (36) months. Further, written notice of termination must be received by the Trustees no later than ninety (90) calendar days prior to the last day of the Participant's Initial term (no later than April 1, 2024).

*Trustee Schmitz made a motion to extend membership renewal to Apache Junction, Buckeye Valley Fire District, El Mirage, Litchfield Park, and Youngtown, seconded by Trustee Erno and unanimously carried.*

Ms. Schulenberg will prepare and send an official offer of membership letter to each entity for their Council to review and respond no later than April 1, 2024.

**9. Discussion and Possible Action re Membership Application from Rio Verde Fire District**

Ms. Schulenberg reported that AzMT had received an application for membership from the Rio Verde Fire District for an effective date of July 1, 2024. Ms. Schulenberg reviewed the background information regarding their current census and benefit structure and reported that after review of all information provided, Cheiron indicated that Rio Verde was not a financial fit for AzMT. However, they did provide alternative funding factors (+16.2%) in the event the Trust would like to consider offering membership under a separate rate structure.

*Trustee Erno made a motion to extend an offer of membership beginning, July 01, 2024 to Rio Verde Fire District under a separate rate structure, seconded by Alternate Trustee Trimble and unanimously carried.*

Ms. Schulenberg will prepare and send the official offer of membership letter to Rio Verde Fire District as directed by the Trustees.

**10. Report re HB2492 – First Responders’ Post-Traumatic Stress Disorder**

Mr. Hensley reported on the potential impact of changes to HB2492 regarding the provision of counseling visits to first responder’s who experience post-traumatic stress disorder.

There is no action necessary by the Trustee at this time; the review was for informational purposes only.

**11. Administrative Update**

Ms. Schulenberg reported on the following admin items:

- Initial COBRA Notices – Ms. Schulenberg reported that there was a recent discussion regarding the distribution of initial COBRA notices to new hires. The notice is included in the SPDs and as a rule, it has been the responsibility of each entity to distribute the SPD to newly enrolled employees, as well as to make it available to all enrolled employees each year. There was some interest in having AmeriBen provide initial notices on behalf of the Trust. Ms. Schulenberg reported that AmeriBen can provide the initial notices for a fee of \$3.95/per letter, however, this must be done for every entity and cannot be offered individually. She will be working with each entity to determine whether to move forward with having AmeriBen take over administration. Regardless, this should serve as a reminder that every employer should be providing a copy of the SBC and SPD to new hires as part of the benefits orientation process.
- RFP for FSA/HSA Administration – Ms. Schulenberg sent out an RFP for FSA/HSA administration and received one response from Inspira (formerly Payflex). She will be soliciting volunteers to sit on a demo and make a recommendation. She also noted that this RFP does not impact the budget.

**12. Future Agenda Items**

Trustee Powell requested further discussion regarding marketing to new members.

**13. Set Next Meeting Date**

The next meeting is scheduled for May 14, 2024 at 10:00 a.m. in Paradise Valley.

**14. Call to the Public**

N/A

**15. Adjourn**

*Chairperson Erno made a motion to adjourn at 10:10 a.m., seconded by Trustee Powell and unanimously carried.*

Respectfully Submitted,  
Sheri Gordon  
Recording Secretary