

Cochise Combined Trust
DRAFT - Minutes of Annual Renewal Meeting
Thursday, February 3, 2023 and Friday, February 4, 2023

Cochise Combined Trust
DRAFT - Minutes of Workshop Session
Thursday, February 2, 2023

Trustees Present:

Wendy Davis, Chairperson
Jackie Elliott, Trustee
Sharon Gilman, Trustee
J.D. Rottweiler, Trustee
Nayla Ramirez, Trustee

Others Present:

Ryan Benitez, Cheiron	Rachele Martin, BCBS of Arizona
Jenise Dimmick, GBS	Laura Montini, GBS
Jake Goll, Navitus	Stephanie Moore, GBS
Jennifer Graeme, Cochise County	Sara Rodriguez, AmeriBen
Mike Groeger, BCBS of Arizona	Mike Schionning, Cheiron
Wendy Koop, Cochise College	Kelly Schoonmaker, AmeriBen
Jared Loo, Ameritas	Lisa Thompson, Navitus

1. Call to Order

The meeting was called to order at 10:00 a.m.

2. Opening Remarks, Introductions and Agenda Review

Chairperson Davis welcomed everyone to the 2023-24 Cochise Combined Trust renewal meeting, reviewed the agenda and thanked everyone for coming.

3. Fiduciary Responsibility and Compliance Update

Mike Hensley from JSH was unavailable to provide this update. Stephanie Moore from GBS provided Trustees with the highlights on fiduciary liability responsibility, HIPAA and AZ Open Meeting Law.

4. Trust Administration Review

Stephanie Moore from GBS provided Trustees with the annual Trust Administration Review.

5. Trust Financial Review

Jenise Dimmick from GBS presented the 2021-22 plan year financial summary compared to the prior two plan years as well as the financial status of the Trust as of December 31, 2022.

6. Network Savings Review

Rachele Martin and Michael Groeger from Blue Cross Blue Shield of Arizona presented the claims savings report for the period of December 1, 2021 through November 30, 2022.

7. Medical Claims Review

Kelly Schoonmaker from AmeriBen, presented the medical claims experience incurred and paid from January 1, 2022 through December 31, 2022; Medical Management from October 1, 2022 through December 31, 2022 and Teladoc utilization from January 1, 2022 through December 31, 2022.

Meeting recessed for a break at 11:15 a.m. and resumed at 11:25 a.m.

8. Prescription Claims Review

Lisa Thompson and Jake Goll from Navitus presented a review of prescription drug utilization from July 1, 2022 through December 31, 2022.

9. Vision Claims Review & Employee Assistance Program Review

Stephanie Moore from GBS provided a review of vision claims paid from July 1, 2022 through December 31, 2022 and Employee Assistance Program utilization from July 1, 2022 through December 31, 2022.

10. Dental Claims Review

Jared Loo from Ameritas presented dental claims from July 1, 2022 through December 31, 2022.

Meeting recessed for lunch at 12:02 p.m. and resumed at 1:09 p.m.

11. Wellbeing Program Review

Laura Montini from GBS gave a presentation detailing on-site screenings, Wondr participation and recommendation for new programming.

12. Recommended Claim Funding Rates and Benefit Options for the 2023-24 plan year and CAC Rate Consideration

Mike Schionning and Ryan Benitez from Cheiron presented the actuarial rate development for the 2023-24 plan year including the proposed claim funding rates and the CAC Rate Consideration. The Medical/Rx rate changes for recommended was 13.6%, and the minimum was 8.2%. The Dental rate changes for recommended was 0.0%, and the minimum was 0.0%. The Vision rate changes for recommended was 0.0%, and the minimum was

0.0%. The Short-Term Disability (STD) rate changes for recommended was 0.0%, and the minimum was 0.0%.

13. 2023-24 Renewal Discussion and Budget Building

Stephanie Moore reviewed the 2023-24 proposed budget, with the Medical/Rx claim funding recommended rate of 13.6% and Dental, vision and Short-term Disability with a 0% increase. Also, she reviewed the Insurance and Administrative fees and benefit change options. Trustees reviewed and discussed various plan design options.

Meeting recessed for entity discussion at 2:35 p.m. and resumed at 2:50 p.m.

14. Adjournment

The meeting was adjourned at 2:58 p.m.

COCHISE COMBINED TRUST
DRAFT – Minutes of Annual Renewal Trust Meeting
Friday, February 3, 2023

Trustees Present:

Wendy Davis, Chairperson
Jackie Elliott, Trustee
Sharon Gilman, Trustee
J.D. Rottweiler, Trustee
Richard Karwaczka, Trustee
Nayla Ramirez, Trustee

Others Present:

Ryan Benitez, Cheiron	Rachele Martin, BCBS of Arizona
Jenise Dimmick, GBS	Laura Montini, GBS
Jake Goll, Navitus	Stephanie Moore, GBS
Jennifer Graeme, Cochise County	Sara Rodriguez, AmeriBen
Mike Groeger, BCBS of Arizona	Mike Schionning, Cheiron
Wendy Koop, Cochise College	Kelly Schoonmaker, AmeriBen
Jared Loo, Ameritas	Lisa Thompson, Navitus

1. Call to Order

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

2. Discussion and Possible Action Regarding Approval of the October 26, 2022 and November 9, 2022 Trust Meeting Minutes

Trustee Elliott made a motion to approve the October 26, 2022, Regular Trust Meeting Minutes as presented without changes, Trustee Karwaczka seconded the motion, and the motion passed unanimously.

3. Discussion and Possible Action Regarding Approval of the October, November and December 2022 Financials

Trustee Karwaczka made a motion to approve the October, November and December 2022 Financials, Trustee Elliott seconded the motion, and the motion passed unanimously.

4. June 30, 2022 Financial Audit

Jenise Dimmick from GBS notified the Trust of the requirement for the yearly annual audit of the Trust. Jenise brought to the Trusts attention the decrease in the Trust's Net Assets and the increase of the Trust's Incurred but Not Reported liability

No motion required.

5. CCT Membership Renewals

Stephanie Moore from GBS reviewed the process for membership renewals with Trustees. Trustee Rottweiler asked if there were any language changes in the resolution. Stephanie let Trustees know that she would be sending the Resolution template to each entity on word and suggested that each entity continue name positions as opposed to names for Trustee positions.

Trustee Rottweiler made a motion to invite Central Arizona College to retain membership in the Trust, Trustee Elliott seconded the motion, and the motion passed unanimously.

Trustee Karwaczka made a motion to invite Cochise County to retain membership in the Trust, Trustee Rottweiler seconded the motion, and the motion passed unanimously.

Trustee Karwaczka made a motion to invite Cochise College to retain membership in the Trust, Trustee Elliott seconded the motion, and the motion passed unanimously.

6. Discussion and Possible Action Regarding the award of contract for Third Party Administrator and Medical Management

Stephanie Moore from GBS reviewed the proposal for Third Party Administrator and Medical Management as part of the vendor bid schedule. The committee unanimously recommends that CCT contract with AmeriBen for Third Party Administrator and Medical Management effective July 1, 2023.

Trustee Gilman made a motion to approve a contract with AmeriBen for Third Party Administrator and Medical Management, Trustee Karwaczka seconded the motion, and the motion passed unanimously.

7. Discussion and Possible Action Regarding award of contract for Actuary Services

Stephanie Moore from GBS reviewed the proposal for Actuary Services as part of the vendor bid schedule. The committee unanimously recommends that CCT contract with Cheiron for actuarial services effective July 1, 2023.

Trustee Gilman made a motion to approve a contract with Cheiron for Actuary Services, Trustee Karwaczka seconded the motion, and the motion passed unanimously.

8. Discussion and Possible Action Regarding award of contract for Life, AD&D and Voluntary Life Insurance

Stephanie Moore from GBS reviewed the proposal for Life/AD&D and Voluntary Life as part of the vendor bid schedule. The basic life and AD&D rates from all responses were very similar and voluntary rates were identical from all three firms. Since there were no significant savings and CCT has not had service issues with the incumbent, Securian, the committee unanimously

recommends that CCT contract with Securian for Life/AD&D and Voluntary Life Insurance effective July 1, 2023 with the elimination of the age reduction at age 70 for active employees.

Trustee Gilman made a motion to approve a contract with Securian for Life, AD&D and Voluntary Life Insurance, Trustee Karwaczka seconded the motion, and the motion passed unanimously.

9. Discussion and Possible Action Regarding Approval of the 2023-24 Benefits and Rates

Stephanie Moore reviewed and discussed the budget, benefits and rates presented during the renewal workshop. Trustees reviewed and discussed various funding options.

Benefit Change Options:

Medical/Rx:

EPO:

- 1) Change Specialty Pharmacy co-pay to 20% up to \$150
- 2) Increase PCP copay to \$30
- 3) Increase specialist and Teladoc copay to \$40
- 4) Increase MOOP to \$9,100/\$18,200
- 5) Change non-hospital PT/OT to \$10 copay
- 6) Air Ambulance paid at 200% of Medicare rate
- 7) Add Navitus Copay Max Plus Program

Buy-Up EPO

- 1) Change Specialty Pharmacy co-pay to 20% up to \$150
- 2) Increase PCP copay to \$30
- 3) Increase specialist and Teladoc copay to \$40
- 4) Change non-hospital PT/OT to \$10 copay
- 5) Air Ambulance paid at 200% of Medicare rate
- 6) Increase MOOP to \$5,500/\$11,000
- 7) Add Navitus Copay Max Plus Program

HDHP

- 1) Increase Non-Network deductible to \$7,500/\$15,000
- 2) Air Ambulance paid at 200% of Medicare rate

Dental

- 1) Recommended Dental funding factors

Short Term Disability

- 1) Reduce elimination period (waiting period) to 30 days - County Only
- 2) Increase percentage payable to 66 2/3% - County Only
- 3) Increase maximum days payable to 180 days - County Only

Meeting recessed for entity discussion at 9:21 a.m. and resumed at 9:24 a.m.

Trustee Rottweiler made a motion to approve the 2022-23 funding and plan design changes as presented with the HDHP at 10% funding increase and the EPO, Buy Up EPO and Retiree on all plans at 13.6% funding increase for the 2023-24 CCT plan year beginning July 1, 2023., Trustee Elliott seconded the motion, after a brief discussion and a 6 minute recess the motion passed unanimously.

Trustees further discussed various funding options.

Meeting recessed for entity discussion at 9:32 a.m. and resumed at 9:38 a.m.

Chairperson Davis thanked everyone for their hard work and time preparing the budget.

10. Discussion and Possible Action Regarding Approval of the 2023-24 Administrative Vendor Contract Amendments

The following administrative contracts were up for renewal effective July 1, 2023:

- 1) Gallagher Benefit Services (Pool Administration) – Extension of the current rate guarantee agreement through June 30, 2026. The 2023-24 is a rate pass at \$10.50/PEPM and was approved during the 2020-21. GBS is offering 2024-25 at \$11.00/PEPM and 2025-26 at \$11.50/PEPM. The dental administration fee at \$1.00/PEPM would remain unchanged.
- 2) Gallagher Benefit Services (Wellbeing Consulting) – Extension of the current rate guarantee agreement through June 30, 2026. The 2023-24 is a rate pass at \$4.75/PEPM. GBS is offering 2024-25 at \$5.00/PEPM and 2025-26 at \$5.25/PEPM. Subject to the cost to administer additional programming (not to include Wellsource or Wondr) approved as part of the annual budget process.

Trustee Gilman made a motion to approve the amendments with Gallagher Benefit Services as presented and authorize the Trust Chairperson to execute the amendments upon review and approval of the Trust Attorney, Trustee Rottweiler seconded the motion, and the motion passed unanimously.

11. Administrative Update

Stephanie Moore from GBS reminded the Trust that the maximum amount of time an employee can stay on the plan if they are not working is six months.

No motion required.

12. Future Agenda Items

There were no future agenda items.

No motion required.

13. Next Meeting Date

The next meeting is scheduled for April 26, 2023, 2:00 p.m. to be held via zoom.

No motion required.

14. Call to the public

No public was present.

No motion required.

15. Adjournment

The meeting was adjourned at 9:44 a.m.

Respectfully Submitted,
Jenise Dimmick, Account Manager