

**NORTHERN ARIZONA PUBLIC EMPLOYEES BENEFIT TRUST
MEETING MINUTES
April 19, 2018**

A. Discussion and possible board action on Vera onsite clinic, including an update on the physical therapy program **Julie Almond
Laura Burr**

Ms. Almond provided an overview of the monthly report, highlighting employee engagement, new patients, total number of appointments by type, cumulative completions, onsite prevention and group training, and patient waitlist.

Ms. Almond advised that overall engagement is trending upward over last year, cumulative completions are up significantly over last year, and provider visits are slightly fewer over last year. She also stated that the clinic is currently ramping up capacity for wellness visits. Ms. Almond mentioned that onsite prevention saw an upward spike in February, which likely means that participants are becoming more comfortable with the providers.

Ms. Almond stated that the group training pilot is going very well. She advised that the waitlist is shrinking and that appointments cancellations increased slightly probably due to spring break. She also reminded everyone that the no show policy goes into effect on May 1.

No action was taken.

B. Discussion and possible board action on monthly medical/pharmacy report **Nura Patani**

Ms. Patani presented an overview of NAPEBT's claims, expenses, and contributions for the period ending February 28, 2018. Key observations from the report included the following:

- The total loss ratio was 99.5 percent for the current plan year through February.
- Contributions exceeded claims and expenses (reduced for stop loss reimbursements and pharmacy rebates) by approximately \$667,764, or 28.2 percent of contributions for the month of February.
- Through February, total enrollment increased 0.1 percent over the prior plan year average, with enrollment by plan as follows:
 - 15.4 percent of all active employees and retirees were enrolled in the buy-up plan;
 - 63.8 percent were enrolled in the base plan; and
 - 20.7 percent were enrolled in the high deductible health plan.

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- There are eleven claimants with incurred claims in excess of the \$150,000 reporting threshold during the plan year to date. These claimants have combined claims of \$2,452,496, which represents 16.5 percent of paid claims.
- The plan's rolling net medical trend was 2.7 percent, and the plan's rolling net pharmacy trend was -11.8 percent.
- Wellness incentive payouts through February totaled approximately \$425,000.

Ms. Patani stated that claims activity in the month of February was significantly better than what the Trust has seen in a number of years.

Ms. Patani advised that two claimants have exceeded stop loss deductible. Mr. Townsend asked how that compares to this time last year. Ms. Patani stated that it is more unfavorable this year, citing that those claimants who exceeded \$150,000 were 17 percent of the total medical/rx claims.

No action was taken.

C. Discussion and possible board approval on reserve policy recommendation by Finance Committee

Jami Van Ess

Ms. Van Ess presented the final recommendation on the reserve policy based on feedback from board discussion at the March meeting. She advised that the recommendation included a correction in reserve balances.

Mr. Townsend requested that Ms. Girardo contemplate the approved reserve policy as part of the rate setting discussion at the November retreat.

Mike Townsend moved, Jami Van Ess seconded, motion approved

D. Discussion and possible board action on bylaws regarding cost reimbursements to agencies for Trust services

Mike Townsend

Mr. Townsend presented an updated copy of the Trust bylaws that included clarification with regard to indirect and direct expenses to agencies for Trust services.

Ginger Stevens moved, Jami Van Ess seconded, motion approved

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E. Discussion and possible board approval on the Vera contract **Mike Townsend**

This item was tabled until the June meeting.

No action was taken.

F. Discussion and possible board approval on the telemedicine benefit **Amy Girardo**

Ms. Girardo advised that the telehealth benefit will be offered through Vera. She stated that the connectivity costs will be borne by Vera and visits will be free for the base and buy-up plan participants. Participants in the high deductible plan will pay the fee for services according to the fee schedule provided by Vera/AmWell.

Ms. Girardo stated that Blue Cross Blue Shield cautioned the Trust that the offering may not be completely implemented by July 1.

Ms. Almond presented how the telehealth offering would work for those participating in the benefit.

The benefit was approved without dissent.

G. Discussion and possible board action on EAP RFP results **Jami Van Ess
Margaret Penado**

Ms. Van Ess advised that a meeting is planned for next week to narrow down the bids.

Ms. Penado stated that the Benefits Committee is presently reviewing the best and final offers and will make a recommendation to the board in May.

No action was taken.

H. Discussion and possible board action on the enrollment system RFP results **Amy Girardo**

Ms. Girardo presented the recommendation for the online benefit enrollment system put forth by the Benefits Committee. She advised that the committee review included an evaluation of the vendor's written proposals, demonstration of their online

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system, response to interview questions, and best and final offer. She stated that Baker Tilly received the highest overall score.

Ms. Girardo stated that performance concerns experienced during the current contract period, specifically by Coconino County, were shared with Baker Tilly.

Ms. Penado stated that Ms. Stevens reached out to Baker Tilly for program costs but did not receive an answer in time for the board meeting, and in turn, ALEX was turned off. Ms. Penado mentioned that the county is now trying to determine the best course of action, more specifically—how to turn ALEX back on. Ms. Penado advised that the system might not be turned on until after open enrollment.

Ms. Girardo stated that Baker Tilly identified several additional services to include, as part of the contract after a thorough review was complete.

Ms. Stevens stated that Flagstaff Unified School District has never had any issues with Baker Tilly and ALEX.

Ms. Philpot stated that the county has had numerous issues, including unprofessional behavior in many circumstances. She advised that the county will use Baker Tilly for 2018–2019, but may look at additional service providers next year.

Ms. Girardo recommended moving forward with the Baker Tilly contract, but also address any concerns prior to executing the contract.

There was lengthy discussion among the group regarding the final contract language and what certain issues need to be addressed.

Ms. Girardo stated that she will incorporate feedback from the group into the Baker Tilly contract and then bring it back to the committee and Trust Board for review.

No action was taken.

**I. Discussion and update on compliance
and industry changes, including trends report**

Amy Girardo

Ms. Girardo stated that there was no update to report on for this meeting.

No action was taken.

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J. Discussion and possible board action on 2018/2019 meeting project plan **Aaron Genaro**

Mr. Genaro presented the project plan and made modifications as discussed by the board, including cancellation of the May meeting with the exception of holding a possible telephonic board meeting in May to address the EAP RFP results.

No action was taken.

K. Discussion and review of action items and timeline **Aaron Genaro**

Mr. Genaro reviewed the list of action items, which included the following:

- Ms. Girardo will contemplate the approved reserve policy in the annual budget to discuss at the November board retreat.
- Mr. Townsend will email a final draft of the Trust bylaws to Mr. Genaro to keep on file, which includes the clarification on direct and indirect board expenses.
- Ms. Girardo will send a copy of the email pertaining to the online benefit system recommendation to everyone.
- Ms. Girardo will incorporate feedback from the group into the Baker Tilly contract and then bring it back to the committee for review.
- Mr. Genaro will update the meeting project plan.
- Ms. Almond will check to see when the telehealth benefit will be available, and if and when the pediatric service will be available.

5. EXECUTIVE SESSION: None

6. CURRENT EVENT SUMMARIES/ANNOUNCEMENTS: None

7. NEXT REGULAR MEETING: June 14, 2018

8. ADJOURNMENT: 10:43 a.m.