

**NORTHERN ARIZONA PUBLIC EMPLOYEES BENEFIT TRUST  
MEETING MINUTES  
September 20, 2018**

**The following consultants/vendors were present:**

Amy Girardo	Segal
Nura Patani	Segal (telephonic)
Daljit Johl	Segal (telephonic)
Aaron Genaro	Ashton Tiffany
Mallory Esquibel	Ashton Tiffany
Marianne Heiderscheidt	Vera Whole Health
Julie Almond	Vera Whole Health (telephonic)
Craig Christianson	Delta Dental
Libby Badaoui	CVS Health

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

Shane Dille	City of Flagstaff
Jami Van Ess	Coconino County Community College
Bob Kuhn	Flagstaff Unified School District

**The following Alternate Trustees were present:**

Rosa Mendoza-Logan	Coconino County Community College
Shannon Anderson	City of Flagstaff
Jennifer Moore	Flagstaff Unified School District

**The following guests were present:**

Erika Philpot	Coconino County
Katie Wittekind	Coconino County (Wellness)
Amber Baker	Coconino County (Wellness)
Mall Hall	Coconino County (Wellness)
Jennifer Caputo	City of Flagstaff
Dean Coughenour	City of Flagstaff
Ginger Stevens	Flagstaff Unified School District
Dawn Anderson	Flagstaff Unified School District
Scott Walmer	Flagstaff Unified School District
Lauree Battice	NAIPTA
Lynn Hill	NAIPTA
Jeanie Confer	Coconino County Accommodation School District
Dietrich Sauer	Coconino County Community College



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The board had an in-depth discussion regarding the impact of policy and committee decisions—specifically dealing with authorization to approve an action without bringing it to the entire board. The board requested that an item be added to the October agenda to discuss further, including a separate item for possible approval of termination of the breathalyzer testing.

Ms. Almond provided an update on the telehealth implementation. She stated that Blue Cross Blue Shield is not able to support the program technically. The board had a brief discussion on program implementation issues up to this point.

Ms. Girardo advised that BCBS will be attending the October meeting to discuss utilization, and that she would ask them to discuss the implementation as well.

Mr. Kuhn suggested that the board approve the implementation today and bring the item back for discussion at the October meeting, when BCBS is in attendance.

Mr. Dille suggested that the board wait to approve any implementation until the BCBS discussion occurs.

Ms. Girardo stated that she will ask BCBS about the timeframe to implement the program.

Mr. Kuhn proposed that the board wait until Ms. Girardo receives answers from BCBS, then move to possibly approve the implementation at the October meeting, with an option to hold a conference call prior to the October meeting.

**Bob Kuhn moved, Jami Van Ess seconded, motion approved**

**ii. Discussion on additional provider**

**Julie Almond**

Ms. Almond provided a brief overview of the provider proposal and stated that interviews are ongoing for an additional provider.

Mr. Dille stated that he would like additional time to review the proposal, and then bring it back for discussion and possible board action/approval at a later meeting.

Ms. Van Ess advised that the current budget needs to be aligned and that a budget adjustment recommendation from the Finance Committee will be brought

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to the October meeting. She stated that she would like to discuss the budget impact of an additional provider with the Finance Committee.

Mr. Dille and Mr. Kuhn agreed that they would like to hear a recommendation from the Finance Committee.

Mr. Dille asked Ms. Almond to provide a more detailed overview of the proposal at this time. Ms. Almond presented a detailed overview.

Mr. Dille asked if there is any way to increase capacity by decreasing appointment time. Ms. Almond advised that some minor adjustments had already been made to help increase capacity.

Mr. Kuhn reminded the board that the clinic has been short one provider and not at full capacity for the past few months.

Mr. Dille stated that the additional provider discussion is appropriate, but challenged the Finance Committee to find the “sweet spot” in providing quality care while not overloading the budget.

Ms. Mendoza-Logan indicated that she had heard that people are having a difficult time getting into the clinic because of the lack of capacity.

Ms. Heiderscheidt stated that the clinic was short two providers for a couple of months, and is now short one provider.

**No action was taken.**

**iii. November retreat**

**Julie Almond**

Ms. Almond asked the board if there was anything specific that the Vera team should prepare to discuss at the upcoming November retreat in order to ensure that the right people attend.

Mr. Dille requested that key decision-makers from Vera be present at the retreat.

**No action was taken.**

**b. Wellness Committee**

**Katie Wittekind**

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Ms. Wittekind presented information on ways to invest more money in wellness, highlighting financial and participant engagement data from the current wellness program and other national wellness program studies.

Ms. Wittekind asked the board to consider an increase to the wellness budget as part of a discussion item during the November retreat.

Ms. Girardo advised that the initial budget projection slated for October's meeting will not include any "extras," including an increase in wellness.

**No action was taken.**

**c. Finance Committee**

**Jami Van Ess**

**i. Policies and procedures**

**Jami Van Ess**

Ms. Van Ess provided an update on the Finance Committee's work, including a draft of the capitalization policy to be ready in October then brought to the entire board at a later meeting; work on aligning the budget; and work on budget procedures and processes.

**No action was taken.**

**d. Benefits Committee**

**Shane Dille**

**i. Strategic priority update**

**Jennifer Caputo**

Ms. Caputo presented the current plan structure and opened a discussion on possible strategic changes that should be considered by the board.

Ms. Van Ess stated that any changes should be discussed soon in order to have time to implement them, if necessary.

Mr. Coughenour advised that the board needs to be cautious of cost-shifting from any plan structure changes.

Ms. Patani stated that she will attend the next Benefits Committee meeting held on October 9 in order to participate in the discussion of possible changes in plan structure.

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Ms. Girardo stated that she will report on the Blue Cross Blue Shield contract end date at the October board meeting.

**No action was taken.**

**ii. Website**

**Shane Dille**

Mr. Dille stated that the committee discussed the NAPEBT public website and determined that it is not being used to its fullest extent and currently contains information that is no longer relevant.

Mr. Dille asked each agency how it is currently using the site, i.e., whether agencies are using it to link back to their own sites to find benefit information, or if each agency is pointing its employees to the NAPEBT site for benefit information.

Mr. Genaro stated that he participated in the Benefits Committee call held on September 11 to discuss website needs. He mentioned that there is currently no monitoring service to determine site traffic.

Ms. Baker provided information on the NAPEBT wellness site and asked that the meeting agendas and minutes be posted on the NAPEBT public site.

There was board discussion regarding the posting of committee meeting agendas and minutes to the public site. It was determined that each committee chair will send committee meeting agendas and minutes to Mr. Genaro to be posted on the NAPEBT public website in a timely manner.

**No action was taken.**

**e. Risk Management Committee**

**Dean Coughenour**

Mr. Coughenour stated that there was nothing to report from the committee this month.

**No action was taken.**

**B. Discussion and possible board action/approval on vendor items**

**a. Segal**

**Amy Girardo**

**i. Monthly medical/pharmacy report**

**Nura Patani**

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Ms. Patani presented an overview of NAPEBT's claims, expenses, and contributions for the period ending July 31, 2018. Key observations from the report included the following:

- The total loss ratio was 95.1 percent for the month ending July 31, 2018.
- Contributions exceeded claims and expenses by approximately \$125,000 for the month ending July 31, 2018.
- Through July, total enrollment decreased 1.4 percent over the prior plan year average, with enrollment by plan as follows:
  - 13.9 percent of all active employees and retirees were enrolled in the buy-up plan;
  - 63.7 percent were enrolled in the base plan; and
  - 22.4 percent were enrolled in the high deductible health plan.
- There were no claimants with incurred claims in excess of the \$150,000 reporting threshold through July 31, 2018.
- The plan's rolling net medical trend was -3.1 percent, and the plan's rolling net pharmacy trend was 1.8 percent.
- Wellness incentive payouts through July totaled approximately \$29,000.

Ms. Patani noted that there is continued movement by employees to the lower premium plans.

Mr. Dille discussed whether or not the graphs will show cost-shifting to employees if the plan structure changes.

Ms. Dawn Anderson inquired about the current claims lag. Ms. Patani stated that she will report back at the October meeting.

**No action was taken.**

**ii. Discussion and update on compliance and industry changes and trends** **Amy Girardo**

Ms. Girardo provided a brief overview of compliance and industry changes and trends, highlighting the Health Care Reform publication.

**No action was taken.**

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**b. Delta Dental** **Craig Christianson**

**i. Utilization report** **Craig Christianson**

Mr. Christianson presented an overview of NAPEBT's dental utilization and experience for plan year 2017/2018.

Ms. Girardo stated that each agency should have received its own customized utilization and experience report.

**No action was taken.**

**c. CVS Caremark** **Libby Badaoui**

**i. Utilization, including proposed clinical programs** **Libby Badaoui**

Ms. Badaoui presented an overview of NAPEBT's pharmacy utilization and experience for plan year 2017/2018, specifically highlighting rising drug costs, engagement, cost containment, connecting care, top 25 drugs, and specialty drugs.

Ms. Badaoui suggested that more employees be encouraged to register online during the health fairs.

Ms. Daljit Johl asked Ms. Badaoui to provide the CVS savings analysis. Ms. Badaoui stated that she will send it to Ms. Johl.

There was board discussion regarding network optimization and the possibility of reducing costs by reducing the number of networks available to the Trust.

Ms. Badaoui stated that she will provide geo access data at the October board meeting to depict the networks that are not currently being used.

Ms. Badaoui recommended addition of a broad vaccination network as well.

Mr. Kuhn agreed that the Trust should consider network optimization.

Ms. Girardo advised that the Trust could choose, if desired, to offer a broad network at any time during the year, and that this does not have to take place at the beginning of a fiscal year.

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**No action was taken.**

**ii. Approval of 2019 CVS Caremark  
pharmacy formulary**

**Libby Badaoui**

Ms. Badaoui advised that the latest formulary publication has not been released yet. She also stated that written notification will be sent in November to participants impacted by the change in formulary. She noted that all indications point to fewer changes for the upcoming year.

**No action was taken.**

**C. Discussion and possible board action/approval on other items**

There were none.

**D. Discussion and possible board action/approval on meeting wrap-up items**

**a. 2018/2019 meeting project plan**

**Aaron Genaro**

Mr. Genaro presented the 2018/2019 meeting project plan.

**b. Review of action items and timelines**

**Mallory Esquibel**

Ms. Esquibel reviewed the list of action items, which included the following:

- Ms. Girardo will discuss the telehealth implementation process with Blue Cross Blue Shield and report back at the October board meeting. A conference call will be set up with the Trustees, if necessary.
- The Trustees will review the new clinic provider proposal and work with the Finance Committee to create a budget adjustment and report back at the October board meeting.
- Ms. Almond will ensure that decision-makers from Vera will be present for both days of the November retreat.
- Each committee chair will send Mr. Genaro committee meeting agendas and minutes to be posted on the NAPEBT public website.
- Ms. Girardo will report back on the Blue Cross Blue Shield contract end date at the October board meeting.
- Segal will develop a projected budget model, with estimates to be discussed at the November retreat, regarding addition of a high deductible health plan and removal of the buy-up plan.

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- Ms. Patani will participate via teleconference in the next Benefits Committee meeting, to be held on October 9.
- Ms. Patani will address the current claims lag at the October board meeting.
- Ms. Badaoui will send Ms. Daljit Johl the CVS savings analysis.
- Ms. Badaoui will provide geo access data at the October board meeting.
- Mr. Genaro will update the Project Plan to reflect a 1:00 p.m. start time for the second day of the November retreat.

**5. EXECUTIVE SESSION: None**

**6. CURRENT EVENT SUMMARIES/ANNOUNCEMENTS: None**

**7. NEXT REGULAR MEETING: October 18, 2018**

**8. ADJOURNMENT: 1:10 p.m.**