

**NORTHERN ARIZONA PUBLIC EMPLOYEES BENEFIT TRUST
MEETING MINUTES
April 21, 2016**

The following Consultants/Vendors were present:

Amy Girardo	Segal
Mike Ondracek	Vera Whole Health
Sarah Cole	Vera Whole Health

The following Trustees were present and a quorum was met:

Jami Van Ess	Coconino Community College
Shane Dille	City of Flagstaff
Bob Kuhn (Chairperson)	Flagstaff Unified School District
Mike Townsend	Coconino County

The following Alternate Trustees were present:

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

The following guests were present:

Katie Wittekind	Flagstaff Unified School District
Dean Coughenour	City of Flagstaff
Ginger Wischmann	Flagstaff Unified School District
Drew Baecker	City of Flagstaff
Shannon O'Neill	Trust Intern (Wellness)
Lynn Hill	NAIPTA
Lauree Battice	NAIPTA

1. CALL TO ORDER 9:14 a.m.

Unanimous approval by the Trustees of the agenda.

2. APPROVAL OF MINUTES January 21, 2016, February 25, 2016 and March 24, 2016

Unanimous approval by the Trustees of the Minutes with a few modifications.

3. ACTION ITEMS

A. Discussion and Possible Board Action on Vera Onsite Clinic Update

Mike said that he had not reached out to all of the key stakeholders to better understand the implementation process of the pre-employment and workers comp implementation before

speaking during the March 24th Trust Board meeting. He commented that if there are any questions on the Workers Comp program he would like feedback.

The Vera team is looking at forms, processes, and work flows of the clinic which will be covered at the Operations meeting next week.

The claims history will appear in the portal at the end of May or the first part of June.

A capacity plan will be presented during the Operations meeting and recommendations from that meeting will be brought to the Trust Board. The clinic usage has slowed down a little bit so there is good capacity now. However, the clinic anticipates capacity will increase with the addition of workers comp and pre-employment testing services.

A provider will be going to Page in September to service members in that area.

Sarah presented information on the billing and there are some questions on the enrollment files which impacts the per person per month count and fee charged to the Trust. In the contract the Trust started with 5,100 members, however, the member count is much higher than that each month. Vera is reviewing the data to verify the eligibility count. In the interim Vera is billing the minimum number of plan participants in the contract until the enrollment is resolved. In total the Trust is slightly above budget which is driven by the administration fee. The clinic is fully staffed now but the operating costs will go up slightly. The direct pass through cost for fixed costs go through to the Trust. Ginger asked if the credit would be provided to the Trust for the overage. Sarah said they would but Vera most likely will ask the Trust to work with them on the reimbursement. Going forward Vera will use 5,000 as the membership figure until the membership has been corrected. It is a little concerning to Vera that the potential enrollment difference is so large. The engagement level could be greater than reported if the total number of members is lower than originally reported.

For the pre-employment billing it looks like in February there were two employees that have gone to the clinic.

Vera has the medical claims information but not the pharmacy or lab information. Shannon asked if there are separate workers comp and pre-employment testing. The agencies want to reimburse the workers comp expenses of the clinic. The pass through bill will be itemized for pre-employment testing. The fee is \$100 for drug testing. The Trust is paying for immunizations or clinic drug tests. There is a \$100 fee that is a flat fee for pre-employment testing. Shannon understood that the \$100 was to compensate for staff time but it was not going to pay for the labs, immunizations, etc. The labs, immunizations, etc. are passed through as a claim. Shannon is concerned that the Trust will not receive enough money from the agencies which will impact the Trust. Vera is not tracking the pharmacy claims or other costs for workers comp claims. Vera will check to find out whether or not they can track the claims data for pre-employment claims.

Shannon is in the process of determining the cost of pre-employment testing at Vera vs. Concentra. Shannon needs to know the cost for her internal processes. There is a cost to the billing process so Bob wants to keep that in mind with any decision that is made.

Vera received 12 months of data (July 1, 2014 through June 30, 2015). They broke the claims data into categories with High Risk, Rising Risk and Low Risk. The risk shows 5%

are High Risk, 666 are Rising Risk and 3,555 are Low Risk. Vera estimates that there is about \$5,000,000 inpatient that could be removed from the cost of the claims. They estimate that \$1.1 million is a reduction in emergency room services. Vera uses CaveGroupers as their data analysis tools to draw out the data.

Sarah reviewed the disease prevalence within the Trust membership. Mike commented that they can address some of the disease states through use of the physical and occupational therapy programs at the clinic. It appears the low back and musculoskeletal claims have a comorbidity of depression.

Vera will create a registry of people with health conditions. They will target those individuals on the registry to try to address their health conditions. They also want to engage plan participants who are not seeing any provider currently. Sarah and Mike commented that they want to reach out to members who are not currently coming to the clinic and/or receiving care through any other provider. Vera can do whatever the Trust wants done. Vera can reach out to a specific department, for example, to get people encouraged to come to the clinic. There may be an opportunity to leverage engagement through the newsletter that is already being sent to plan participants. A coordination of the wellness program and the clinic will be discussed further in the future.

Bob said that the minimum clinic monthly fee is based on 5,000 members. Bob said that if membership falls below 5,000 they will still be required to pay for 5,000 members. Jim Wine is interim City Manager of Williams and Bob is going to talk with Jim. The City of Williams and Williams Schools could potentially consider of joining the Trust together, if acceptable to the Trust. Bob will visit with Jim next week.

Shane asked why there has been an enrollment drop. Bob said there has been an issue with enrollment and he is not certain what the actual enrollment will be going forward. Shannon asked if they could look month over month using historical enrollment data to determine the issues.

Bob is concerned about the Workers Comp and testing fee. Shannon said Vera did not include the pass through costs in their calculation of the \$100 fee charged for each pre-employment test and Workers Comp claim. Shannon is only concerned with the pass through costs (e.g., immunizations, etc.). Bob will call Mike at Vera and ask him to flag the cost of the pre-employment and workers comp pass through claims. Dean said when we talk about billing back to the clinic each employer previously paid for CDL and pre-employment testing. Workers comp is a premium. Shannon is only focused on pre-employment and CDL testing claims.

No action was taken.

B. Discussion and Possible Board Action on Trust Administrator

Bob explained that he has been discussing Trust Administrator services with Ashton Tiffany (AT). Bob told AT that the goal was to look at a July 1' 2016 engagement for their services. Jami is curious what AT is doing for their other pool clients. Bob is going to meet with one of the agencies to find out what AT does for them.

Bob explained that AT has an investment fund that could be used to invest the Trust funds. The investment firm charges through fees on the investments.

Bob will ask Aaron Genaro to attend the next meeting to answer questions on services. Bob explained how they determined Ashton Tiffany may be the right partner to provide Trust Administrator services. The Trust budgeted \$60,000 for a Trust Administrator. Bob said they could go to an RFP for Trust Administrator services. Bob said things can be added and subtracted from the list of services that AT can provide. Katie said that the amount of time she spends on administrative duties is 15-20 percent and the duties that Bob's assistant performs are significant for the Trust and the Trust pays her extra. Shane suggested the Trust engage AT and then assess how they perform. Mike is in favor of hiring AT for one or two years to determine what the Trust wants done over the engagement. Shane would like pressure to be put on the Trust to figure out what the Trust will want done. Bob will send the whole list of AT service items to everyone again.

No action was taken.

C. Discussion and Possible Board Action on the Segal Evaluation

The Trust reviewed the survey on the Segal evaluation. The survey results scores were very high on most items. Concern discussed were fees charged for additional services. It was discussed that overall costs are very competitive. The average score of the survey was 9 of 10. Mike and Bob will meet with Segal to discuss the review.

No action was taken.

D. Discussion and Possible Board Action on the Trust Attorney

Shannon explained that the Committee will meet with three firms face to face to interview them and references will be called. Shannon asked if the Trustees have any questions on the committee review process. No further comment was made.

No action was taken.

E. Discussion and Possible Board Action on the Administrative Manual

Shannon reviewed the changes to the Administrative Manual with the Trustees. Bob has a few concerns with the current language on moving from entity to entity for keeping the coverage into retirement.

No action was taken.

F. Discussion and Possible Board Action on the Three Year Wellness Plan and the Success of the Plan

Katie reviewed the 3 year wellness plan. Katie highlighted the areas in which the program met and did not meet their goals. Katie mentioned that tracking points through the portal have posed some challenges. Katie will research the addition of spouses into the wellness program. Katie will engage the attorney once one is selected to review the program.

Katie said she does not have a good tracking system for attendance at classes. She is hopeful the new portal will rectify this issue.

Katie commented that there are some challenges in coordinating safety and wellness efforts between agencies.

Margaret asked about family participation incentives. Katie said that will need to be a discussion with the wellness committee and it would cost the Trust more money if family members are offered incentives.

The wellness committee is busy building a wellness champion team within each agency.

Jennifer said she has a wellness committee now at FUSD and they have wellness communication boards up at all of their sites. They are currently working on a liaison program. The liaisons will be responsible for making sure the boards are updated and that they provide wellness support information to employees.

Rosa said the College wellness committee is going well. She said they have conducted a survey and they have several activities they are working on including gardening. They are doing fund raisers and are submitting for a grant to support their program.

The City is gathering their wellness champions and they have a few more locations to get those champions in place. They are hoping to get a wellness information board up in every area. They have been coordinating several activities over the summer.

NAIPTA has several activities planned and they continue to add to their wellness resource section.

Katie reviewed the wellness survey results. 722 employees participated in the survey. Respondents said employees have indicated they want refrigerators on-site. Jami mentioned that ice packs could be used in lunch bags. Bob mentioned that the cost of electricity can be an issue.

Margaret said there is a program for financial health that is offered free. Jami asked if there is a savings program that could be provided to students too and Mike said there is such a program.

No action was taken.

G. Discussion and Possible Board Action on the Wellness Points Tracking System

Katie said that she has been struggling with the cost of a points tracking systems. She reviewed the cost of two programs with the Trustees. The wellness committee is recommending one firm.

Dean asked who will maintain the personal identification identifier for plan participants. Katie said she would manage the system as the administrator. Dean said there is a concern with cyber security and the system that is chosen. Dean is concerned because the data for the chosen vendor is stored in Canada. The City and the County want to review the contract and they want all questions asked during the meeting addressed.

Katie reviewed the reasons why the Committee selected CoreHealth.

Katie said that the system is flexible and can be customized. He also commented that the references for CoreHealth were good.

Margaret asked if there will be an integration of the data from the points tracking system to Blue Cross. Katie mentioned that there is a claims integration option but there is an extra cost. Katie said they will have claims data from Blue Cross but it will not be integrated. Katie can share data with Blue Cross if needed. Reporting can be broken out by agency. Vera will be able to upload biometric system screening data into the system. Katie said they may go with less automation to begin with and they may need to add more capabilities later.

Katie presented a demo of the system.

No action was taken.

H. Discussion and Possible Board Action on the Meeting Project Plan for 2015/2016

Amy reviewed the Project Plan. A few modifications were made to the plan.

No action was taken.

I. Discussion on the Review of Action Items and the Timeline

Bob will call Mike at Vera and ask him to flag the cost of the pre-employment and workers comp pass through claims.

Bob will send the whole list of Ashton Tiffany (AT) menu items to everyone again and ask AT to attend the next Trust Board meeting. Bob will meet with one of AT's clients to discuss what services AT provides them. Bob will invite Aaron Genaro to attend the next Trust Board meeting.

Mike and Bob will meet with Segal to discuss their review.

Katie will send a copy of the CoreHealth contract to the City and County for their review. Katie will also follow up with CoreHealth on the questions asked by the Trustees.

4. EXECUTIVE SESSION: None

5. CURRENT EVENT SUMMARIES/ANNOUNCEMENTS: None

6. NEXT REGULAR MEETING: May 19, 2016

7. ADJOURNMENT: 1:38 p.m.