

**NORTHERN ARIZONA PUBLIC EMPLOYEES BENEFIT TRUST**  
**MEETING MINUTES**  
**August 29, 2014**

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

Amy Girardo	Segal
Nathan Myrvold	CVS Caremark
Amanda House	Blue Cross Blue Shield of Arizona

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

Jami Van Ess	Coconino Community College
Bob Kuhn (Chairperson)	Flagstaff Unified School District
Allison Eckert	Coconino County

**The following Alternate Trustees were present:**

Mike Townsend	Coconino County
Shannon Anderson	City of Flagstaff
Jennifer Moore	Flagstaff Unified School District
Margaret Penado	Coconino County

**The following guests were present:**

Katie Wittekind	Flagstaff Unified School District
Heidi Derryberry	Coconino County
Lynn Hill	NAIPTA
Dietrich Sauer	Flagstaff Unified School District
Drew Baecker	City of Flagstaff
Bonny Lynn	Coconino County

**1. CALL TO ORDER                      9:03 a.m.**

**2. EXECUTIVE SESSION**

**The Board voted to go into Executive Session.**

- A. Extension of Wellness Coordinator Contractor**
- B. Appeal**
- C. Discussion of Segal Contract**

**The Board voted to go out of Executive Session**

**3. APPROVAL OF MINUTES              June 26, 2014 and July 15, 2014**

**Unanimous approval of the Meeting Minutes.**

#### 4. ACTION ITEMS

- A. **Discussion and Possible Board Action to Extend the Wellness Coordinator Contract** **Bob Kuhn**

**Unanimous approval of the Trustees to change Katie's title to Wellness Program Manager, increase her pay to \$22.30 per hour, increase her weekly hours to 35, make the pay change effective with the September 1<sup>st</sup> payroll, and perform future evaluations of her performance for an effective date of July 1.**

- B. **Discussion and Possible Board Action on Benefits Appeal** **Bob Kuhn**

**Unanimous approval to deny the appeal as discussed in Executive Session.**

- C. **Discussion and Possible Board Action to Change Wellness Coordinator Title, Job Duties, and Compensation** **Bob Kuhn**

**This item was combined and covered under Item A.**

- D. **Discussion and Possible Board Action on Segal Contract** **Bob Kuhn**

**No action was taken.**

- E. **Discussion and Possible Board Action on CVS Caremark Utilization Report, Clinical Programs, 2015 Formulary Changes, and Step Therapy Program** **Nathan Myrvold**

CVS Caremark explained that Formulary Drug change letters will be sent to plan participants and their physicians in early October and in early November for the Formulary change effective January 1<sup>st</sup>.

Segal will discuss the appeal process with CVS Caremark and will bring back an appeal process for the Trust Board to review for pharmacy claims. Shannon asked that the discussion include the information that CVS will provide the Trustees to review during an appeal and consider during the review process. The Formulary Drug Exclusions list should be posted to the NAPEBT website for informational purposes.

Katie is developing communications on preventative benefits.

Margaret asked what the protocol is if a participant goes to a pharmacy and is refused a drug due to step therapy. Nathan reviewed the list of dates that letters were sent to plan participants and doctors explaining the step therapy program. An option the Board could consider would be to allow a one-time courtesy override so the plan participant can get their medication at that time, and then work with his or her doctor to get the medication changed to a generic. Recently, a pharmacist simply told a plan participant that the drug he/she was trying to obtain was not covered, and unfortunately, did not explain the generic step therapy program to the plan participant. Margaret explained that she is supportive of the plan adopting one override for a 30-day supply of a brand drug. The plan participant would need to call customer care to ask for the override. The pharmacist could then make the change real time. Customer Care is open 24/7 at Caremark.

Amy and Nathan discussed Compound drugs. The conversation on prior authorization for Compound drugs will continue during future meetings. Most compounds tend to be for pain and scars. Bob would like CVS to prepare a letter that outlines the prior authorization process for Compound drugs. The Trustees will review the letter in a conference call in October. Bob, Nathan, and Amy will work on the draft of the letter.

Nathan reviewed the 2013/2014 plan year utilization report.

Nathan needs to check that Specialty Guideline Management (SGM) is being applied to all new drugs in the Specialty pharmacy pipeline. Nathan believes the SGM program is not on auto update.

Nathan will check on what notifications are provided to plan participants when generics move off patent.

Nathan will bring back more information on Specialty drug clinical programs for the Trustees to review.

**Unanimous approval to adopt a one-time courtesy override prior to step therapy for participants to receive up to a 30-day supply of brand medication at a retail location, effective immediately.**

**F. Discussion and Possible Board Action to Approve the Compliance Update      Amy Girardo**

Segal will ask if there are any issues with the City's EAP program, which provides 6 full sessions before services revert to the medical plan.

What vendors does NAPEBT need EDI Certification from? NAPEBT has 4 wellness vendors.

Segal will research how the cost of the onsite clinic will be included in costs for determining the Cadillac Excise Tax.

Social Security Numbers (SSNs) need to be gathered by the employers for all employees and dependents. One of the Trustees asked if it would satisfy the compliance requirements if the employers send a mass email to all employees asking for SSNs?

Amy will post the new Important Plan Information Notices to the NAPEBT website and email the notice to everyone.

Amy will post the new HIPAA Notice of Privacy Practice to the NAPEBT website and email the notice to everyone.

**No action was taken.**

**G. Discussion and Possible Board Action to Approve Modifications to the Wellness Incentives** **Amy Girardo**

Amy presented information to the Trustees on suggested changes by Erwin Kratz, Attorney for Fennemore Craig, P.C. to the 2015-2016 Wellness Incentive Plan (WIP).

**Unanimous approval by the Trustees of the suggested changes by Erwin Kratz to the WIP modifications to the administration of the program and WIP informational flyer for 2015-2016.**

**H. Discussion and Possible Board Action to Approve the Audited Financial Report** **Bob Kuhn**

The audited financial report will be reviewed for approval during the October meeting. Once approved, the electronic copy will be posted to the NAPEBT website.

**No action was taken.**

**I. Discussion and Possible Board Action to Approve the Audit Engagement Agreement** **Amy Girardo**

Amy mentioned that Bob approved the Audit Engagement Agreement and that 2014-2015 is the final year of the 5 year contract.

**No action was taken.**

**J. Discussion and Possible Board Action to Approve the Trustee Retreat** **Katie Wittekind**

Katie has reviewed options for the Retreat location. Cline Library can only be used for NAU.

Merriam Powell Research Facility is \$300 for the use of the conference room for 2 days. It is a little bit out of town.

The Aquaplex is not available for December 3<sup>rd</sup>.

Little America is \$1,050 for the two day use and approximately \$2,000 for food.

Mountain Ranch in Williams has a Yoga studio that could be set up with no charge for the use of the room, but the cost of food would be \$25 for meals and \$12 for snacks. Rooms to stay overnight are also available.

Katie did not check Coconino Community College because last year the room was tight.

Katie was asked to add evening activities to the retreat schedule.

Shannon suggested the Kilted Kat for the retreat location. Katie will check this location.

Katie will also check on the Museum of Northern Arizona.

Katie will re-check the Aquaplex for its availability on December 4<sup>th</sup> and 5<sup>th</sup>.

Bob will make the final decision on location for the retreat.

**No action was taken.**

**K. Discussion and Possible Board Action on the Wellness Program Annual Review** **Katie Wittekind and Amanda House**

Katie and Amanda reviewed the annual wellness program report. The participation of the wellness program has stabilized. Katie also provided an updated Wellness Dashboard report. Katie will post the presentation to the NAPEBT wellness website on Tuesday, September 2<sup>nd</sup>. Katie is checking on a potential subsidy of YMCA memberships. The program continues to struggle with the lack of gym locations in Williams and Page. Katie is exploring discounts and subsidies for gym options for plan participants and will bring that information back to the Trustees.

**No action was taken.**

**L. Discussion and Possible Board Action to Approve the Aquaplex Corporate Membership** **Katie Wittekind**

Katie presented the Aquaplex annual renewal information.

**Unanimous approval by the Trustees of the Aquaplex Corporate membership renewal.**

**M. Discussion on Life Insurance RFP** **Amy Girardo**

Coconino Community College District will assist with the procurement process for the life insurance RFP.

**No action was taken.**

**N. Discussion on Audit and General Accounting RFP** **Amy Girardo**

Heidi from the County will direct the audit and General Accounting RFP process.

**No action was taken.**

**O. Discussion on HIPAA Policy and Procedures Manuals** **Katie Wittekind**

The City and the County are using Segal to assist in drafting their HIPAA manuals. The NAIPTA manual is complete. CCC and FUSD have purchased a manual and need to customize it.

The administrative manual has been reviewed. Katie will make changes and send it to Segal for review, and then it will be sent to legal for review.

**No action was taken.**

**P. Discussion of Vantagen Online Enrollment System**

Bob will schedule a conference call with the Vantagen account representative. Katie will call Rosa at CCC to discuss any issues the College may be experiencing.

The County listed a number of issues that it has had with Vantagen. FUSD said Vantagen is correcting the problems it has experienced. Vantagen has not been responsive to the County. The County is repeatedly asking for information and not obtaining a response. Chris Cosgrove at FUSD said he knew that NAPEBT took the low bidder, so it knew going in that there may be some support issues. There may be differences in payroll systems between FUSD and the County which could be causing some issues.

**No action was taken.**

**Q. Discussion and Possible Board Action to Approve the Meeting Project Plan for 2014/2015** Amy Girardo

A few modifications were made to the Project Plan. Segal will update the Project Plan accordingly.

**No action was taken.**

**R. Discussion on the Review of Action Items and the Timeline** Amy Girardo

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**5. CURRENT EVENT SUMMARIES/ANNOUNCEMENTS**

Northern Arizona Public Employees Benefit Trust members may present a brief summary of current events including communications received. No action will be taken.

**6. NEXT REGULAR MEETING – Friday, November 21, 2014**

**7. ADJOURNMENT – 2:17 p.m.**