

**DYSART UNIFIED SCHOOL DISTRICT No. 89**

**MINUTES: DYSART EMPLOYEE BENEFIT TRUST BOARD**

2010-2011

February 24, 2011

**Location:** Nathaniel Dysart Education Center

**REGULAR MEETING**

Mr. Ed Christy, Trustee, called the regular meeting to order at 4:30 p.m. Employee Benefit Trust Board members constituting a quorum were present: Edward Christy, Matthew Kinney, Julie Halleck, Jerry Eynon and Scott Thompson. Dr. William Roach and Mark Bagnall from the Bagnall company were also in attendance.

Mr. Christy called for public comment; there was none.

Mr. Thompson warmly welcomed new members of the trust board: Ms. Julie Halleck and Mr. Jerry Eynon.

**ACTION ITEMS**

A motion was made by Matthew Kinney, 2<sup>nd</sup> by Jerry Eynon to approve the agenda. **UNANIMOUS**

A motion was made by Matthew Kinney, 2<sup>nd</sup> by Scott Thompson to approve the minutes of the January 27, 2011 minutes of the trust board meeting. **UNANIMOUS**

A motion was made by Matthew Kinney, 2<sup>nd</sup> by Scott Thompson to approve to “Non Grandfather” all medical plans effective July 1, 2011 for healthcare reform. **UNANIMOUS**

There were no claim appeals.

**DISCUSSION ITEMS**

**Old Business**

Regarding revised appeal process and plan documents (both presented at the last trust board meeting):

No comments by the trust board.

Regarding wellness program update:

Mr. Bagnall updated the board verbally and with an attachment of wellness program progress and further plans pending administration approval. Dr. Roach suggested that more sites be added to biometric screening program and that the health fair is to be tied in with this year’s open enrollment process. Mr. Thompson suggested that the group participating in those screens should be contacted for comment and support of next year’s program. Mr. Kinney suggested that an “off site” location for the screens would make the program more attractive.

Regarding the Rx 4 tier RX copays:

Mr. Kinney commented that the 4 tier could be quite a large cost to some employees; Mr. Thompson suggested that this be reviewed by the insurance committee for comment.

Regarding claim experience reports:

Mr. Bagnall reviewed the medical claims experience and noted an 8% increase in overall claims from policy year 2009 vs. year-to-date (7/1/10-12/31/10). The “per employee per month cost” increased 12% for the same period due to increased claims and decreased participants. Trust board members also discussed district contribution strategy regarding the PPO plan.

Mr. Bagnall noted a continued high utilization rate for dental insurance and that this coverage was coming off rate guarantee as of 6/30/11.

## **New Business**

Regarding aggregate medical renewal and possible plan design changes:

Mr. Bagnall first apologized to the board for a mistake made by his firm in last month’s claim projection. He reviewed the revised projection with the board and plan design changes based on survey results. He also suggested a strong case for increased wellness program attention due to the stable district population and increasing claims under the self-funded plan. Mr. Eynon expressed concern about large claim impact on overall experience. Ms. Halleck inquired if the district has considered keeping the plans the same and passing increased cost on to employees, if the district cannot fund the increase. Mr. Thompson indicated that this information was being reviewed by the IBA committee and will be presented to the governing board shortly.

Regarding the domestic partner issue:

Mr. Bagnall presented cost and contractual information to the board. Mr. Thompson suggested this be presented to the insurance committee for input to the trust board and listed as an action item on the next agenda.

Regarding the Investment Policy of the trust:

Mr. Bagnall suggested that, in light of recent issues with other trusts, that the board officially adopt an investment policy for trust assets. Mr. Thompson indicated that all funds are on deposit currently with the County Treasurer and his office was exploring other alternatives to increase yield. He suggested that this issue be delayed for two meetings for further research by his department.

Regarding a dependent eligibility audit:

Mr. Bagnall discussed compelling reasons why the trust may want to conduct an audit to ensure that “qualified dependents” only are being covered. In general, it is felt that anywhere from 2% to 14% of dependents may not be eligible and that substantial claim savings could result by eliminating those dependents not eligible.

Concern about how the audit would be perceived was voiced by Mr. Kinney. Mr. Thompson suggested that the board re-visit this issue two meetings from today.

## **ADJOURNMENT**

At 6:37 PM, motion was made by Mr. Kinney to adjourn, seconded by Mr. Thompson and unanimously passed