

**DYSART UNIFIED SCHOOL DISTRICT
EMPLOYEE BENEFIT TRUST BOARD MEETING
MINUTES OF THE MEETING**

2012-2013

August 22, 2012

Location:
Nathaniel Dysart Education Center

GENERAL FUNCTION

- I. Ed Christy, Trustee, called the regular meeting to order at 4:36 p.m. Employee Benefit Board members constituting a quorum were present: Edward Christy, Julie Halleck and Scott Thompson. Jim Dean, Executive Director of Employee & Community Relations for Dysart Unified School District, and Mark Bagnall from *the bagnall company*, were also in attendance.

ACTION ITEMS

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| 1. Claims Appeal: None | UNANIMOUS |
| 2. Approval to Issue Medical and RX Claim Audit RFQ
Presented by Mark Bagnall. Dysart has been with BlueCrossBlueShield for several years and two and a half years have been self-funded. The claim audit is part of a due diligence process. Request for Quotation is all that is needed at this time. The District has a list of potential vendors who will reply to the quote process. Motion to approve by Julie Halleck, seconded by Scott Thompson. All in favor. | UNANIMOUS |

DISCUSSION ITEMS

1. Upcoming Plan Document and Trust Document Changes (Mr. Thompson)
 - When the Trust was created, we had a different legal firm advising the District. The District is now with Gust Rosenfeld as our main legal firm. This is done through a pre-paid legal service provided for through the Arizona Risk Retention Trust. A new attorney has been reviewing the Trust documents. The issue that has come up is that in statute, in Title 15, which governs K-12 education, that any self-funded Trust established by a school district can only have one member of the Governing Board as a Trustee and one employee as a Trustee. We are in compliance with our Trust documents. We are out of compliance with actual Title 15 due to the fact that Julie Halleck and Scott Thompson are both employees. Mr. Thompson was unaware that this was specifically in law. We need to address this going forward. We do not currently have a large Trust administration staff. It is recommended to the Board that someone with the administrative knowledge of the process is part of the Board and help frame the context. What we would like to do in revising the document is to eliminate Ms. Julie Halleck's position as a Member at Large Position. We would like to incorporate within the Trust document more recognition of committee work, particularly the Insurance Committee., as an official committee of the Trust. The Insurance Committee is the best representation of our staff opinion. The attorney will modify the language of the Trust documents to represent these changes.
 - Other Trust document changes are minor

2. July 1, 2012 Benefit Plan Review and Milestones – presented by Mark Bagnall
 - This information was shared with Administration in planning for the year
 - Recap of 2011-2012 year - we kept HMO plan in place, no rate changes, implemented \$750 PPO plan with Health Reimbursement Account, increased contributions in the Health Savings Account plan
 - Changes to medical plan to enhance benefits – preventative care, the initial visits paid at in-network benefits even if provider is out of network
 - Added an up front \$250 wellness allowance available to participants
 - Added coverage for Vision Therapy
 - Domestic Partner coverage was added
 - We had wonderful support from senior leadership and the Human Resource Department
 - Year ending June 30, 2012, our net savings was approximately \$232,000
 - District FICA savings amounted to \$37,000 as a result of the pretax contributions
 - July 1, 2012 enrollment plan vs. 2011 enrollment plan. Nearly a 70% increase in the HSA plan. HMO \$500 and HMO \$0 both had a decrease in enrollment. Slight decrease in PPO \$750 plan. We believe education to employees was a key component in these changes.
 - We asked people in the enrollment process, “Why did you select the plan you selected?” Most answered “Lowest Cost”
 - Recap on Wellness: Newsletters sent out monthly, vaccination clinics offered, on site healthy pregnancy classes offered, Weight Watchers, financial education class conducted by MetLife.
3. Healthcare Reform Updates (Mark Bagnall)
 - Our big concern is with 2014 and Health Care Reform. The State Based Exchange plans will be available for people to participate in. There will be penalties on businesses whose employees go to the Exchange. There are certain parameters in our coverage that we need to provide to employees in order to not be penalized. Ed Christy asked how this could possibly effect dependent coverage. There are no financial requirements to fund dependent coverage at this time.
4. 2012-2013 Benefit Plan and Timeline Review
 - The dates are out for Trust Board meetings, milestones, etc. for the year. February will begin the discussion regarding new plans. This year we may need to discuss other plans beyond BlueCross BlueShield if they come back with an increase.
5. Domestic Partner Enrollment Results
 - Did some research and we had no one go through the Domestic Partner affidavit process and be certified. There were some questions asked, but no one finished the process. Would like to include in the enrollment process a definition of what a Domestic Partner is.
6. Wellness Program 2012-2013
 - We have gone over this program with administration and the Human Resource Department.
 - Embarking on more elaborate wellness program this year. One thing BlueCross BlueShield has agreed to provide onsite biometric testing.

7. Financial Information

- Claim Experience Review pg. 51
The dollar amount that is in the District Trust was not provided due to the fact that the District is in the middle of closing out last year's books. The final numbers will be given at next meeting.
- Actual vs. Budget report. We are working on modifying this report. We will be taking into account literally the actual HSA contributions and the HRA contributions. These are missing in this report.
- We had our first claim expense over the \$300,000 stop loss. Once a claim hits \$300,000 BCBS comes in and pays the difference. This will probably have some impact on our rates for 2013-2014.
- Dental Plan – nothing new on this plan.

NEW BUSINESS

1. Ed Christy would like to note to send good health wishes to Matt and that his absence has lead to the shortest meeting.

ADJOURNMENT

A motion was made by Ed Christy to adjourn the meeting. First motion made by Julie Halleck, seconded by Scott Thompson, and by a unanimous vote, the meeting ended at 5:24 p.m.