

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

2011-2012

November 17, 2011

Location:

Nathaniel Dysart Education Center

GENERAL FUNCTION

- I. Mr. Ed Christy, Trustee, called the regular meeting to order at 4:38 p.m. Employee Benefit Trust Board members constituting a quorum were present: Edward Christy, Jerry Eynon, Julie Halleck and Scott Thompson. Member Matt Kinney joined at 4:50 p.m. Mark Bagnall and Adam Walter from *the bagnall company* were also in attendance.

ACTION ITEMS

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| 1. A motion was made by Julie Halleck, seconded by Jerry Eynon, to approve the agenda as posted. | UNANIMOUS |
| 2. A motion was made by Jerry Eynon, seconded by Julie Halleck, to approve the Minutes of the August 18, 2011 meeting of the Employee Benefit Trust Board. | UNANIMOUS |
| 3. A motion was made by Julie Halleck, seconded by Ed Christy, to accept the resignation of Jerry Eynon as Trustee. Mr. Christy thanks Mr. Eynon for his service with the Employee Benefit Trust Board. Mr. Eynon thanks the Board for looking out for the best interest of the District employees. As a Dysart Governing Board Member, Mr. Eynon respects the decision of the Governing Board Members to not have a member of the Governing Board also be a trustee. | UNANIMOUS |
| 4. There were no claim appeals to consider. | |

DISCUSSION ITEMS

1. Regarding the Benefit Plan and Timeline Review

The next Employee Benefit Trust Board Meeting to review renewals and evaluation will be Thursday, February 23, 2012.

2. Regarding the United Benefit Advisors 2011 National Health Plan Survey Review – presented by Mark Bagnall

This survey analyzes the four (4) plans currently offered at Dysart. This is the largest survey in the United States. Mr. Bagnall specifically looked at the HMO 500 plan as an example due to it being the lowest priced plan. In most instances our rates are lower than most and fairly competitive with state and industry group. Numbers are still competitive when adding spouse and/or dependent. Mr. Thompson added that as an industry of school districts, very few provide toward family. Clarify: industry group is education nationwide. Mr. Kinney asked if it is possible to look only at Arizona K-12 statistics. This is the missing piece. How do we compare in the state and how do we compare in the education industry in the state? Mr. Bagnall assured he could get these results. Dysart is close to

averages in Prescription Drugs figures. PPO In-network plan has no deductible. This is the most expensive plan for the District largely due to the no deductible. An Action Item will need to be put on next agenda per law effective July 1, 2012. Deductible for Flex Spending Account needs to be brought down to maximum \$2,500.

Per Governing Board approval to move forward, Domestic Partner Coverage will start the new fiscal year, including same sex coverage. Employee education will occur during Open Enrollment in May 2012.

3. Regarding Wellness Program Update

The primary focus is to promote support from senior leadership and get out the first survey. Maternity education class has been added to calendar for January 2012. Also planning onsite mammography to be offered February 2012.

4. Online Tool Demonstration – presented by Adam Walter, Vice President of Business Services and Development with *the bagnall company*.

- *benefitsCONNECT online enrollment presentation*
- *Medical Plan Evaluator presentation* – this is an additional tool to use to aid in calculating what plan is best for employee. This tool is no additional cost to the District.

5. Regarding Financial Information

BlueCross Quarterly Meeting update

Number one hospital admission for the District is pregnancy. A new and improved maternity management program has been reviewed and will be promoted by Human Resources.

Claim Experience Review

Mr. Bagnall had teleconference with Champion/Total Dental. We do not plan to change much with this plan. The Governing Board approved a position to manage and reconcile the benefits accounts. The Trust will not be paying for this position at this time. It is a District Position. We have a healthy beginning balance in this account. We are currently adding to the balance at this point. The District will continue to monitor the balance. What we are going to do with the balance will be discussed at future meetings. The variation in revenue is based on the timeframe that payroll deductions come online (ie: teachers don't come online until August).

Renewal Projections: Medical, Dental and Ancillary Benefits

This is strictly a projection. Actual renewal could vary greatly depending upon “actual claims” between 9/1/2011 and 2/1/2012.

Benefit Design: Health Reimbursement Accounts (HRA)

BlueCross BlueShield presented this as an optional plan. The HRA gives the District the ability to design a plan with varying deductibles along with a health reimbursement account. This may hold employees accountable to the wellness program if there is an incentive to get money deposited by the District into their account. With an HRA, the money is not the employee's money to take with them if they leave, it is the District's money. Mr. Kinney questioned the reimbursement time to the employee – the money should be in the account with no wait time. This is possibly a way to get money back to the employee, without “gifting” the money. This will be a huge education issue, but possibly something to try. The Human Resource Department is already planning to improve the

education of health benefits options to the employees.

Trust Financial Information

Mr. Eynon asked when we will get to the point that we will know what the District's contribution will be. The District is already predicting a 10% increase and will have better information in February 2012 after meeting with BlueCross BlueShield. The District will be having discussions with insurance companies. We need to look at whether or not our four (4) plans are properly laid out. This process needs to be wrapped up no later than April 2012 before Open Enrollment in May 2012. The only thing actively being bid out is the Dependent Audit.

6. Dependent Audit RFP

The Governing Board approved the Recommendation for Approval to Issue and Release Request for Proposal for Dependent Eligibility Audit on November 2, 2011.

Customer service is key in directing this audit in a positive manner.

7. Miscellaneous (no printed material)

Plan Anniversary change to 9/1 The current plan anniversary of July 1 is hard to manage at the time of year when the majority of our employees leave for the summer. Open Enrollment process is hard in May, but would also be hard in August. Mark Bagnall presented that we really cannot have a plan outside of 12 months. We are also dealing with contractual agreements with teachers. Ms. Halleck stated that she feels August is a bad time of year to have Open Enrollment due to this being a very stressful time for teachers. Human Resource needs to be involved in this discussion.

Spousal Surcharges This option was brought to the table for consideration – presented by Mr. Bagnall. This would implement a spousal surcharge for an employee covering their spouse on the employee plan, when the spouse has the opportunity to be on their own employer plan. Mr. Kinney stated that from a PR point, this is not worth the back lash. This discussion was left on the table.

ADJOURNMENT

A motion was made by Mr. Kinney to adjourn, seconded by Ms. Halleck and unanimously passed, the meeting ended at 6:25 p.m.