

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

2014-2015

September 17, 2014

Location:

Nathaniel Dysart Education Center
Dysart Unified School District

I. REGULAR MEETING - GENERAL FUNCTION

1. Ed Christy, Trustee, called the regular meeting to order at 4:02 p.m. Employee Benefit Trust Board members constituting a quorum were present: Edward Christy, Jean Poe arrived at 4:04 p.m., Michele Caruso, and Jack Eaton, Executive Director for Business Services for Dysart Unified School District. Mark Bagnall, from *the bagnall company*, and Cynthia Walter, from *the bagnall company*, were also in attendance.

2. Public Comment NONE
Approval of Agenda
3. Motion to approve made by Matt Kinney, seconded by Michele Caruso. Motion UNANIMOUS
carried.

ACTION ITEMS

1. Approval of Minutes of the August 13, 2014 Regular Meeting UNANIMOUS
Motion to approve made by Michele Caruso, seconded by Matt Kinney. Motion carried.

2. Claims Appeal - None UNANIMOUS

DISCUSSION ITEMS

1. Wellness Update – Presented by Cynthia Walter, *the bagnall company*
 - Upcoming Wellness events - On-site flu vaccinations, Walktober, Spring Slam Dunk, Healthy Pregnancy classes, monthly wellness newsletters, etc.
 - Payroll & Benefits team is seeking to recruit staff at each site to promote wellness
 - Plan to submit Dysart wellness program for recognition as a Healthy Arizona Worksite and as a Valley's Healthiest Employer.

2. Teladoc - Presented by Cynthia Walter, *the bagnall company*
 - Telephone/video consultation
 - No cost to the employee
 - Spanish speaking representatives and doctors
 - Can be offered to all employees or only to employees enrolled in district medical plan
 - If eligible for Teladoc, all dependents can use Teladoc

3. Current Medical Renewal Projection – presented by Mark Bagnall, *the bagnall company*
 - Review and Discussion of Medical Plan Issues
 - Based on the most recent 12 months of claims, the *projection* of claims alone is approximately a 7% increase in renewal rate.
 - One of the challenges the district is facing is how to deal with the 4.3 million increase.
 - Loss Ratios by Plan – The HMO and PPO plans historically have approached or exceeded 100% of the contributions allocated to those plans. Conversely, the HSA plans are relatively low.
 - In general, statistics show that wellness participants are seeing a \$2.38 to \$11.12 reduction in cost. For Dysart, this could mean \$28,000 - \$133,000 if 1000 employees participate in the wellness program.
 - Looking at Plan design, changes that may help soften the blow of increased rates, but keep us competitive in the marketplace.
 - Smoker vs. Non Smoker Rates – can differentiate premiums up to 50% for smoker premium.
 - Looking at possible increases in deductibles, office visits, and prescription drugs to lower the 7% increase in renewal rates.
 - HSA Contribution Alternatives/Strategy
 - Reducing District contributions by \$100 annually.
 - Dollar for dollar match. Gives employees an incentive, as well as additional FICA tax savings to the District.
 - Shift a portion of District contribution from lower deductible plan and add to the higher deductible plan.
 - Wellness/Smoker Premium Differentials
 - Differentiate premiums for the people who participate in wellness vs. those who didn't by certain percentages.
 - Differentiate premiums for smokers vs. non-smokers
4. 2014-2015 Benefit Plan and Timeline Review- Presented by Cynthia Walter, *the bagnall company*
5. 2014 United Benefit Advisors National Health Plan Survey Benchmarking
 - Recap of United Benefit Advisors National Health Plan Survey Results
6. Financial Information
 - Claim Experience Review – Year to Date
 - Trust Financial Information – The Trust ended the year with \$9 Million, down from \$10 Million

ADJOURNMENT

A motion to adjourn the meeting was made by Matt Kinney, seconded by Michele Caruso, and by a unanimous vote, the meeting ended at 5:07 p.m.