

Northern Arizona Public Employees Benefit Trust

Meeting Minutes November 13, 2019

Trustees present: Mike Townsend, Jami Van Ess, Bob Kuhn and Shannon Anderson.

Others present: James Jayne, Colleen Smith, and Mike Penca.

1. Call to Order at 1:10 p.m.
2. Discussion of Northern Arizona Public Employees Benefit Trust (NAPEBT)

a. Structure

The group shared the committee structure that was added by Mr. Townsend as the NAPEBT chair. There was additional conversation surrounding the amount of time dedicated by the Trustees. The idea of hiring a benefits administrator was brought up to assist with the amount of work.

b. History

Flagstaff Unified School District (FUSD) shared the priorities they had identified and shared during a previous NAPEBT meeting.

- RFP for Trust Structure and Operations
- Third party clinic evaluation
- Retiree coverage to begin phase out
- Family coverage is too expensive – different coverage options
- Increase participation in wellness and clinic

FUSD asked for an update on the process of where these priorities are being considered. Shannon Anderson shared the RFP, third party evaluation, retiree coverage and fourth plan for reduced family cost are part of the retreat planned for November 20, and 21, 2019. FUSD had previously expressed requesting assistance in increasing participation in wellness and the clinic, so Ms. Anderson suggested FUSD capture what type of assistance they are wanting and we can have a more global conversation.

Bob Kuhn updated the group on the cooperative contracts found in Utah on Trust Structure and Operations. The group discussed some of the limitations experienced by education institutions that may not also apply to City or County. Since the City of Flagstaff has recently taken on the short term and long-term disability RFP process, Mike Townsend agreed to ask if the County procurement office would be able to assist on the Trust Structure and Operations cooperative contracts.

There was a conversation about the VERA clinic and if the clinic was meeting the Trust's goals. The group discussed the original goals outlined in the creation of the clinic.

- Increase percentage of employees with a PCP given the number of NAPEBT employees without a PCP
- Address modifiable diseases

- Reduction in emergency room visits
- Increase quality of care
- Early detection of health concerns

The Whole Health Model was also a unique wellness concept that was more aligned with the culture of NAPEBT's wellness program and the employers it serves. It stood out from other vendors who increased wellness participation through penalties or a focus on number only.

FUSD staff members asked the other members present what the other NAPEBT priorities are and the group responded with the following:

- Reduce co-pay costs to be more competitive
- Wellness incentive discussion about effectiveness and administrative process
- Control of prescription drug costs

There was a conversation about the number of plans and the differences in plan designs that were created in 2006. Some group members expressed the confusion experienced by employees because it is complicated when there are multiple options to understand the difference. There was also a question asked about how the various NAPEBT employers include their boards or elected officials in the benefit program. The group responded to talk about renewal conversations, budget process and sharing outcomes from tools such as the SHAPE report. There were some additional questions about the current HDHP and the what the 4th plan option might look like. The group shared their various experiences about the level of education surrounding the HDHP. Some suggestion brought forward was education explaining the difference between a HDHP and a PPO plan, additional incentives to drive participation, education resources such as Trust meetings, benefits committee meetings and communication materials created by the committee, employer's supplemental communication materials, vendor resources through agencies such as Health Equity and the Alex communication tool through Baker Tilly Vantage online benefit system.

There was a question about why NAPEBT has not offered more voluntary benefits. Ms. Anderson explained this topic was brought up last year and the benefits committee has been working on this item. The group explained the first benefit they worked on was the Employee Assistance Program since there were some NAPEBT employers that could not offer this benefit. The one currently being worked on is the short-term and long-term disability RFP. Others that were mentioned was pet insurance and AFLAC offerings. The point of doing this work through the consortium is because some of the smaller agencies get little to no responses when seeking these services due to the smaller size of their organization. Doing it tighter provides an economy of scale.

There was a question about how often the Trust evaluates their services. The group shared the procurement process every 5 years. There was discussion about the changing landscape of medical network providers such as United HealthCare and Aetna that may provide other opportunities in future procurement processes. There was also conversation surrounding the benefit consultant RFP process and whether or not procurement processes could be included in the base contract moving forward.

There was a discussion about the various rate structures and what each employer contributes towards premiums for medical, dental and vision. A request was made to obtain a contribution sheet from each NAPEBT employer to share with the group.

The group believed learning about the history of the Trust and some of the processes that have been developed along the way is helpful. A request was made to have a special meeting between the NAPEBT employers once to twice per year. The next time will be during the procurement process for evaluation of the Trust structure and operations.

- c. Intergovernmental Agreement – this item was not discussed
- d. Bylaws – this item was not discussed

3. The meeting adjourned at 2:29 p.m.

DRAFT