

ARIZONA METROPOLITAN TRUST
Final – Minutes of Tuesday, February 24, 2015
Annual Renewal Trust Meeting

Trustees Present:

Dr. Spencer Isom, Chairperson
Bryant Powell, Vice Chairperson
Jeanne Blackman, Trustee
David Fitzhugh, Trustee
Sandra King, Alternate Trustee
Kathy Reyes, Alternate Trustee

Others Present:

Susan Brigham, Appellant
Erin Collins, ECA Inc.
Justin Cook, Pinal County
Ann Coupland, Delta Dental of Arizona
Thomas Doyle, City of El Mirage
Alisa Dugan, Navitus
Christy Eusebio, City of El Mirage
John Frick, Navitus
Tanya Edwards, AmeriBen/IEC Group
Dawn Hailey, City of El Mirage
Mike Hensley, Jones, Skelton & Hochuli
Leo Lew, Pinal County
Chris Mead, Navitus
Cherlene Penilla, City of Avondale
Liz Riley, City of Apache Junction
Brandy Rossiano, ECA Inc.
Mike Schionning, Cheiron
Jaime Schulenberg, ECA Inc.
Gregory Stanley, Pinal County
William Stipp, Buckeye Valley Fire District

1. Call to Order

The meeting was called to order at 10:32 a.m.

2. Dental Claims Appeal

Mike Hensley, the Trust's legal counsel, advised the appellant that the appeal could be heard in open or closed session; the appellant requested that the appeal be held in open session.

Ms. Schulenberg gave an overview of the appeal and reported that the services were denied because they did not meet plan requirements as outlined in the Summary Plan Document. After Ms. Schulenberg's overview, the appellant gave a summary of the appeal and why she thought the claims should be paid.

Trustees and members present discussed the appeal at length reviewing pre-determination processes, the dentists' notes and the approval processes.

Chairman Isom made a motion to adjourn to executive session to receive legal advice regarding the appeal, seconded by Trustee Fitzhugh and unanimously carried.

The Board adjourned to executive session at 10:55 a.m.

The Board reconvened to regular session at 11:20 a.m.

Chairperson Isom asked the appellant to confirm her understanding of the plan's annual maximum, which she said she understood.

Mr. Hensley stated the Trust basically has three options:

1. Grant the appeal;
2. Deny the appeal; or
3. Table the appeal and have the appellant provide additional information.

Should Trustees elect to table the appeal, Mr. Hensley recommended that they give the appellant 10 days to provide additional information.

Chairperson Isom made a motion to table the appeal and directed ECA to provide the additional information from Delta Dental to the appellant and allow 10 days to provide additional information, seconded by Trustee Blackman and unanimously carried.

3. Approval of the October 20, 2014 Special and November 06, 2014 Regular and January 05, 2015 Special Trust Meeting Minutes

Trustee Fitzhugh made a motion to approve the October 20, 2014 Special and November 06, 2014 Regular and January 05, 2015 Special Trust meeting minutes, seconded by Trustee Blackman and unanimously carried.

4. Approval of the October through December 2014 Financials

Trustee Fitzhugh made a motion to approve the October through December 2014 financials as presented at the February 23, 2015 work session meeting, seconded by Vice Chairperson Powell and unanimously carried.

5. Review of June 30, 2014 Audit

Ms. Schulenberg reviewed the June 30, 2014 audit that was completed by the Trust's auditor, Doug Kienitz, and stated that it was a discussion item only.

Trustee Fitzhugh asked how much the trust should keep in reserves; Mike Schionning suggested as a starting point the Trust should keep about 3 months of budget plus the IBNR. Ms. Schulenberg asked if Trustees would like a formal recommendation and discussion to set a reserve goal and they agreed; this item will be scheduled for discussion at the April meeting.

6. Discussion and Possible Action re Membership Renewals

Chairperson Isom made a motion to extend membership to the Town of Youngtown, seconded by Vice Chairperson Powell and unanimously carried.

Chairperson Isom made a motion to extend membership to the City of Avondale, seconded by Vice Chairperson Powell and unanimously carried.

Vice Chairperson Powell made a motion to extend membership to the City of El Mirage, seconded by Trustee Blackman and unanimously carried.

Chairperson Isom made a motion to extend membership to the City of Apache Junction, seconded by Trustee Fitzhugh and unanimously carried.

7. Discussion and Possible Action re New Benefits for 2015-16

Chairperson Isom asked what the recommendation was from ECA regarding new benefits for 2015-16. Ms. Schulenberg recommended the following:

- Keep the current contract with Delta Dental;
- Hold for additional information for Short Term Disability benefits; and
- Offer a self-funded reimbursable voluntary vision plan.

Trustee Fitzhugh made the motion to approve the 2015-16 benefits as recommended, seconded by Vice Chairperson Powell and unanimously carried.

8. Approval of the 2015-16 Vendor Contract Amendments

Ms. Schulenberg reviewed the vendor rates and asked that Trustees authorize the Trust's Chairman to sign the vendor contracts once approved by legal counsel.

Trustee Fitzhugh made a motion to approve the 2015-16 vendor contracts and authorized the Trust's Chairman to sign the contract renewals once they are approved by legal counsel, seconded by Vice Chairman Powell and unanimously carried.

9. Discussion and Possible Action re 2015-16 Benefits and Rates

Ms. Schulenberg reviewed the benefits and rates from earlier in the day and recommended the following:

1. Eliminate HDHP1;
2. Leave the current EPO and PPO plans;
3. Add the PPO Buy Up option with the lower deductible;
4. Revise HDHP2;
5. Keep the rates flat for the Cities of Avondale, El Mirage and the Town of Youngtown
6. Bring City of Apache Junction to the common rate structure;
7. Included a prescription out of pocket max of \$5,600; and
8. Going forward, the rate differentials of the existing 4 entities will remain the same;
9. Eliminate the \$1,000 Dental Plan; and
10. Increase the annual benefit of the existing \$1,500 dental plan to \$2,000.

Trustee Blackman made a motion to implement the recommended benefits and rates, seconded by Trustee Fitzhugh and unanimously carried.

10. Admin Update

Ms. Schulenberg reported that ECA will bring back the Short Term Disability and EAP options to a later meeting. Life insurance may also have to come back to Trustees because of the addition of Buckeye Valley Fire District and Pinal County.

Ms. Schulenberg asked that the entities provide open enrollment dates as soon as possible as the calendar is filling up.

11. Future Agenda Items

- Surplus Goal including Mike Schionning's recommendation;
- Dental Appeal; and
- Outstanding ancillary benefits.

12. Set Next Meeting Date

Next meeting is scheduled for April 30, 2015 at 11:00 a.m. in the City of Apache Junction.

13. Call to the Public

No public was present.

14. Adjournment

The meeting was adjourned at 11:48 a.m.

Respectfully Submitted,
Elena Lacy
Recording Secretary