

Everett School Employee Benefit Trust

Minutes of
November 21, 2005
Boardroom
3:30 p.m.

Attendance

Trustees

Molly Ringo
Sue McCann
John Morrill

Betsy Selders

Kay Nickel

Mike Gunn

Also Attending

Randi Seaberg
Jill Mehner

Absent

Darla Van Duren

Recorder

Susan Sacha

I. Call to Order:

The meeting was called to order by Molly Ringo at 3:35 p.m.

II. Adoption of Agenda:

The agenda was adopted as written.

III. Approval of Minutes:

The October 17th minutes were reviewed and approved as written.

IV. Financial Report

Darla was not able to attend the meeting and provided some written information regarding the financial reports. It was noted that the fund balance in September increased by \$122,896 with an overall increase for the year of \$101,626.

V. Independent Audit Review

Darla provided the trustees with the Independent Auditor's Report and Financial Statements completed by Moss Adams. There were no issues with the audit. It was noted that the report was done in a timely manner and that it went much easier than last year. A motion was made and seconded to accept the audit report. Motion carried.

VI. Annual Report & Budget for the Office of Financial Management

Molly and Darla met with Don Johnson from the Office of Financial Management for a review of the November 16th audit. Everything went well and it was expected that the report would be "glowing". The budget was not available for review but should be within the next few weeks. Once it is received Darla has requested that the trustees review and approve it at the December 12th meeting.

VII. Consultant Report

Jill provided the trustees with the paid claims experience report from January through December, 2005. The report showed a deficit of \$540,000. Jill indicated that this number goes up and down. There was a 20% increase over the last 12 months which is why Mercer had recommended a 20% funding increase. Kay asked if the trustees could see a breakout of prescription claims to see where the 20% was. Jill will do some research and report back.

Metlife, the provider for optional life and dependent coverage, has offered a rate guarantee for two years instead of one year. A motion was made and seconded to accept their offer for a two year period 2006-2007 (December 31). The motion carried.

Discussion about the competitive nature of Everett rates versus WEA was held. Jill said that Mercer wants to assist in making a decision that would be in the best interest of the district's employees. She said that getting claim information from WEA is difficult but critical and suggested that perhaps John could speak with them and get some demographic information. Jill indicated that Mercer has several tools such as a preliminary predictive risk analysis that could be used but they needed to have information from WEA. Molly asked if the trustees were interested in pursuing this and if so John could make a request of WEA. Jill brought this up for future planning knowing this was a concern. John said he could look into it and is in agreement that pre-planning was important. The cost for Mercer to do the analysis would be approximately \$10,000 and would include all the plans plus WEA. Jill said that the analysis couldn't be done without the information from WEA. She will send John an e-mail with the specifics of what she'd need from WEA.

VIII. Open Enrollment Update

Randi reported that the open enrollment went well this year. Trustees agreed.

Flex Plan -- Randi said the total enrollment in the Flex Plan is now 200 including 55 new subscribers. This is a big change from three years ago when there were 50 subscribers. Molly mentioned that HR was considering offering maternity leave workshops twice a year which would probably generate more interest in the dependent care portion of the Flex Plan. The district saves more in FICA tax when employees join this plan.

Randi reported that she should have specific numbers regarding medical coverage for the January meeting. The trends showed that more subscribers are moving from PPO3 to PacificCare and more moving from PPO1 to PPO2 and PPO3.

Medical Health Care Cost Estimator – Jill said this was a spendy tool to figure costs. She will provide more information on it.

IX. Total Health Management

At leadership team Molly asked for "champion" nominations and a nice mix of classified and certificated staff was nominated. Randi provided a copy of the "congratulations" letter that will go out to the nominees. They are being invited to a meeting on Thursday December 8th at CHS library to talk about their important role. Randi and

Molly invited the trustees to attend the meeting. She will send a list of the nominees to the trustees. Molly and Randi will provide leadership team with a more in-depth presentation at the January leadership team meeting. Randi asked if it was possible to make a presentation to the EEA rep council and perhaps to the union leadership group that meets with Carol.

Jill distributed a sample of the disease management summary report and reviewed it with the trustees. This kind of data will provide information on how the program is working. She suggested that the trust might want to look at this type data every 6 months.

X. Calendar Review

Molly reviewed the annual calendar with the trustees.

XI. Other

None

XII. Adjournment

The meeting was adjourned at 4:35 p.m.

Sincerely,

Betsy Selders
Secretary