

Everett School Employees Benefit Trust
Wednesday, September 16, 2015
Minutes

Attendance

Gregg Elder
Adam Goldstein
Susan Lindsey
Jeff Moore
Molly Ringo
Kelly Shepherd

Absent

Sean White

Also Attending

Cris Bosket
Aanya Lee
Rickie Lee Marker-Hoffman
Randi Seaberg
Darla Vanduren

Recorder

Kellee Newcomb

Call to Order

The meeting was called to order by Kelly Shepherd at 4:07 p.m. Introductions were made as there were several employee association representatives (SEIU, EAP, EAEOP) in the audience.

Adoption of Agenda

A motion was made by Molly Ringo and seconded by Adam Goldstein to adopt the agenda as written. The motion passed unanimously.

Approval of Minutes

A motion was made by Gregg Elder and seconded by Susan Lindsey to approve the minutes from the August 25, 2015 meeting as written. The motion passed unanimously.

Trust Audit Update

Darla reported that the annual audit is moving forward and that the auditor has done a partial on-site audit. She explained what he is looking for and said that currently there are no exceptions in the random sampling. She also noted that last year's "hiccup" has not been an issue this year. The goal is for the audit to be completed by the end of September and Darla will provide a draft of the audit for the Trustees' potential approval at the October meeting. She also shared that the Trust is looking at a loss for the end of the year of \$265,000. The group discussed the reasons for the loss.

Jeff applauded the work of the business services and human resources teams in collecting and providing the data for the audit. The Trustees discussed sending a thank you letter to the team members. It was agreed that a letter would be drafted for the Trustees' review, and Darla would provide a list of the names of staff members who assisted. The Trustees also thanked Darla for her many years of work in this area.

Wellness Program Update

Rickie Lee shared the monthly Wellness Program report with the group. She said she is continuing on with the good work that was laid out for her when she came to the district.

Consultant Report

Aanya shared a revised renewal report with the group. The good news is that Group Health Cooperative (GHC) reduced their 2016 renewal rates by 2% because of the long-term relationship and partnership with the Trust.

The group reviewed the scenarios that were discussed at the last meeting including status quo contributions, the increases in rates and what the reserve target should be. Kelly reviewed with the association representatives the decision made at the last meeting to not return to the WEA medical plans because there was no financial benefit to do so and employees would experience the same transition issues as they were now with United Healthcare (UHC). She explained that if the Trust went back to the WEA medical plans, employees would not have the same options as before because Premiera has now adopted formularies similar to that of UHC.

The group discussed the proposed plan options and shared what they thought would be the best options for employees, as well as for the Trust in the future. Concerns were expressed about not knowing what the legislature would do in 2016 and 2017 and choosing a plan that would allow the Trust to maintain enough flexibility to deal with any negative legislation while not leaving too much on the table. They asked Aanya about the possibility of an option for a 6% rate increase and noted that some districts were dealing with 20% rate increases. The Trust is able to offer options that many other districts don't have.

The Trustees asked for input from the association representatives. They talked about the rate increases and how much to pass on to the members. The Trustees explained the subsidies they were able to provide and what the percentage increases were from UHC and GHC. The representatives talked about a 50:50 split as being a less scary option for employees. It was noted that if the Trust had not had the rate lock with UHC, the 2016 rates would have been higher and if the Trust had stayed with Premiera, rates would have been even higher still.

Kelly Shepherd adjourned the meeting for a brief break at 4:57 p.m. so Aanya could provide revised numbers. The meeting was reconvened by Kelly Shepherd at 5:07 p.m.

Aanya presented revised numbers to the group. The Trustees thanked her for creating the revisions with a 6% increase option for both UHC and GHC. With this scenario, the trust is subsidizing more than half of the actual increase for employees. The group discussed potential communications to employees regarding the one time spend down of the reserves to provide the subsidy. A motion was made by Gregg Elder and seconded by Jeff Moore that the Everett School Employees Benefit Trust would supplement the 2016 medical plan renewal rates for employees by 6%. The motion passed unanimously.

Aanya also asked the group to discuss double coverage which affects approximately fourteen employees. She noted that this is not a standard practice in the industry. She said UHC is willing to maintain the coverage but that the Trust might want to consider "grandfathering" this practice in the future. Criss shared the complexities of this issue and said the question of double coverage comes up at every open enrollment. She recommended requesting that staff have consistent coverage. The group discussed asking the employees to align their plans so that they have identical benefits and then advertising for next year that this practice will no longer be allowed. A motion was made by Molly Ringo and seconded by Gregg Elder that starting with the 2016 plan year, participants would be required to choose the same medical tier and same medical coverage. The motion passed unanimously.

In the future the Trustees will spend more time on this topic to further examine and understand the implications to the Trust so informed decisions can be made. The Trustees asked for additional research. Aanya will provide scenarios at a future meeting.

Other

Randi reported that she is in the process of scheduling open enrollment benefit assistance meetings for staff. They hope to also have insurance company representatives attend. The Trustees discussed the need to communicate the name change of the flex plan and what staff will need to do regarding enrollment. Open enrollment communications will mostly be provided online. The Trustees thanked Randi and Criss for their work in this area.

The Trustees thanked the association representatives for attending and asked that they contact the Trustees with any questions.

Adjournment

The meeting was adjourned by Kelly Shepherd at 5:49 p.m.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Adam Goldstein', with a stylized flourish at the end.

Adam Goldstein
Secretary

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