

Everett School Employees Benefit Trust
August 25, 2008
Board Room
4:00 pm

Attendance

Mike Gunn
John Morrill
Wayne Kettler
Susan Lindsey
Molly Ringo
Betsy Selders

Also Attending

Darla Van Duren
Randi Seaberg
Gail Buquicchio
Sean White
Tom Pursley
Melanie Curtice
Howard Byes

Arlene Vollema-Rich
Rene Boswell

Recorder

Susan Sacha

1. Call to Order

The meeting was called to order by Betsy Selders at 1:10 pm

2. Adoption of Agenda

The agenda was approved as written.

3. Approval of Minutes

The minutes from the August 11th meeting was revised and approved

4. Wellness Program Policy (Draft)

Melanie Curtice and Howard Bye from Stoel Rives presented a draft of a Wellness Program policy. Melanie said incorporating external and internal support sets the policy and mindset forward. She feels procedures are necessary and will need to be included but this will occur when decisions are made. Policy No. 460 is an important foundation piece that the Trust didn't have before.

A motion was made and seconded to adopt policy No. 460. The motion passed.

*Policy 460 will be renumbered to #470 due to an existing policy 460.

5. Consultant Report

Tom Pursley and Sean White presented proposed plan renewals and rates for the upcoming plan year to the trustees

2009 Renewals – Follow-up Information

Sean provided follow-up information to questions raised at the prior meeting regarding Willamette Dental, Carena, Health Advocacy and Care Counsel.

2009 Renewal Decision Matrix

Sean provided a document titled "Renewal Decision Matrix". To assist the Trustees in deciding offerings for the Core, External and Internal components of the employee health and well being Sean requested a decision from the trustees on whether to stay with the current state or move to the alternative

option. The trustees agreed to the alternative options for all core programs with the exception of one. Group Health will maintain its current provider services. All items listed under the Additional Cost section of the matrix totaled approximately \$190,000. Items listed under External program were supported with the exception of Health Advocacy (currently not covered).

For the September 22 meeting, Sean will bring recommendations about the Health Risk Assessment and Lifestyle Coaching and provide a Web Portal demonstration.

Incentive Program Design

Sean provided a handout for the incentive program design and reviewed it with the trustees. The design included engagement strategies, guiding principals, range of incentive program options, incentive program evaluation, range of incentive rewards and program engagement percentages and potential ROI ranges.

Part-time Employee Rates

- Sean provided information on the number of part-time employees who were on a medical plan. Full-time employees make up the majority of participants. Of the total employees enrolled on the medical plans forty three have an FTE below .75 and some employees are not enrolled in any medical plan. In addition to the regular rates that full-time employees pay, part-time employees must make up the difference for the reduced dollars the district receives from the State. Mercer feels the current methodology is very defensible and that it's important to have a defensible methodology if the trustees make a change to the current practice. Several suggestions were made, i.e. reducing by 20 - 30% or no increase costs to part-time staff if the state increases their amount to the District. The Trust asked Sean to ...

Cash Incentives for Wellness Program Participation

Melanie said that cash in a de minimis amount (\$100-\$150) would be acceptable but that it would be taxable to employees. She will provide her opinions in a program-by-program format document.

Employee Contributions

Discussion:

- General contribution reduction – already low, setting lower rates could cause an unrealistic precedent.

The running total after the agreed to enhancements puts the reserves in a deficit of \$200,000. Discussion followed. Possible solutions include:

- Elimination of the weight management program
- More employee contribution fees for items such as massage, weight management, tobacco cessation.

Sean will compile the feedback from the Trustees and present it at the September 22 meeting for final approval.

6. Wellness

The trustees approved the 2008-09 Wellness Program budget.

7. Financial Report

The July report reflected a beginning fund balance for this fiscal year of \$11,506,467 an increase of \$3,105,460 from the previous year; a decrease in fund balance for this month of \$(67,427); purchase of three CD's; HMA claims were \$78,000 more this month than July 2007; ESI claims were \$3,211 less this month than last July 2007; and the fund balance this month was \$11,439,040 compared to \$8,511,632 a year ago. Overall assets for this fiscal year total \$12,576,040 compared to \$9,732,632 a year ago.

8. Trust audit by independent auditor – approval

A motion was made and seconded to approve the trust audit by the independent auditor Toyer and Associates. Motion passed.

9. September meeting.

September 15th meeting was moved to the 22nd so Attorney Melanie Curtice could attend.

10. Adjournment of regular meeting

Regular meeting was adjourned at 4:30 p.m.

11. Executive Session

All the Trustees, attorneys Melanie Curtice, Howard Bye and Mercer Consultants were present to discuss a potential legal issue.

The executive session adjourned at approximately 5:30pm.

Sincerely,

Molly Ringo
Secretary