

Everett School Employees Benefit Trust
Wednesday, June 15, 2016
Minutes

Attendance

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

Absent

Also Attending

Cris Boskett
Angie Erickson
Aanya Lee
Rickie Lee Marker-Hoffman
Randi Seaberg
Darla Vanduren
Sean White

Recorder

Kellee Newcomb

Call to Order

The meeting was called to order by Kelly Shepherd at 4:03 p.m.

Adoption of Agenda

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

Approval of Minutes

A motion was made by Susan Lindsey and seconded by Molly Ringo to approve the minutes from the May 18, 2016 meeting as written. The motion passed unanimously.

Wellness Program Update

Kelly noted that this will be Rickie Lee's last meeting with the Trust. They thanked her for her work, and her ability to honor the history of the program as it existed and to build on and add value to that history. The group shared comments that they had heard from staff members about Rickie Lee's time in Everett Public Schools. In her honor, sorbet and cookies were provided.

June Wellness Report

Rickie Lee shared the monthly report with the group including preparations for the transition to a new Wellness Coordinator.

End of Year Wellness Report

Rickie Lee reviewed the end of the year report with the group and noted it is tied to the district's strategic plan. She was not able to include claims data in this report, but will add the recommendation for the future. The Trustees thanked her for the report and the future recommendations.

2016-17 Wellness Program Budget

The proposed budget for 2016-17, which was reviewed at the May 18, 2016 meeting, was presented for approval. A motion was made by Molly Ringo and seconded by Jeff Moore to approve the 2016-17 Wellness Program Budget. The motion passed unanimously.

Financials

Darla reviewed the highlights of the May 2016 financials with the group.

She shared that Bruce Dietrich had replied to the annual audit request in a letter which she read to the group. He said he appreciated the confidence that the Trustees have in him.

Consultant Report

Mercer 2016-17 Statement of Work

The proposed Mercer 2016-17 Statement of Work was presented at the May 18, 2016 Trust meeting. A motion was made by Jeff Moore and seconded by Susan Lindsey to approve the Mercer 2016-17 Statement of Work. The motion passed unanimously.

2017 Medical Proposals

Sean reviewed with the group information regarding the 2017 medical plan offerings. Mercer solicited proposals from Aetna, Group Health Cooperative (GHC) and Regence using the current district plan designs offered by United Health Care (UHC). GHC declined to quote due to the non-GHC population reflecting higher demographic risk. Sean shared that it is assumed that UHC will have a rate increase of 12% and there is a strong chance that the renewal will come in above 12% (the renewal is scheduled to be released toward the end of the July). He said most of the carriers noted the district's higher than average large claim activity.

Regence is unable to match the current plan designs offered through UHC. They provided a proposal of their standard plan designs from their school district pool program. They are unwilling to match our current plan designs as requested by Mercer. The financial comparison for Regence is favorable, but the cost reduction is driven by reductions in benefit value. For example, the lowest deductible is \$750. Their rates are illustrative and subject to WEA and GHC finalized renewals.

Plan designs from Aetna are similar to the district's current plans but do not match exactly. Sean shared how the plans are similar and how they differ. Their rates are also illustrative. Aetna is also offering a \$65,000 wellness/communications/implementation credit and their upgraded concierge customer service model for Everett understanding the need to provide top tier customer service.

The individual plans were reviewed with the group. Sean explained how the carriers are using the district's claims data and how that is influencing the rates. He also noted that claims data will always be a factor in influencing rates. Next steps for Mercer include reviewing the formal WEA renewal release and preparing a financial scenario under this option to be presented in August. They will also receive the UHC renewal at the end of July and update the financial comparison with the actual UHC renewal rates. He also asked if the group would consider a request from Aetna to hold a finalist meeting.

The group talked about the average plans in the industry, how Everett Public Schools is very generous compared to the market in general, and the possibility of eliminating some of the richer plans. The group decided that they would like to include Aetna, the WEA and UHC in the financial scenarios in August. They chose not to include Regence due to the potential disruption to members. It was agreed to add a meeting on August 9, 2016 for Aetna to present to the Trust.

Rotation of Trust Officers

The Trustees discussed the annual rotation of Trust Officers. It was determined that Adam Goldstein would be the chairperson and Jeff Moore would be the secretary for the upcoming year.

Adjourn to Executive Session

The regular meeting was adjourned to executive session by Kelly Shepherd at 6:02 p.m. to review compensation for Trust financial and support services.

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The regular meeting was reconvened at 6:06 p.m. A motion was made by Adam Goldstein and seconded by Jeff Moore to increase the stipend for Trust support staff Darla Vanduren, Trust Accountant and Kellee Newcomb, Trust Recorder comparable to that of the Professional Technical salary schedule increase for the upcoming year. The motion passed unanimously.

Sincerely,

Adam Goldstein
Secretary

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