

Everett School Employee Benefit Trust
Minutes of
October 27, 2003
Room C3
3:30 p.m.

Attendance

Trustees

Jeff Riddle
Betsy Selders
Molly Ringo
Kay Nickel
Sue McCann

Also Attending

Dottie Cainion
Darla Van Duren

Recorder

Susan Sacha

Guests

Melanie Curtice
Don Healey
Curt Haldorson

Absent

John Morrill

I. Call to Order

Jeff called the meeting to order at 3:35 p.m.

II. Adoption of Agenda

The agenda was adopted as presented. Jeff requested an executive session at the conclusion of the regular meeting.

III. Minutes

Minutes from September 29th and October 1st were reviewed and approved as presented.

IV. Review Trust Documents

Melanie Curtice of Stoel Rives provided Trustees with a revised draft of the Claims and Appeals Procedures and gave a summary of the contents. She stated that the document contained recommendations from the September 15th meeting. Discussion followed. Melanie will provide a second draft in early November that will include the following:

- Initial claim determinations and questions will be handled by HMA, Group Health, Pacificare, Unum, Washington Dental, Willamette (Columbia Dental), MetLife and PCN.
- Questions regarding eligibility and enrollment will be handled by the District (HR department)
- Carrier appeals must go through the particular carrier, not the Trust. HMA appeals must first go through their appeals process (level 1 & 2) and then can

be submitted to the Trust if resolution has not been reached. Melanie stressed the importance of letting employees know how and where to submit their appeals. Molly will arrange for Melanie to talk with HMA regarding their appeal process. In addition Molly will make the claims and appeals procedure available on the district website.

- Melanie will develop a flowchart and checklist to assist employees with the claims and appeals procedure.
- Melanie requested copies of any IRS correspondence and filings regarding VEBA. Darla will provide her with the necessary information.

V. Update on Open Enrollment

Dottie reported that enrollment information had been provided to all staff on Monday, 10/20/03. In addition the information and forms are available on the District's website and employees have the option of asking benefit questions via e-mail (benefits@everett.wednet.edu) or by calling the hotline (425-385-4105). Dottie said forms are beginning to come in. A Q&A with commonly asked questions will be added to the web soon. Overall the benefit department is feeling comfortable with open enrollment.

Molly, Dottie, and other district staff visited HMA on Monday. Molly reported that the meeting went well. She said they had the opportunity to meet those individuals who will be working with our account. A weekly conference call has been arranged for Mondays to discuss any outstanding issues or concerns.

Other

Darla informed the Trustees that HMA compiles their claims and notifies her of the cost on a weekly basis prior to taking the money from the Trust's account.

Molly reported that the district needed to have 280 employees enrolled with Unum in order to offer short-term disability. District records were reviewed and it was determined that there were only 190 employees in the program. After further discussion, Unum agreed that 190 would be a more accurate baseline participation requirement. The Trust may need to reevaluate short-term disability in the future.

It was noted that information regarding the 3-tier prescription plan should have been provided when flexible spending was set up. There are some high prescription users that are frustrated with this change.

Don Healy introduced Curt Haldorson. Curt will be replacing Don as the Smith Barney financial consultant in the near future.

Darla gave an update on the audit being conducted by Moss Adams. The minutes have been audited and she will be focusing on finalizing the statements this week.

The state audit has been moved to November 13th. Darla asked for direction on flexible spending reserves. Melanie felt that since it's being handled through the Trust the reserves would be used to offset Trust expenses. Jeff asked that this issue be added to the November agenda for further discussion.

Darla received a fiduciary liability insurance renewal from Marsh USA, Inc. The policy expires on January 12th 2004. She asked for authorization to pay. If there are no changes she will renew the policy. If there are any changes she will notify Jeff.

VI. Next meeting

The next regular Trust meeting is scheduled for Monday, November 17th in conference room C3 at the Administrative Center.

VII. Adjournment

The regular meeting was adjourned at 5:02 p.m.

Sincerely,

Kay Nickel, Secretary

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EXECUTIVE SESSION

Jeff called the executive session to order at 5:02 p.m. He wanted to discuss compensation for the administrative services Darla Van Duren was providing. It was noted that in the past Margaret Templeton, the previous administrator, had been paid for her time. Discussion occurred regarding the appropriate compensation for Darla. It was agreed that Susan would contact Margaret to get an estimate on the amount of time she felt was needed based on her past experience. In addition Jeff will have Jeff Moore check with Darla for her estimation. It was suggested that \$25/per hour be paid retro to July 1. The stipend would be reported on the personnel report as Trust administration and the Trust will reimburse the District.

A motion was made to pay Darla for her work as Trust administrator at a rate of \$25/hour for 20 to 40 hours per month. It was moved, seconded and approved.

The executive session was adjourned at 5:20 p.m.

Sincerely,

Kay Nickel, Secretary

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