

Everett School Employee Benefit Trust

Minutes of
September 15, 2003
Room C3
3:30 p.m.

Attendance

Trustees

Jeff Riddle
Sue McCann
Betsy Selders
Molly Ringo
Kay Nickel

Also Attending

Dottie Cainion

Recorder

Susan Sacha

Absent

John Morrill

Guests

Melanie Curtice
Catherine Hallgrimson
Betsy Pedersen Suydam

I. Call To Order

The meeting was called to order by Jeff Riddle at 3:40 p.m.

II. Adoption of Agenda

The agenda was adopted as presented.

III. Minutes

Minutes from the June 18th and August 25th meetings were reviewed and approved.

IV. Trust Audit

Catherine Hallgrimson and Betsy Pedersen Suydam of Moss-Adams were present to update the Trustees on the upcoming audit. Betsy spoke about the process and Catherine clarified some points. Their procedure will include examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. Betsy noted that the state auditor is not requiring a GAP (Generally Accepted Accounting Principals) opinion. She and Catherine felt that a modified cash basis audit was appropriate for the Trust and would be able to complete it by the end of October. In addition, it was their recommendation that Mercer perform audits on the claims paid by Zenith and PCN on an ongoing basis, possibly testing quarterly, so that there would be a clearer picture of activities throughout the year.

Jeff felt we needed to come up with some projections since using a cash basis approach can be tricky. It was suggested that there should to be some conversation about what needs to be in the reports (in layman terms).

A motion was made to request that Mercer perform modified cash audits of PCN and Zenith on an ongoing basis throughout the year. The motion was approved.

A motion was made and approved to authorize Moss-Adams to perform a modified cash basis audit for the year ended.

V. Appeal Process (Draft)

Melanie Curtice of Stoel Rives was present to explain the draft claims and appeals procedure. As was stated at the August 25th meeting, it was not easy to understand. Melanie assured the group that the document could be modified to make it more user friendly and discussed what should be included. She felt it should be a starting place for employees to help guide them in the right direction. She noted that its important members know they cannot appeal to the Trust if an insured carrier covers them. That carrier is responsible for administering and determining initial claims and considering appeals. If they are insured through First Choice, appeals need to be submitted to Zenith prior to appealing to the Trust. Melanie recommended that directions for filing an appeal be included in the employee insurance booklet.

With respect to appealing to the Trust, Melanie felt it was not necessary to have a form but she recommended setting up a standard format for letters. In turn the Trust would respond with a “form” letter for consistency. Jeff felt it would be a good idea for claimants to refer to the section in the employee booklet that supports their claim. Additionally it was suggested that verbiage addressing a voting deadlock be developed as well as some bylaws. Melanie will make the necessary changes to the procedures document and will provide Trustees with some sample bylaws. She will bring the revisions to the October 20th meeting.

VI. Other

Handout

Trustees reviewed a handout entitled Zenith Administrators and Intracorp Care Management Reports provided by the benefit office and an e-mail regarding monthly premium rates.

Appeal Update

Dottie received an e-mail from an employee who wanted to give the Trust an update on her daughter. She had previously received approval for extending insurance for her as a dependant adult because of a serious illness. However the situation has changed. After reviewing the e-mail it was determined that the daughter no longer qualifies as a dependent. Dottie will notify the employee.

VII. Next Meeting

September 29, 2003 at 3:30 p.m. at the Administrative Center, Room C3.

VII. Adjournment

Meeting was adjourned at 6:00 p.m.

Respectfully Submitted,

Kay Nickel, Secretary

ss