Everett School Employee Benefit Trust

Minutes of
January 26, 2004 (3:30 p.m.)
Room C3

Attendance

Trustees	**Also Attending**	**Guests**
Jeff Riddle	Dottie Cainion	Jill Mehner
Betsy Selders	Darla Van Duren	
Molly Ringo		
Kay Nickel	**Absent**	**Recorder**
Sue McCann	John Morrill	Susan Sacha

I. Call to Order

Jeff called the meeting to order at 3:37 p.m.

II. Adoption of Agenda

Tom Pursley requested that item V. (2004-05 planning session) be moved to the beginning of the meeting and the agenda was adopted with the requested change.

III. 2004-05 Planning Session

Tom and Jill Mehner provided the Trustees with a packet of information that included highlights for 2004, the Trust's strategic structure, a comparison of major medical features and plan highlights for the current district plans, PEBB and WEA and a comparison of insured versus self-insured approaches. Jill reviewed the changes that had been made in the district plan and the comparison of insured versus self-insured approaches. Tom talked about the strategic structure and continuing to locally manage the plan or going to another plan such as PEBB in the future depending on costs. He felt that PEBB should be used as a benchmark by the trust however the trustees felt WEA was a better benchmark. Tom stated that Mercer was thinking in terms of two to three years out and wanted to be proactive rather than reactive. He asked for input from the trustees. Jeff stated that he felt the current arrangement was fine but as costs continued to rise we may need to reconsider. Sue also felt local control was good but that it needed to be cost effective. Kay felt that changes in the current plan went well. The medical card came out in a timely manner which was helpful to staff and it appeared that most employees didn't change plans. In addition the calendar year change was well accepted. It was noted that most people are only interested in their costs so if rates don't increase the trust as an entity is a non-issue. Molly felt that since the new plan has only been in place for several weeks it was to early to look at other possibilities. If it was June and we were looking at a cost increase we may want to look at other possibilities. After further discussion it was decided that the trust would continue as it is. Mercer will continue to monitor WEA and PEBB and keep the trustees informed.

IV. Fiduciary Liability Renewal

A motion was made and approved to renew the fiduciary liability contract. Darla will see if it can be renewed for twenty-four months instead of twelve months.

V. Appeal #03012

Trustees reviewed appeal #02-012. It was felt that it was not a medical expense based on the records that were provided and the appeal was denied.

VI. Other

Approval of Minutes

Minutes from the December 15th meeting were reviewed. A correction was made on page 3 changing fiduciary life to fiduciary liability. The minutes were approved as corrected.

Paid Claims Experience

Jill distributed copies of the paid claims experience and reviewed the report with trustees. Due to the change in calendar year, a fifteen month period of medical claims activity (October, 2002 through December 2003) was included in the report. Beginning in January the report will return to a twelve month rolling report format.

Financial Reports

The trustees reviewed the financial reports for the months of August through November, 2003.

Moss Adams Invoice

Darla informed the trustees that she had received another invoice from Moss Adams. She felt that the invoice amounts they have submitted have put the cost of the audit over what was agreed upon and wanted direction from the trustees regarding payment for the latest invoice. . After discussion it was agreed that Darla would contact Moss Adams and secure an itemized statement and then confer with Jeff.

VI. Next Meeting – February 23, 2004 (Conference Room C3)

VIII. Adjournment

The meeting was adjourned at 6:30 p.m.

Sincerely,

Kay Nickel
Secretary