

Central Washington Public Utilities  
 Special Meeting – Conference Call  
 Thursday, December 11, 2014 – 9:00 a.m.  
**Dial: 877-451-3701 Code: 8110966760**

**1. Roll Call:**

<b>PUD</b>	<b>Trustees</b>	<b>Alternate Trustees</b>	<b>Administrators</b>
Benton	Melina Wenner	Jody George	Jodie Moxley
Douglas	Barbara Davis	Gary Ivory	
Ferry	Marilee Kuehne		
Franklin	Carrie Locke	Sylvia Hubbard	
Grant		Annette Hernandez	Leah Knopp
Okanogan	Don Coppock	Laura Richards	Cindy Lynn-Bartella
Pend Oreille			Anna Layser

Mercer: Lindsey Cronin, Suzanne O’Neil, Unum: Cassie Owens

**2. Additional Agenda Items:** Member Portal Adoption with Premera.

**3. Unum Issues:** Broker O’Neil opened the discussion with the Trustees to share any concerns with Unum Rep, Cassie Owens. There weren’t any new issues that hadn’t already been identified. She also told the Trust that the fastest way for Unum to receive Evidence of Insurability forms is by fax. The Trust cannot encourage employees to use this method when the EOI forms do not include a fax number in the instructions. Cassie is going to report back to the Trust if the fax number can be added to the form. The fax number is (207) 771-4019.

**4. Premera Issues:**

**a. Accumulation Errors:** Chair Shannon and Vice Chair Hubbard, met with Mercer and Premera on December 5<sup>th</sup>. Premera’s reasoning for the accumulator errors is due to multiple issues. Several of these reasons were the plan renewal on August 1<sup>st</sup>, Health Care Reform laws which required the plan start accumulating changes and fourth quarter carryovers. Premera had not previously had any of these issues since the majority of their customers are on a January to December plan year. There were not as many errors as anticipated. During Premera’s review, they found that 71 PPO and 202 CDHP participants could have been affected. Of those, only seven PPO and 16 CDHP claims were actually adjusted.

Another issue that Premera has had is with Express Scripts (ESI). ESI implemented deductible changes incorrectly. The new deductible went into effect August 1, 2014. Approximately 26 refunds were issued due to this error. Going forward, changing to a 1/1 plan year should be much better.

Premera will send out revised EOB's to each person affected by the errors. This will show that their claims were reprocessed. Chair Shannon verified that there would not be these same errors going into next year. Premera was positive that the deductible carryovers and copays counting towards out-of-pocket maximums should not create any issues.

- b. Vision Claims Audit – Frames only:** Premera went back two years on their frames only vision claims audit. They are still trying to determine exactly how much money is owed back to the Trust. Premera will provide a report for each PUD with vision claims. This is a large audit for Premera's investigative unit; therefore this audit could take months.
- 5. Member Portal Adoption:** Broker O'Neil reported that as of December 2<sup>nd</sup>, the Trust reached their goal of 20% for individual's electing to receive electronic EOB's. The Trust will receive \$1 off their admin fees for the next renewal in 2016. The percentage of electronic users by PUD is as follows:
  - a. Benton – 28%
  - b. Douglas – 4%
  - c. Ferry – 1%
  - d. Franklin – 22%
  - e. Grant – 21%
  - f. Okanogan – 15%
  - g. Pend Oreille – 16%
- 6. Migration to CDHP:** Each PUD reported their changes to CDHP during the recent open enrollment:
  - a. Benton – no change
  - b. Douglas – net 6
  - c. Ferry – no change
  - d. Franklin – net 4
  - e. Grant – net 6
  - f. Okanogan – net 6
  - g. Pend Oreille – unknown
- 7. Auto Enrollment to CDHP:** Alternate Trustee George asked the group how they would handle the auto-enrollment to CDHP for new hires. It was discussed that after 30-days, if the employee has not made a selection, they will automatically be enrolled in the CDHP plan.
- 8. HRA VEBA Final Contribution for Retirees:** Alternate Trustee George also inquired as to how different ones calculate the final contribution for HRA VEBA when someone

retirees. Grant doesn't participate so couldn't help, but others are calculating based on years of service.

9. **\$150 VEBA Contribution:** The group discussed the process for receiving \$150 monthly contribution once the personal health profile is completed by newly eligible benefit employees.
10. **SAO Audit:** Trustee Coppock gave an overview of the recent accountability and financial audit performed by the State Auditor's Office. There were several issues from the audit:

- a. Management Letter Items –

- The first letter addresses the lack of validity of claims by the Trust. The Trust was unable to show that we have some type of process in place to ensure that the claims that we pay are for actual employees of our respective organizations (additionally, this was not included in the scope of our last claims audit)
- The second letter addresses the Trust not filing annual reports with the State Auditor's office at the end of each fiscal year.

- b. Exit Items –

- This first was regarding RCW 200-100-038 which asks the Trust to go through a competitive solicitation process for claims administrators (this must be done at least every five years).
- Financial Disclosures in the financial packet (will be addressed by CliftonLarsonAllen).

11. **EIAC:** Vice Chair Hubbard reviewed the EIAC forms and timelines for the wellness event. Okanogan PUD's manager cannot support this wellness event without further information. He is requesting information that will support cost/benefit analysis. Broker O'Neil will do some research and forward information.

- **Vote for Wellness Event:** The topic of the spring 2015 wellness event is tabled and will not be voted on in this special meeting until further agreement can be made. The Trust will reconvene at another date and time.

12. **UIP Meeting Dates 2015:** January 28<sup>th</sup>, April 22<sup>nd</sup>, July 22<sup>nd</sup> and September 23<sup>rd</sup>. Leah will send out appointments to the group.

13. **CDL – Special Testing:** A couple of questions came up regarding CDL physicals; should the Trust be paying for this and if so, only the physical or everything beyond (e.g. sleep studies or anything beyond general maintenance)? Currently, some PUD's are paying for these costs on their own and others are going through the Trust. The group decided that this discussion needs to be added to the agenda for the next quarterly UIP meeting.

The next monthly Administrator's call will be on January 8, 2015.

Meeting adjourned at 11:14 AM.

Approved by Trustees on February 11, 2015

A handwritten signature in blue ink that reads "Darla Shannon". The signature is written in a cursive style and is positioned above a thin horizontal line.

Darla Shannon, Chair