

Meeting Minutes
Central Washington Public Utilities
UIP (Unified Insurance Program) Quarterly Trustee Meeting
Wednesday, April 22, 2015, at 10:00 a.m.
Douglas PUD, Auditorium

Roll call / introductions / additional agenda items:

The meeting was called to order at 10:07 a.m. by Chair Shannon. Those present were:

<u>PUD</u>	<u>Trustees</u>	<u>Alternate Trustees</u>	<u>Administrators</u>
Benton	Melina Wenner	Jody George	
Douglas	Barbara Davis	Gary Ivory	
Ferry	Marilee Kuehne		
Franklin	Carrie Locke*	Sylvia Hubbard	
Grant	Darla Shannon	Annette Hernandez	Leah Knopp
Okanogan			
Pend Oreille	Paul Boxleitner*		

Treasurer: Phil Law, Grant PUD*

Mercer: Suzanne O'Neil, Lindsey Cronin, Jeff Scalph

Premera: Carmen Winters, Trevor Moore, Tyler Allred, Nancy Moore, Geoff Robinson

CliftonLarsonAllen: Connie Olson

* participated via conference call

Introductions:

Premera:

Knowledge Services Report –

Carmen Winters, Trevor Moore, Tyler Allred, Nancy Moore and Geoff Robinson, reviewed the knowledge services report for the period of 12/1/2013 through 11/30/2014. Refer to April 2015 knowledge management consulting report for full details.

Vision Claims Update –

Carmen Winters gave an update on the special investigation for vision claims. She said all but two providers have called in and returned the money that was due back to Premera for unallowable claims. Carmen was told by the investigation team that approximately \$11,000 has been identified. Once the investigation is complete, Premera will have a better understanding of how much money is due back for these claims. Providers may seek reimbursement from employees to cover these costs.

Premera Cyber-Attack –

Trevor Moore updated the Trustees on details around the Premera cyber-attack. Premera was aware of this attack but was told to take specific steps prior to communicating it with subscribers and employers due to the high risk of this attack. Their system was compromised but they do not know of any actual data being extracted from the system. Premera is offering free credit protection monitoring for two years to all Premera members. There likely won't be any additional information shared with affected stakeholders regardless of the outcome of continuing investigations.

Mercer:

Experience Report –

Broker Scalph reviewed the medical, dental and vision data. It was noted how favorable the numbers continue to be. These numbers do not include retirees because those retirees who were left on the plan through 12/31/2014 did not appear to be utilizing the benefits.

Benchmark Reports –

Broker O'Neil reviewed the benchmark reports which covered the following areas:

- Employer profile
- Medical plan prevalence
- Cost, contributions and funding
- Employee contributions
- Coverage eligibility, election
- Strategic planning
- Health reform
- Preferred Provider Organizations/Point-of-Sale (PPO/POS)
- HRA-based CHDPs
- Prescription drug (Rx) benefits
- Health management programs
- Special coverages
- Dental benefits
- Other benefits

Wellness Update –

Lindsey Cronin gave an overview of the current wellness event and a few concerns that she has. She will be sending out an update on those who have completed vision, dental and annual physical exams.

Legislative Update –

Broker O'Neil reviewed the ACA reporting guidelines for both Minimum Essential Coverage (MEC) and Employer Shared Responsibility (ESR). Mercer is unclear on whether the Trust can report by individual PUD or if the Trust will need to report as an entity. Broker O'Neil will contact Mercer's legal contact for further discussion.

Treasurer's Report:

Connie Olson with CLA reviewed the Financial Report in depth, some discussion points are as follows:

- Income Statement – prescriptions are split out
- Statement of Net Position – prepaid insurance looks like nothing in February, but this is because it is the balance sheet and reflects a new 6-month renewal period in March.
- Investments – two new investments were purchased
- Reserve Balances – everything is very healthy here
- Note 4 – Includes accrued interest receivable from the prior page

Connie is waiting for information from State Auditor's Office (SAO) on the stub-year audit since the short 5-month audit will not reflect comparative information. The SAO is trying to schedule the audit for CWPU UIP in May.

- **Motion** was made by Trustee Davis and seconded by Trustee Kuehne to approve the motion to approve the Financial Report from January 1st through March 31st, 2015. Motion passed unanimously.

Trustees:

Chair Shannon noted that in the interest of time, several topics outlined in the agenda would be discussed at a future meeting if everyone was in agreement. No one objected to this approach.

Chair Shannon reminded the group that a new Treasurer will need to be ready to take the position for January 2016.

Meeting Minutes –

- **Motion** was made by Trustee Davis and seconded by Trustee Wenner to approve meeting minutes from February 11th, February 25th, March 3rd, March 26th, April 9th and April 10th. Motion passed unanimously.

Audit Follow-up Item –

Alternate Trustee Ivory reviewed the Management Item issued by the SAO related to validation of medical claims. He spoke with Tim Nies and Phil Law and it was suggested that the Trust Auditor review the top 10 medical claims to substantiate that these claims are valid and belong to individuals on the plan. Trustees discouraged this because knowing employee names and being able to associate that with high cost claims gives knowledge that HR staff does not want to know. The Trust will continue to work with Premera and the Broker on a way to resolve this issue.

Foster Children –

Trustees previously discussed the option of adding foster children to the dental and vision plans since they are already eligible for medical.

- **Motion** was made by Trustee Boxleitner and seconded by Trustee Wenner to allow eligibility of foster children for dental, vision and medical care. Motion passed unanimously.

HRA VEBA –

Chair Shannon and Vice Chair Hubbard discussed the new HRA VEBA enhancements that are being implemented with the new service model. One new feature they will be offering is a debit card. Trustee Boxleitner shared guidance from Gallagher that VEBA debit cards will be issued to all participants but participation to activate this card will be optional.

RFP update –

Vice Chair Hubbard gave an update of the status of the RFP.

Next meeting will be at Douglas PUD on July 22, 2015.

Meeting Adjourned at 3:55pm.

Approved by Trustees on July 22, 2015

A handwritten signature in blue ink that reads "Darla Shannon". The signature is written in a cursive style with a horizontal line underneath it.

Darla Shannon, Chair

Agenda/Minutes Distribution:

Trustees

Melina Wenner
Barbara Davis
Marilee Kuehne
Carrie Locke
Darla Shannon
Don Coppock
Paul Boxleitner

Alternate Trustees

Jody George
Gary Ivory
Sue Nush
Sylvia Hubbard
Annette Hernandez

John Jordan

Public Utility District of:

Benton County
Douglas County
Ferry County
Franklin County
Grant County
Okanogan County
Pend Oreille County

Administrators/Others:

Leah Knopp	Grant PUD
Suzanne O'Neil	Mercer
Jeff Scalph	Mercer
Lindsey Cronin	Mercer
Connie Olson	CliftonLarsonAllen
Lee Colclasure	CliftonLarsonAllen
Tim Nies	UIP Auditor - Franklin PUD
Phillip Law	UIP Treasurer - Grant PUD
Audra Wilson	UIP Assistant Treasurer – Grant PUD
Bob Sebris	CWPU Labor Counsel

CWPU Managers:

Chad Bartram	Benton PUD
William Dobbins	Douglas PUD
John Friederichs	Ferry PUD
Tim Nies	Franklin PUD
Tony Webb	Grant PUD
John Grubich	Okanogan PUD
John Jordan	Pend Oreille PUD

Meeting Notices/Agendas/Minutes posted on www.grantpud2.org/cwpu and sent to:

Shannon Stuber	DES – Risk Management - State of WA
Brian Gray	IBEW Local 77
Steve Hendrickson	IBEW Local 77