



CWPU UIP (Unified Insurance Program)
Special Meeting – Conference Call Minutes
November 8, 2018

Roll Call:

The meeting was called to order at 9 a.m. by Chair Wenner. The following individuals were in attendance:

<u>Public Utility District</u>	<u>Trustees</u>	<u>Alternate Trustees</u>	<u>Administrators</u>
Benton PUD	Melina Wenner, Chair	Jody George	
Franklin PUD	Carrie Locke	Sylvia Hubbard, Vice Chair	
Douglas PUD	Barbara Davis	Gary Ivory	
Ferry PUD	Marilee Kuehne		
Okanogan PUD	Don Coppock		
Pend Oreille PUD	Lloyd Clark		Shanna Rice
Grant PUD	Annette Hernandez	Darla Stevens	
UIP BPA: Stacie Frank	Alliant: Kim Chawes, Kerri Coyle		

Meeting Minute Approval

October 24, 2018 minutes were tabled for the next meeting.

Accounting Services Proposal

Chair Wenner reported that there was only one response to the Accounting Services RFP request which was received from CliftonLarsonAllen. The committee formed to review these responses is currently working on a scoring process and preparing to make a recommendation in the December 6th CWPU UIP meeting. Ms. Frank reported that the initial review indicates a monthly service fee increase of \$200 which would be the 1st increase that CliftonLarsonAllen has had in the last 5 years. Chair Wenner recommended that a 3-year term is reached in order to maintain consistency with this service. Ms. Frank will start the process of a draft agreement at this time in order to move forward to a timely implementation prior to the end of the year. A request for approval of future accounting services contract will be made at our next meeting.

Premera Audit

Ms. Frank reported that the meeting packet that was distributed for prior review gave indication of 3 options to move forward with CTI and the TPA audit. With the request to increase to the number of random samples to 200, CTI has confirmed that it would be necessary for 2 auditors to be on site rather than the one that was initially indicated with the 125 random samples. The following were the 3 options:

Option 1

- Remove 100% electronic screening with targeted samples (\$7,500).
- Random sample of 125 claims
- Cost - \$27,500 excluding one auditor's actual travel, lodging and out-of-pocket costs for onsite audit

Option 2

- Remove 100% electronic screening with targeted samples (\$7,500).
- Increase random sample from 125 to 200 claims (+\$10,000)
- Cost \$37,500 excluding actual travel, lodging and out-of-pocket expenses for two auditors for onsite audit

Option 3



- Remove 100% electronic screening with targeted samples from original proposal.
- Increase random sample from 125 to 200 claims.
- Cost \$35,000, the amount in the engagement agreement (\$27,500 + \$7,500)
- Excluding travel, lodging and out-of-pocket expenses for two auditors for onsite audit capped at \$3,000.

Trustees entered discussion around the 3 proposed options; whether it is necessary to increase the number of samples, the importance of an on-site audit given the lack of transparency we have seen from Premera and a review of the initial approved proposal. Following this discussion Chair Wenner recommended that we move forward with Option 1 which is within the budget that was initially approved and would be statistically sufficient in providing the detail that is needed. Grant indicated they would be comfortable with option 1 or 3. Trustee Coppock leaned toward option 1 as it is a more traditional audit technique. However, he indicated he would also be comfortable with option 3. Pend Oreille indicated a preference toward Option 1. Alternate Trustee Hubbard indicated agreement with either option 1 or 3. Trustee Locke indicated that she liked what Trustee Coppock had to say and would lean toward option 1 as well.

Trustee Locke made a **motion** to move forward with removing the 100% electronic screening with targeted samples, perform a random sample of 125 claims at a cost of \$27,500 excluding one auditor's actual travel, lodging and out-of-pocket costs for onsite audit as indicated above as option 1. Trustee Hernandez seconds the motion which passes unanimously.

Action Items: Ms. Chawes and Ms. Frank will notify CTI of the above decision and initiate the process of a revised signed agreement in order to move forward as timely as possible.

Alliant:

TPA RFP-Next Steps-Chair Wenner requests input in regards to our obligation to reopen the TPA RFP or if it is acceptable to move forward with the results as received in October 2018. Alternate Trustee Hubbard indicated that her and Ms. Frank met with Rebecca Diaz, Franklin PUD Contract Specialist, and her concerns were that we clarify that the initial RFP was requested, received and scored within the guidelines outlined within the CWPU UIP procedures. Her indication was that anything outside of the scope of the initial request, such as additional lines of coverage, would require a new start to the RFP process. Trustee Hubbard reminded the group that it was initially decided that, although we were impressed with CIGNA, there was not enough time to implement any changes without disruption to the plan. It is important that we do not allow too much time to pass before a decision is made in moving forward.

Action Items: Ms. Frank will continue to research applicable RCWs, current written CWPU UIP procurement procedures and report back with findings.

2019 Open Enrollment- Ms. Chawes reported that all documents for open enrollment have been distributed to all member utilities at this time. Benefit Summaries are finalized as of yesterday and will be distributed accordingly. Ms. Frank reported that the emergency room benefit in the Summary of Benefits and Coverage is misleading. It only indicated the facility charge and has no indication of the secondary physician charge that members will incur. Alternate Trustee George requested information on whether Premera will be putting a freeze on the online enrollment site like they have done in prior years.

Action Items: Ms. Chawes is working on finding a solution to correctly indicate the true potential cost of an ER visit and will update the SBC accordingly. She will also follow up with Premera on the timeframe of the online enrollment lock out and will report back to trustees with that information.

Benefits Program Administrator-Update on Work Objectives

Legal Services-Ms. Frank reported that she has reached out to a 4th Attorney's office to request a proposal of their services. Once received, she will provide Trustees with a comparison of the options in order to evaluate which legal services to make available for the Trust.

36 Month COBRA Extension- Chair Wenner has requested that we evaluate the option of continuing COBRA for 36 months for early retirees as well as looking into the option of a separate retiree plan. Benton, Franklin and Grant all indicated that they have an interest in providing some solution for the coverage gap with early retirees. It is requested that Ms. Frank provide the Trustees with a Pro/Con list for both options available as well as working with Alliant to get an evaluation of the impact to the Trust. Further Trustee discussion surrounded the fact that the reason the retiree plan had been removed in the past was due to adverse selection and the high claims cost associated with that plan making it unsustainable at the time. Chair Wenner reminded the Trustees that many of the regulations that contributed to the high cost and adverse selection are no longer concerns. With the current laws surrounding health plans it is no longer an option for plans to have preexisting condition clauses and the state of individual policies are no longer providing a positive alternative for early retirees. Ms. Frank will continue to research the options available.

Interlocal Agreement- Chair Wenner has requested that Ms. Frank assist in updating the Interlocal Agreement in order to establish term limits for Chair/Vice Chair with a plan of how succession should happen moving forward. In addition, Ms. Frank will be establishing our monthly special meetings as regular meetings to simplify the process and allow for more flexibility with what is discussed and approved within the monthly meetings.

Website Updates-Ms. Frank has been working with Grant PUD to update the website. She requested clarification on the future of the site prior to her making additional changes. She questioned whether plan information should eventually be public and if the data will continue to be housed on the Grant website or if a separate website will be established given the strategic planning that has been talked about in the past. Benton and Franklin indicated their preference that the trust plan data not be publicly posted as it is available on intranet within the utilities. Chair Wenner indicated that in the future it may need to be revisited to have an independent website but not at this time.

Vyond Videos-Ms. Frank indicated that she has attended a few webinars for training on the site and will move forward with this as a project she is working on in the background as she has downtime between projects.

WA Paid Family and Medical Leave- Trustee Davis requested clarification on the timeline for determination of a voluntary plan as we are very close to the timeframe of payroll deductions for the state plan. Alternate Trustee Hubbard and Ms. Frank both indicate that there is not enough data released from the Employment Security Department for us to determine the impact of a voluntary plan, what the plan would look like or the administration implications of having one. Ms. Frank continues to research and there is a team established to initiate the review of current plan document in order to have a starting point for a voluntary plan document application.



Next call will be held on December 6th.

Meeting Adjourned at 10:00 a.m.

Approved by Trustees on December 13, 2018

X Melina Wenner

Melina Wenner, CWPU UIP Chair

/sjf