

**Central Washington Public Utilities**  
**UIP (Unified Insurance Program)**  
 Special Meeting – Conference Call (855) 201-9213  
 Thursday, September 13, 2018  
**MEETING MINUTES**

**Roll Call**

The meeting was called to order at 9:00 AM by Chair Wenner. Those attending the meeting included:

<u>Trustees</u>	<u>Alternate Trustees</u>	<u>Administrators</u>	<u>Public Utility District</u>
Melina Wenner	Jody George		Benton PUD
Marilee Kuehne			Ferry PUD
Carrie Locke	Sylvia Hubbard		Franklin PUD
Annette Hernandez			Grant PUD
Don Coppock	Katie Pfitzer	Dana Kincaid	Okanogan PUD
Lloyd Clark			Pend Oreille PUD
<b><u>UIP Benefits Program Administrator:</u> Stacie Frank <u>Alliant:</u> Kim Chawes, Kerri Coyle</b>			

**Meeting Minutes Approval**

**June 29, 2018 Special Meeting Minutes** were reviewed. Trustees discussed the last line on the second page of the minutes does not indicate which Alternate Trustee would be initiating PCORI Fee payment for processing. This should be amended to indicate Alternate Trustee George.

**Motion** to approve the June 29, 2018 minutes following the amendment indicated above was made by Alternate Trustee Pfitzer. Alternate Trustee Hubbard seconded. Motion passed unanimously.

**Outcome/Future Actions:** Approval of the July 24-25, and August 15, 2018 were deferred to the next meeting date.

**GoAnimate**

UIP Benefits Program Administrator (BPA), Stacie Frank, shared that the GoAnimate subscription is to auto renew in September. Kim Chawes reported that Premera has agreed to contribute \$2,500 toward the GoAnimate subscription fee for the 2018-2019 term; however, Symetra is unable to assist the UIP with funding for the subscription due to their legal counsels' interpretation of new rules adopted by the Office of the Insurance Commissioner surrounding client reimbursements. Trustees discussed utilization of the service since acquired and determined that of the six utilities with access, four (4) had either developed training and/or used the subscription for training purposes. Trustees discussed how Ms. Frank in her role as BPA will likely be creating educational clips for all member utilities. Ms. Frank reported that the cost for the 2017-2018 subscription was \$4439 and it is unclear if it will be increasing. Trustee Locke clarified that the subscription, which included six (6) licenses (seats), was approved by Trustees on August 29, 2017. Trustees discussed whether or not an additional seat would be needed for the BPA or if an unused seat previously allocated for another utility who did not have plans to use it could be reallocated to her.

**Motion** to renew GoAnimate for the 2018-2019 subscription with a not to exceed amount of \$5,500 for up to seven (7) seats was made by Trustee Hernandez and seconded by Alternate Trustee Pfitzer. Motion passed unanimously.

**Outcome/Future Actions:** Ms. Frank will work with Alternate Trustee Pfitzer on the renewal of the GoAnimate to ensure it is processed accordingly and that she is added as a user.

### **Open Enrollment**

**Waiver of Coverage/Cafeteria Plan Form** - Ms. Frank reported that she had researched the legal obligations of allowing a waiver of coverage option to members and wage law specified in WAC 296-126-028 indicates that in order to deduct medical expenses from payroll the employee “must expressly consent” to the deduction. Ms. Frank further reported that IRC Section 125 guidelines states an employer providing benefits must give the employee the option to pay premiums on a pretax or “cash” basis. Relative to the definition of “cash” Ms. Frank shared that she had consulted with ThinkHR’s legal team who indicated to her the definition of “cash” “not only includes cash, but also benefits which may be purchased with after-tax dollars, or the value of which is generally treated as taxable compensation to the employee”. She indicated that this definition falls in line with what she has seen in her past experience in the insurance industry.

Ms. Frank stated that based on these findings there are no legal implications associated with requiring employees to participate in coverage; however, it is her recommendation that CWPU UIP members incorporate the pre-tax vs. post tax language into the enrollment form or where applicable the electronic enrollment process so employees can acknowledge at initial and re-enrollment in the plan that they are agreeable to paying the premium pre-tax. Trustees entered into discussion about the rules and if receiving an initial acknowledgement/signature from employees followed by an annual notice of their option to change would be enough to meet this obligation. Ms. Frank reminded Trustees that the Cafeteria Summary Plan Document (SPD) indicates that the option to choose is given on an annual basis but does not specify whether the employee must acknowledge by signature or if a reminder stating they may change their election is needed. Chair Wenner recommended that each utility handle the initial and annual notices in a manner that aligns with their culture and systems. She indicated that Ms. Frank will follow-up with each utility to determine what methods are being implemented and to determine if there is a need for a standard form.

**Outcome/Future Actions:** The general consensus of the group is for the notice to go out at initial enrollment which requires signature and then on an annual basis provide notice to employees. Ms. Frank will provide a standard form and distribute as soon as possible.

**Enrollment Form** - Chair Wenner shared that there is a CWPU enrollment form template that has been created and shared in the past with the Trustees. Ms. Frank will send the template to Trustees to ensure everyone is using the same form. Trustees were informed that if other forms are used by Trustees, they will need to be reviewed and approved by Premera and Delta Dental who both require the forms to be approved and on file at their headquarters before they are used by employers.

**ASO STD Plan Document** - Ms. Frank shared that she has requested Alliant’s assistance in getting an authorization form from Symetra. Ms. Coyle indicated that Symetra is supplying a form for each utility to sign off on and that the form should be available early next week. Chair Wenner reminded Trustees that each utility will need to sign the Symetra’s Hold Harmless Agreement in order for them to provide a plan administration document to the Trust for the Short Term Disability Policy. Alternate Trustee Hubbard requested information as to a cost associated with the STD document. Ms. Coyle confirmed there is no cost from Symetra for this service.

**Outcome/Future Actions:** Ms. Frank will follow-up with Trustees on the process to collect the signed Agreements from them.

**CDL Exam Update** - Kim Chawes reported that Alliant had confirmed that a medical certification for a CDL driver is not part of the ACA requirements as previously reported by Premera and that Trustees would therefore, have the option to no longer cover this expense under the medical plan. Trustees entered into discussion and concluded that there are spouses and employees who utilize this as a benefit outside of their job function. With this understanding, Chair Wenner recommended that the benefit provision remain in the plan.

### **Benefits Program Administrator**

**Access to Vendors** - Chair Wenner reported that she reviewed online access for Ms. Frank with each vendor. She indicated that Premera has confirmed that Trustees have access to identifiable and non-identifiable information and the Chair has access to Rx rebate information as well as some additional data. Chair Wenner requested confirmation from Trustees on the level of access Ms. Frank should have and whether or not she needs access to identifiable data. Trustees entered into discussion and determined that it was in the best interest of the Trust and Ms. Frank to limit her access to non-identifiable information for the time being with the understanding that if there is a need for her to have access to the data in the future Trustees will revisit the decision. Trustee Locke questioned if Trustees would have Ms. Frank review and assist with employee claim issues. Most Trustees indicated that they send employees directly to Premera or refer them to Health Advocate for claims assistance.

**Outcome/Future Actions:** General agreement from the Trustees was established, Chair Wenner will notify carriers regarding Ms. Frank's access to employee related information and data.

**Expenses** - Chair Wenner reported that an expense process for the BPA position has not been established at this point. She indicated that Trustees previously approved travel for Ms. Frank and a few other Trustees to attend the AGRIP Fall Forum in Portland on September 30 through October 1. Chair Wenner requested discussion regarding her level of authority as Chair to approve similar future expenses for the BPA. Chair Wenner suggested that Ms. Frank attend an upcoming SHRM conference that included a session on the upcoming WA Paid Family and Medical Leave program. Trustee Hernandez confirmed that there are a lot of benefit resources available through SHRM and that it would be reasonable for the BPA to be a member. Chair Wenner expressed an interest in understanding if Trustees would want to review and approve attendance on a per occurrence basis. Trustee Locke reminded Trustees that the position was not budgeted for in 2018 and because of this she has reservations about incurring additional cost during the 2018 calendar year for training and memberships. Trustees discussed the 2019 CWPU budget which includes a \$10,000 line item for BPA training and other incidentals. Trustee Coppock recommended that based on the approved annual budget the Chair be given the authority to allocate costs for the BPA within the constraints of the budget. Chair Wenner requests that we memorialize this in order to give the chair the authority to authorize BPA expenses within a budgeted limit. Discussion surrounding whether this discussion in the minutes is enough, if it needs to be an action item with motion for approval, or if it should be added as a CWPU policy. Alternate Trustee Hubbard believes that it should be a motion that we give the authority to the Chair to approve up to the Budget amount.

**Outcome/Future Actions:** Trustees were in agreement that the Chair should have authority to approve expenditures for the BPA and agreed to memorialize a decision relative to the approval process at a future meeting. Chair Wenner recommended that Trustees and the BPA provide an outline of memberships that align with the needs of the UIP to the Chair for consideration. Trustee Locke and

Chair Wenner agreed to incorporate these recommendations into a list. They have asked Ms. Frank to provide recommendations of associations she would like to join that would bring value to her position. Trustee Locke and Alternate Trustee Hubbard indicated that they are developing a monthly expense report for each utility that will include an itemized listing of shared BPA costs.

**Update on Work Objectives** - Chair Wenner reported that an update on work objectives will be a standing agenda item going forward. Ms. Frank reported the following:

- **CTI Claims Audit.** Work has been ongoing with CTI and Premera on the claims audit which has been delayed because Premera has concerns with the release of information to CTI and their interpretation of current contract language relative to audits.
- **WA Paid Family and Medical Leave Act.** Ms. Frank reported that she had reached out to all member utilities to request and gather their questions about the WA Paid Family and Medical Leave Act as there is a face to face opportunity with The Port of Pasco to ask questions directly to the Employment Security Department (ESD) during an open session at their location in October. Trustees discussed the role of the BPA relative to the Act and clarified that the expectation is that she provides a recommendation as to whether or not the CWPU UIP as a whole move forward with a voluntary sick and/or family leave plan. Alternate Trustee Pfitzer reminded trustees that for an employer to have a voluntary plan there is a requirement to put premiums into a separate Trust account for each employee; which is something CWPU does not currently have in place. Discussion ensued regarding the current STD policy and lack of coverage for family leave; the exclusion of represented employees in the count and premium payments for the program until the CBA is reopened; evaluating the size of the utility to determine whether or not the employer premium is payable; and reporting requirements. Ms. Frank indicated that she will continue to research the provisions of this Act and share it with Trustees as information becomes available.
- **Accounting Services.** Ms. Frank shared that the UIP contract with CliftonLarsenAllen expires on December 31, 2018 and requested information from Trustees on the past RFP process, language within the RFP and recommendations on where to publish the RFP. Chair Wenner shared some insight on previous respondents and where to advertise and suggested that Ms. Frank follow-up with Trustees Davis and Coppock for additional information on previous respondents and the RFP process in general.
- **Open Enrollment and Benefits Fairs.** Ms. Frank shared that she has made herself available to all utilities to assist with benefit fairs and open enrollment activities. She shared that her current schedule has her assisting with benefits fairs at Grant and Benton PUDs'. Additionally, she indicated that she is visiting with HR and management at Okanogan, Ferry and Pend Oreille in the month of September. She further shared that the main objective of the visits will be familiarizing herself with the needs of each PUD and to gain a better understanding of the culture at each location. These locations are doing a passive open enrollment so it will likely not be needed for her to make additional trips this quarter.
- **AGRIP Conference.** Ms. Frank reported that she will be attending the AGRIP Fall Forum conference at the end of September.
- Chair Wenner shared that Ms. Frank has been working on transferring files from Benton to Franklin systems. Ms. Frank asked Trustees for assistance locating historical records retained at other PUD's and shared an interest in understanding if Trustees would like all records of the UIP to be collected and retained in a single location so the BPA can ensure they are properly retained and disposed of in a timely manner. Ms. Frank indicated that she would reach out to Alternate Trustee Stevens to determine what records remain at their location and what had already been transferred to Benton PUD. Chair Wenner

suggested that Ms. Frank travel to Grant specifically to go through files that may be there and determine whether they need to be transferred.

### **Life Flight**

Chair Wenner shared that Benton PUD recently received a proposal from LifeFlight to offer their membership to PUD employees at a discounted group rate and believes it could be beneficial to the CWPU UIP as a whole to consider offering the membership in the UIP benefits package. Trustee Kuehne reported that given their rural area Ferry PUD already provides this membership to their employees at no cost to the employee. Pend Oreille indicated they offer the membership as well through payroll deduction. Grant also offers as a voluntary benefit at their benefit fair each year and many employees do enroll. Alternate Trustee Pfitzer shared that that an employee recently used the service and was very pleased with it so employees have been asking about the benefit. Trustees discussed whether or not the membership was eligible for reimbursement through the HRA VEBA Plan. Alternate Trustee Pfitzer indicated she had asked Rich Dickman, the northern territory HRA VEBA Representative, and he advised her that the membership is a VEBA reimbursable expense. Trustees also discussed the membership benefit and how it coordinates with coverage provided within the medical plan. Ms. Frank clarified that the LifeFlight benefit is subject to deductible and coinsurance and with the membership participants are not billed for these costs if the member has not yet met their deductible or out of pocket maximum because any balance remaining is covered under the membership. Ms. Frank indicated that the real benefit is only seen when the claim for the transportation is received prior to the member reaching their total out of pocket limit within the medical plan. Stacie will do a flow chart/flier to assist with understanding how this pays out. Further discussion occurred surrounding voluntary benefits and researching how employees feel about voluntary plans. Trustee Hubbard suggested that the EIAC could participate in the exploration of voluntary benefits.

**Outcome/Future Actions:** Ms. Frank will obtain clarification regarding HRA/VEBA reimbursable expenses eligibility and will create a flow chart that clearly outlines how the membership would coordinate with the medical plan.

### **2019 Wellness Event**

Trustees discussed a shared interest in rolling over the current wellness program event requirements to qualify for the incentive to the 2019 plan year. Trustees were in agreement that by rolling over the activities, it would give the UIP time to evaluate another year of data (provided by Alliant via their IDAP report) as well as time for the BPA to get familiar with the UIP culture and EIAC who will partner with Trustees and the BPA in the development of the Program.

**Outcome/Future Actions:** Chair Wenner agreed to share the Trustees interest in rolling over the program event activities with the IBEW. Trustees at the October meeting and following the discussion with the Union will make a decision on the 2019 event.

### **Claims Audit Update**

Ms. Frank and Ms. Coyle reported on Premera's response to the audit request from CTI. Topics discussed included a request from Premera that the audit period be January 1 – December 31; and limitations identified by Premera within the Administrative Agreement related to targeted claims and 100% electronic screenings. Ms. Coyle indicated that Alliant has been working with Premera on their position relative to the targeted claims portion of the audit. Trustees discussed the purpose of the audit, the importance to the UIP to have 100%

electronic claims screening, and the potential solution recommended by CTI to increase the number of random claims audit to 165.

**Outcome/Future Actions:** Ms. Chawes will report back to Chair Wenner and Ms. Frank the outcome of further discussion with Premera. Ms. Frank will follow up with CTI on suggested contract language for the Premera plan so we do not experience this delay in the future.

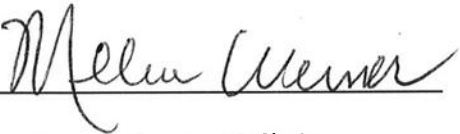
**Q4 Quarterly Meeting**

Chair Wenner reminded trustees that the next quarterly meeting is scheduled for October 24, 2018.

Discussion surrounding the location concluded with an announcement that Grant PUD will host this meeting.

**Meeting adjourned at 10:30 AM**

Approved by Trustees on October 24, 2018

x 

Melina Wenner, CWPU UIP Chair

/sjf