



**Minutes of the Regular Meeting of  
CWPU Unified Insurance Program UIP  
October 23, 2019**

The regular meeting of the CWPU UIP was held at Grant PUD, 30 C Street SW, Ephrata WA 98823 on October 23, 2019, at 10:00 a.m., pursuant to proper notice thereof.

The meeting was called to order by Chair Conover at 10:00 a.m. The following individuals were in attendance:

<u>Trustees</u>	<u>Alternate Trustees</u>	<u>Public Utility District</u>
Melina Conover	Jody George	Benton PUD
Barbara Davis		Douglas PUD
Marilee Kuehne		Ferry PUD
Darla Stevens	Diane Moseley	Grant PUD
Don Coppock	Katie Pfitzer	Okanogan PUD

**Others in attendance:**

CWPU UIP Benefits Program Administrator: Sylvia Hubbard

**In attendance for a portion of the meeting:**

Franklin PUD:	Trustee Carrie Locke, via conference call
Alliant:	Kim Chawes, via conference call
CliftonLarsonAllen:	Connie Olson, via conference call
IBEW Local 77:	Tim Barnett, via conference call

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**Approval of Meeting Minutes**

Vice Chair Pfitzer noted a correction to Ms. Coyle's name on the meeting agenda.

**Motion** was made by Trustee Stevens and seconded by Trustee Coppock to approve the minutes of the October 10, 2019 special meeting. Motion passed unanimously.

**Treasurers Report**

**Trust Income & Disbursements (Q3 2019)**

Ms. Olson reviewed the financial report for the period of July 1, 2019 through September 30, 2019. She pointed out that Premera submitted a payment for the subscription to Vyond in the amount of \$2,500, which will be reflected in October 2019. RX rebate accrual adjustments and RX rebates received are reflected on the Income Statement Claims and Admin Fee Refund line item. Discussion ensued about separating out RX rebates and requested Ms. Olson provide a quarterly report on RX rebates received. Ms. Olson will provide the Trustees with a report of RX rebates received since 2015 following this meeting. Ms. Chawes added that the report from the broker also includes a RX rebate component. Ms. Hubbard added that she will provide the Trustees with an

updated reimbursement form to request reimbursement for flu shot and biometric screening expenses incurred by the utilities.

**Motion** was made by Trustee Stevens and seconded by Trustee Davis to approve the financial report for the UIP Trust for the period of July 1, 2019 through September 30, 2019. Motion passed unanimously.

Mr. Barnett left the meeting.

### **OneBridge Demo**

Ms. Briana Russ, VP Client Relations and Bob Juda, Business Development Consultant of OneBridge joined the meeting at 10:30 a.m. to provide a demo of OneBridge's flexible spending account (FSA). OneBridge administers HRA VEBA claims and as such has the capability of stacking the OneBridge FSA product with the existing HRA VEBA account. This allows members access to a single employee portal (HRA VEBA and FSA) and the use of an integrated benefit card with a build-in intuitive process to spend FSA dollars first. The employer portal allows for census enrollment during open enrollment and individual enrollment for new hires or employees who experience a qualifying event. Participating employers provide an initial deposit of 20% of the annual election amount. OneBridge provides collateral to help educate employees on the benefits of funding an FSA, including the ability to model tax savings. A secure message center was deployed in September 2019 and OneBridge is currently working on providing the employer with single access to HRA VEBA and FSA.

While the Trustees liked the ability of stacking FSA with HRA VEBA, concerns arose about the utilities' ability to pre-pay funds as public entities. Ms. Chawes shared that preloading FSA accounts is typically required.

### **Outcome/Further Action:**

- Ms. Hubbard will explore the requirement and ability of pre-paying FSA accounts and report back to the Trustees.

Trustee Locke joined the meeting via conference line.

### **Broker's Report**

#### **UIP Experience Report:**

Ms. Chawes provided a year-to-date (January through September 2019) overview of plan performance. The medical plans combined are experiencing a 92% loss ratio. The dental plan is running at a 90% loss ratio. A correction to the vision plan loss ratio was noted; the corrected loss ratio for the vision plan is 98%. Ms. Chawes reviewed the report on RX rebates and explained that the rebates are based on the drug mix, rebates Premera has negotiated with drug vendors, and the number of drugs dispensed. Alliant is not projecting an increase in RX rebates as experienced in the past. Prescription drugs amount to 23% of total medical cost. Ms. Chawes reviewed the individual large claims analysis and noted that the plan has not experienced any stop loss violations year-to-date. A review of historical trends indicates a consistent medical trend from \$1,005 PEPM in 2015 increasing to \$1,107 PEPM in 2019. Dental and vision claims are trending downward.

#### **Mental Health Deep Dive**

Ms. Chawes shared that as a follow up to the IDAP report provided in April 2019, Mr. Rothrauff conducted additional analysis on mental health claims. Mental health related cost totaled \$2.5 million in 2018, incurred

mostly by spouses and dependents. The diagnosis of depression has the greatest cost impact to claims, followed by mood and anxiety disorders. Ms. Hubbard shared that she was registered to attend a Mental Health First Aid training on October 21, 2019, to assess if this type of training would be beneficial to bring to the Trustees, but the training was rescheduled due to a safety concern. Discussion ensued about communication to create awareness of resources available.

**Outcome/Further Action:**

- Ms. Hubbard will add the topic of mental health to the EIAC meeting agenda.
- Ms. Chawes will obtain the cost of a mental health visit through Teladoc for further consideration.

**Preventive Dental Exam – targeted outreach**

Ms. Chawes reported that Delta Dental has agreed to reach out to members who have not seen a dentist in the last 12 months via home mailer at no cost to the Trust. The outreach would be launched in January, announcing that preventive dental exams are covered in full by the plan.

**Outcome/Further Action:**

- Delta Dental will send sample communications to Alliant to be forwarded to Ms. Hubbard.

**Premera Subrogation Report:**

Ms. Chawes shared the subrogation report for June 2019 through September 2019. Premera is partnering with Calypso to recoup claims paid for which others are responsible. For the above-mentioned report time, Calypso is reporting ten open cases for a total case amount of \$30,811 and six closed cases with a recovery amount of \$1,165. Year-to-date, a total of \$492,627 was recovered for reasons of coordination of benefits, provider and hospital billing audits, and other recovery methods.

**Outcome/Further Action:**

- Request the Calypso subrogation report be included in future Premera Knowledge Service Reports.

**Diabetic Supply – CDHP plan:**

As reported during the October 10, 2019 UIP Trustee meeting, cost shares for diabetic supplies were applied to CDHP plan members starting January 2018. As a follow up, Ms. Chawes reported that Premera has identified 14 members impacted by this error in 2018, totaling \$1,401 paid by the members in error. In 2019, 29 members were affected paying \$2,447 in error. The correction to cover diabetic supplies in full was made and claims incurred in 2019 will be reprocessed. Ms. Winters, Premera requested approval to reprocess claims incurred in 2018. Premera will issue a letter to affected members.

Trustee Locke and Ms. Chawes, Alliant left the meeting.

**Benefits Program Administrator Report**

**Revised Procurement Policy**

Ms. Hubbard reviewed the revised procurement policy, which was revised to include purchase authorization *limits* for the UIP Chair and Vice Chair, and requiring vendors to produce a W-9. Ms. Hubbard will retain the W-9s provided by the vendors.

**Motion was made by** Trustee Coppock and seconded by Trustee Stevens to adopt the revised procurement procedure. Motion passed unanimously.

### **Washington Paid Family & Medical Leave (PFML)**

#### Voluntary medical plan application update

The voluntary medical plan was filed with the Employment Security Department (ESD) on September 24, 2019. No response has been received from ESD but is expected any day.

#### Voluntary medical plan timeline update

Ms. Hubbard reviewed the timeline updated with the status of tasks identified in the timeline. The goal of an approved voluntary medical plan is slightly behind schedule.

#### Phase 6 Rulemaking

Ms. Hubbard shared proposed rules included in phase 6 of the rulemaking process that are of significance, such as the option to provide supplemental benefit payments, amendments affecting voluntary plans, determination of workweek hours, and benefit calculation. Discussion ensued about benefits offered while an employee is absent from work on approved paid family leave.

#### **Outcome/Further Action:**

- Ms. Hubbard will provide a list of benefits split in two categories: 1) benefits required to be offered under state and federal laws, CBA, or policies while on paid family leave and 2) benefits that can be offered per employer choice.

#### Leave Policies

Ms. Hubbard alerted the Trustees that existing District leave policies may be impacted by the PFML and should be reviewed.

#### **KrowdFit Implementation**

Ms. Hubbard shared that KrowdFit will be available to employees and their covered dependents, age 13 and older starting January 1, 2020. Ms. Hubbard reviewed the implementation schedule, including tasks and due dates associated with the implementation. Vivacity will coordinate with Premera to provide KrowdFit with the eligibility data file by December 23, 2019. Eligibility can be updated via weekly, bi-weekly, or monthly data feeds. Each utility will need to identify an administrator to view reports and create wellness challenges. Training will be provided to the administrators two weeks prior of implementation.

#### **Outcome/Further Action:**

- Ms. Hubbard will request that eligibility data will be transmitted to KrowdFit weekly.
- Trustees will provide Ms. Hubbard with the name and contact information for their administrator.

#### **2020 Wellness Program**

Ms. Hubbard explained that for the last several years, employees participated in a three-part wellness event, comprised of 1) onsite biometric screening, 2) one preventive office visit, and 3) one local wellness event. The

wellness program runs from December 1 through November 30. She recommended to roll the 2019 three-part wellness event and provided the 2020 CWPU Wellness Program Event sample announcement. Discussion ensued about engaging the Employee Insurance Advisory Committee (EIAC) to discuss wellness program design ideas.

**Motion** was made by Trustee Coppock and seconded by Trustee Stevens to roll the 2019 three-part wellness event to 2020 to qualify for the 2021 wellness incentive and to engage the EIAC in future wellness program design in 2020. Motion passed unanimously.

**Outcome/Further Action:**

- Ms. Hubbard will add the utilization of Catapult for onsite biometric screenings to the EIAC meeting agenda.

**2019-2020 UIP Calendar:**

Ms. Hubbard developed a UIP calendar, including meeting dates and agenda items, contract renewal dates, compliance due dates, and initiatives and tasks. Trustee Coppock noted a change to the due date by which financials have to be provided to the State Auditor. Per procurement policy, the Trustees added the issuance of a request for proposal for Section 125 Flexible Spending Account and broker services to the 2020 UIP calendar.

**Outcome/Further Action:**

- Ms. Hubbard will make additions/changes to the UIP calendar as stated above.

The Trustees agreed to meet at Douglas PUD for their next quarterly meeting on January 22, 2020.

With no additional items to discuss, Chair Conover adjourned the meeting at 2:40 p.m.

Approved by Trustees on December 12, 2019.

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Melina Conover, CWPU UIP Chair