Committee Members Present
Dr. West
Anna Maiden
Dr. Stegeman
Dr. Rodriguez
Wilette Diggs
Mark Clark (arrived at 5:45)
Bob Harbour (arrived at 6:20)

Others Present:
Renee LaChance – HR Director of Employment
Christina Cruz --Senior Accounting Manager
Andrea McDougall – CEO, Benefix Solutions
Les Lauen – Record Keeper

MEETING CALLED TO ORDER
Dr. West called the meeting to order at 5:35 p.m.

QUORUM - A quorum was present.

<table>
<thead>
<tr>
<th>INFORMATION / ACTION ITEM</th>
<th>MOTION</th>
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<tbody>
<tr>
<td>CALL TO THE AUDIENCE</td>
<td>No one requested to speak.</td>
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<tr>
<td>Meeting Minutes</td>
<td>Dr. West asked the Board to review the minutes and discuss if needed. Wilette Diggs mentioned that her name was misspelled. Dr. West suggested that it be corrected.</td>
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Wilette Diggs made the motion that the minutes be approved with the correction. Ms. Maiden seconded the motion. Motion passed 4-0.
Old Business

Review Financials
Christina Cruz presented the financials and reviewed questions raised about the March financials regarding membership numbers, culled accounts, and IEC. Ms. Cruz also reviewed the April financials, calling the Board’s attention to some large claims, providing details about the supplemental financial document she had provided regarding Rx and medical outlays, and explaining UHC and AmeriBen deal with fees differently, which has resulted in lower fees with UHC.

The Trust Board discussed the financials.

Dr. West asked Renee LaChance to find out more regarding the high claim mentioned by Ms. Cruz and to provide the information to the board.

Adoption of the Employee Benefits Trust Agreement/Action
Dr. West said the EBT received clarification about the Trust Agreement from Julie Tolleson, TUSD General Counsel, and called the board’s attention to the document provided to them. Dr. West asked if there was any discussion regarding accepting the agreement. There was no discussion.

The Trust Board discussed the agreement briefly. Dr. Rodriguez said she understood that the Governing Board has the authority to dictate the agreement whether or not the EBT approved it.

Dr. West asked if the EBT wanted to approve the agreement and asked for a vote.

New Business

Clarification of how Health Care costs are being spent in TUSD
Dr. West asked Andrea McDougall to re-introduce herself to the EBT and to address the topic of how health care costs are being spent in TUSD.

Andrea McDougall explained she is overseeing the Benefits Department as a consultant and gave details about her broad benefits experience. Ms. McDougall reviewed benefits activities this year, including ACA information submissions, sending out 1095C forms to employees, and preparing for the upcoming Open Enrollment.

Ms. McDougall then distributed handouts giving historical trends in Rx and medical costs in the district for the past three years and referred to the same information projected on the screen.

Mark Clark made the motion to accept the financials. Dr. Rodriguez seconded the motion. Motion passed 5-0

Mark Clark made the motion to accept the agreement. Dr. Rodriguez seconded the motion.

Motion passed 5-0
Dr. West said he was concerned the net costs have remained about the same over that period of time and that the EBT would like to know why.

Ms. McDougall reviewed details from the last five insurance years, pointing out the flat lined costs during that five year period resulted from a decrease in membership even though prescription drug costs went up 55%. Dr. West explained how very expensive new drugs were driving up the overall costs of prescriptions.

Ms. McDougall reviewed the district’s $250,000.00 budget for participating in the Wellness Council of Arizona (WELCOAZ) this insurance year and said 300 people had signed up for the Wellness Incentive Program which will save them $300.00 on the total cost of health insurance next insurance year.

Dr. West asked if Human Resources had ideas of how to get more people involved in the program. Ms. Maiden said those ideas will be given in the presentation on open enrollment.

Renee LaChance explained the 300 people who have signed up for the Wellness Incentive Program are only a fraction of the number of employees who are actually involved in the wellness programs around the District, which includes a variety of fitness activities as well as one-on-one health coaching. Ms. LaChance also said Human Resources and Benefits personnel are meeting monthly with WELCOAZ to plan changes with the expectation of increasing participation.

Dr. West asked what changes were in the works. Ms. LaChance said the district and WELCOAZ are expanding the list of items/activities that will help employees qualify for the Wellness Incentive Program. Ms. McDougall said optional outcomes programs, such as lowering blood pressure to a target rate, are also being considered among the qualifying activities.

Dr. West asked how the district plans to communicate the program to the employees. Ms. Maiden said the district will use some of the excellent web tools, such as Facebook, to help promote the program. Ms. Maiden also said the program will be heavily stressed during open enrollment and that wellness coaches will help promote the overall wellness plan as well as the Wellness Incentive Program.

Ms. McDougall said the wellness coaches estimate that about 2,500 employees are participating in one-on-one health coaching, exercise classes, and the Wellness Incentive Program.

The Trust Board discussed the wellness program.

Dr. West said the District needs to communicate better with employees to explain how much the EBT is contributing to keep the costs of insurance premiums low. Ms. Maiden said the goal is to add more information like that to the Benefits web page.

Dr. Stegeman asked if the plan is to initiate outcomes-based options for the coming year. Ms. LaChance said the District is considering it and is discussing it with WELCOAZ in the coming weeks.
Andrea McDougall said she was concerned about the poor customer service employees have reported when contacting UHC, and she recommends UHC invest more in providing better customer service.

Dr. West confirmed that Bob Harbour will present the Trust Board information and recommendation for the 16-17 plan to the Governing Board on June 14.

Clarification of how Health Care costs are being spent in TUSD

After distributing a handout containing open enrollment information to the EBT, Andrea McDougall reviewed the information and said the revised benefits handbook will have more complete information than was provided in the past. Ms. McDougall stressed the need for employees to take a high tech approach to monitoring their own benefits accounts in the future.

Mark Clark asked how employees respond to using technology. Ms. McDougall said that enrollment for the coming year is all online, just as it was for 15-16. Ms. Maiden said the District is helping employees use technology more frequently and effectively. Ms. McDougall said the plan is to combine the high tech approach with more traditional forms of communication to ease employees into using technology.

The EBT discussed life insurance changes that will come into effect in the 16-17 plan year.

Andrea McDougall said the District can expect IRS auditors to look more closely at enrollment information and materials with regard to ACA stipulations. Ms. McDougall explained open enrollment is an opportunity to close up some of the gaps with regard to the levels of participation in the insurance coverage, and she said that an active enrollment will help TUSD document if and why employees choose or waive coverage.

Ms. McDougall pointed out specific aspects of open enrollment, noting dates and locations where employees could get assistance with enrollment. Ms. McDougall explained the key open enrollment message focuses on the value of the benefits, including the wellness program.

The Trust Board discussed the positive aspects of getting employees to migrate to the high deductible plan.

Dr. West said open enrollment will run from early July through the first week of August.

Ms. McDougall said a Health and Wellness Fair is to be held in August involving sixty or more vendors as part of open enrollment.

Dr. West asked for a possible date for an August meeting. Ms. Maiden suggested August 15.

Dr. West announced to the EBT he plans to retire from the Board in June and would like the EBT to begin searching for a replacement.
There being no further business, Dr. West adjourned the meeting at 7:20 p.m.

Approved this _______________ day of ____________.

TUSD EMPLOYEE BENEFITS TRUST BOARD

By ________________________________

Dr. Neil R. West, Chairperson