## MINUTES

### Committee Members Present
- Dr. Neil West
- Anna Maiden

### Committee Members Absent
- Robert Harbour
- Dr. Stegeman

### Others Present:
- Christina Cruz -- Senior Accounting Manager
- Janet Underwood -- Benefits Manager
- Les Lauen -- Record-keeper

### MEETING CALLED TO ORDER
Dr. West called the meeting to order at 5:30 p.m.

### QUORUM
- A quorum of 3 was present. Bob Harbour arrived a few minutes later.

### CALL TO THE AUDIENCE
- No one requested to speak.

### INFORMATION / ACTION ITEM

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**Meeting Minutes**

Dr. West asked for a motion to approve the minutes of April 6, 2015.

**Financials**

Dr. West asked for the financials account.

Christina Cruz presented details from the April financials and noted that she needs the IBNR this month. She asked Janet Underwood to request the IBNR from Buck.

Janet Underwood agreed to make that request.

Dr. West raised the issue of the Board’s return on its investments and asked if we could get any better interest rates. Bob Harbour said he was concerned that the Trust Board is not investing in the best way.

Dr. Stegeman made the motion to approve the minutes. Ms. Maiden seconded the motion. Motion passed 3-0.
Dr. West asked if the Board should have Wells Fargo come to the next meeting. Dr. Stegeman replied that he would prefer to get advice from someone objective, perhaps from a credit union.

Dr. West noted that the Trust Board should discuss how to make better investments at the next meeting.

Dr. West asked if there was a motion to approve the financials.

New Business
Pharmacy Audit Results
Dr. West moved the review of the pharmacy audit ahead in the schedule to allow the Board to call Robert Ferraro, Principal, National Pharmacy Practice with Buck Consultants.

Mr. Ferraro referred to the executive summary of the pharmacy audit as he reviewed the information. He noted that Caremark’s internal audit resulted in their repaying the district $16,542.73. The current pharmacy audit indicated that Caremark owed TUSD an additional $20,862.27.

Dr. West asked for the timeline in TUSD’s being repaid. Mr. Ferraro said it should happen within six weeks.

Mr. Ferraro recommended that TUSD continue to audit their providers. Dr. West stressed that the board be consistent and watch for irregularities. Mr. Harbour asked what the district could expect for the current year, since the audit was for the past insurance year. Mr. Ferraro said he expects Caremark to self audit using the criteria set forth in the audit just completed.

Dr. West asked if the Trust Board should ask for a pharmacy audit every other year and do other audits as well. Mr. Ferraro agreed with that idea. Mr. Ferraro further recommended the district complete a dependent eligibility audit, noting that divorced spouses and non-dependent children are very frequently being covered by employer insurance plans when they should not be.

Dr. Stegeman asked how the Board would be informed of the previous year’s audit. Mr. Ferraro said Buck will inform the Board.

Dr. West thanked Mr. Ferraro for the presentation, and the phone call ended.

Interim/Replacement Chairperson
Dr. West said he had told Ms. Maiden that he would be willing to chair the Board for a few more months.

Dr. Stegeman recommended that the Board also have a vice-chairman. Dr. West agreed.
Mr. Harbour and Dr. West both emphasized that the Trust Board should recruit three more members. Janet Underwood explained the candidates could apply for the positions.

**EBT Agreement with Governing Board Change**

Dr. West asked if the Trust Board now needed to approve the new EBT Agreement with the Governing Board. Ms. Maiden said the Trust Board did need to approve it.

Dr. Stegeman asked what would happen if the Trust Board did not approve the change requiring Trust Board members to live in the TUSD district boundaries. Ms. Maiden replied that in that case, the agreement would have to be sent back to the Governing Board.

After some discussion about the new rule, Dr. West asked if there was a motion to approve the agreement.

A discussion of the agreement followed the vote, and Ms. Maiden said she would take it back to the Governing Board and express to them the Trust Board’s concerns.

**TUSD Plan for 2015-2016: Medical/Pharmacy, Dental, Vision, EAP- RFP Awards**

Janet Underwood explained the big change in the insurance plan was that the new third party administrator will be United Health-Care, which includes Optum Pharmacy, Optum Bank, and Optum HSA.

Dr. West asked how United will manage the cost of insulin. Janet Underwood said the plan can maintain a zero copay; however, Buck has warned against covering brand names.

Dr. West noted that the Trust Board needs to have a discussion with United about zero copay for health maintenance and asked if the Trust Board may review the UHC contract and the escalation clause. Ms. Maiden said the Trust Board can do that. Janet Underwood explained that the RFP is essentially our contract with UHC. Ms. Maiden said a copy of the contract will be provided to the Trust Board.

**TUSD Plan for 2015-2016: Upcoming RFPs**

Ms. Maiden said RFPs for stop loss and for a consultant are coming up. Janet Underwood
agreed, explaining that every five years the district is required to submit those for bids.

Janet Underwood reviewed a handout giving details expected to be part of the stop loss RFP.

Dr. West said the Trust Board has enough reserves now to cover big losses and those who bid on the RFPs should understand that the Board is interested in covering initial costs rather than paying out premiums.

Ms. Maiden asked if anything else besides pricing should be included in the RFPs. Dr. West said that it is necessary to make sure that the language in the contract does not preclude self-insuring.

Janet Underwood asked if anyone could serve on the RFP committee. Dr. Stegeman agreed to work on that committee.

Ms. Maiden reviewed the parameters of the consultant RFP.

Dr. West noted the Trust Board needs the consultant to be able to help TUSD determine how to move ahead with a self-funded plan and asked which consultants would be able to provide that kind of service.

Ms. Maiden said the Trust Board is looking for a consultant with a specific skill set, good customer service skills, is local, and is experienced.

Dr. Stegeman said he would like to have someone come talk to the board who understands actuarial responsibility.

Dr. West said the vendor should be able to plan ahead and be able to adjust for employment needs. Dr. West asked if every consultant has a 90 day out. Ms. Maiden said the Trust Board can make sure the consultant chosen does.

Dr. Stegeman said he would like the program to have a biometric component that would reward people who have good biometrics without their having to do other things.

Ms. Maiden said an RFP will be issued for the consultant this month.

Dr. West agreed to be on the consultant RFP committee.

**TUSD Plan for 2015-2016: 15-16 Plan Rates Set**
As for the 15-16 premium rates, Ms. Maiden said there are no rate increases.

Janet Underwood explained the wellness incentive program, and a general discussion followed.

**Future Trust Board Meetings**
Ms. Maiden mentioned that the board would probably not be able to meet again until the end of August.
A discussion followed during which the Trust Board members emphasized that they would like to see the RFP details.

The Trust Board agreed to meet at 5:30 on August 31, 2015.

Dr. West recommended each Trust Board member identify two candidates as possible future members of the board.

Mr. Harbour asked how members are selected. Dr. Stegeman said the Trust Board would make recommendations to the Governing Board.

Dr. West suggested the Trust Board meet by phone to talk about who has submitted applications and recommended the phone meeting take place July 20, 2015.

Janet Underwood noted the Trust Board would need to inform Mary Alice of the plans.

Mr. Harbour asked if the Trust Board would have to identify the applicants as living in the TUSD district boundaries. Dr. West said it would be necessary.

Dr. Stegeman stressed that the Trust Board needs to find someone with Mark Mansfield’s skills.

Dr. West asked if there was a motion for the meeting to adjourn.

Bob Harbour made the motion to adjourn. Dr. Stegeman seconded the motion. Motion passed 4-0.

The meeting adjourned at 7:30 p.m.

Approved this _______ 31st _______ day of _______ August 2015 _______.

TUSD EMPLOYEE BENEFITS TRUST BOARD

By__________________________

Dr. Neil R. West, Chairperson