**MINUTES**

**Committee Members Present**
- Mark Mansfield
- Anna Maiden

**Committee Members Absent**
- Dr. Neil West

**Others Present:**
- Janet Underwood – Benefits Manager
- Karla Soto – Chief Finance Officer
- Christina Cruz – Senior Accounting Manager
- Kevin Startt – Director of Purchasing
- Robin Reeves – Director, Buck Consultants
- Debbie Hainke – Account Representative, AmeriBen
- Les Lauen – Record-keeper

**MEETING CALLED TO ORDER**
Meeting called to order at 5:40 p.m. by Mark Mansfield in Dr. West’s absence.

**QUORUM** - A quorum was present.

**CALL TO THE AUDIENCE**
No one requested to speak.

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<th>INFORMATION / ACTION ITEM</th>
<th>MOTION</th>
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<td>Mark Mansfield announced that Anna Maiden had been approved by the TUSD Governing Board to be a new Trustee. He and the board welcomed Ms. Maiden to the team.</td>
<td>Bob Harbour made motion to approve September minutes. Dr. Stegeman seconded. Motion passed 4-0.</td>
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**Financials**
Christina Cruz reviewed the August and September financials.

The discussion focused on financial details. Ms. Cruz answered and clarified information as requested. Ms. Cruz also pointed out that TUSD insurance subsidy had been expanded to apply to all tiers of insurance coverage, not only to individual coverage per prior Trust Board direction.
Janet Underwood pointed out that the 3% increase in the plan rates had been absorbed by the District, which amounted to a subsidy. She clarified to say that the premiums increased by 3%, but the district did not pass that cost on to the employees.

**New Business**

**Request for Proposal**

Kevin Startt and Janet Underwood presented information about the RFP.

Kevin Startt explained the procurement procedures, noting that the district was subject to strict state regulations. He further explained that proposals must remain confidential and should only be seen by those who are directly involved in the process. Mr. Startt referenced a document dated May 2, 2014, that reaffirmed the confidentiality requirement.

The RFP timeline will be adjusted to allow Mr. Mansfield to participate and still provide time to complete the RFP. Janet Underwood and Robin Reeves agreed that the change should not prevent the RFP from being presented to the Governing Board at the March meeting.

Janet Underwood presented the RFP “Lines of Coverage Parameters” to the group and noted some significant details.

Mark Mansfield asked how the district can identify qualified vendors, and Robin Reeves explained that all the vendors must register with Arizona Purchasing (an organization designed to help Arizona School Districts solicit bids from vendors) but that those vendors not registered are invited to register and participate in the RFP.

Mark Mansfield noted that some companies appear to have saved money on prescriptions by getting lower costs. Robin Reeves replied that sometimes prescription costs can be lowered through pharmacy repricing but that no repricing companies are currently registered with Arizona Purchasing.

Janet Underwood and Robin Reeves said that they will identify pharmacy repricing companies and follow up to see if they are registered or would like to register so that they can participate in the RFP.

Debbie Hainke added that Navitus is a repricing pharmacy company.

Janet Underwood identified the members of the RFP team as being: Anna Maiden, Chief Human Resources Officer; Mark Mansfield, Trust Board Member; Barbara Armstrong, Benefits Associate; Shannon Roberts, Labor Relations Director; and herself, Benefits Manager. She explained that they would consult with Buck and a pharmacy advisory committee in the process.

Dr. Stegeman expressed his concern that the committee should contain a medical expert. Mark Mansfield explained that Buck can cover that need, and Robin Reeves agreed.

In the discussion that followed, concerns remained about including a medical expert on the team. Mark Mansfield noted that the Trust Board can check with Dr. West to see what he thinks about it. Janet Underwood pointed out that the timeline will not allow any significant delays.
**Subrogation**

Mark Mansfield began the discussion by referring to an employee who had signed the subrogation agreement but who hasn’t paid. Debbie Hainke noted that the amount of money in question was $5,200.00.

Mark Mansfield suggested that the Trust Board may want to change the subrogation language going forward and asked if the group thought the Trust Board should get legal advice on this issue.

Janet Underwood raised the questions of what monetary threshold should be used and whether the District should go so far as to put a lien on someone’s property. She noted that the list of employees or former employees who might be subject to subrogation was very short at the present.

Dr. Stegeman said that it makes sense to change the Trust Board’s approach to subrogation. Mark Mansfield asked how they should do that and should the Trust Board get legal advice. Ms. Maiden replied that the board should ask her so that she can request an opinion from Legal.

Mark Mansfield suggested that the Trust Board propose specific language and then go outside for legal counsel or assistance.

Dr. Stegeman made a motion that the Trust Board pay the costs if Legal recommends outside assistance with subrogation. Bob Harbour seconded. Motion passed 4-0.

Mark Mansfield asked if the Trust Board could close the books on old subrogation. Debbie Hainke said that there is no current language that would allow the board to make a determination.

Ms. Maiden recommended that the Trust Board should delay changing the language until next year. Mark Mansfield agreed and observed that making the change now could set a precedent. Dr. Stegeman agreed that any action should be delayed for now.

**Additional Trustees**

Mark Mansfield reintroduced the topic of recruiting trustees to the Trust Board and suggested that some type of training would be helpful for the new members.

Dr. Stegeman noted that Dr. West had mentioned he had some names of people who might be interested. Bob Harbour said he thought someone with an insurance knowledge would be beneficial to the Trust Board.

Mark Mansfield added that Steve Bracamonte from TEP might be interested. He further noted that it might be good for board members to submit a list of interested people to the next Trust Board meeting.

Dr. Stegeman stressed again that having at least one physician as a trustee is important to him. Ms. Maiden also said it is important to have diversity on the Trust Board.

**AmeriBen Conference**

Mark Mansfield asked Janet Underwood to comment on the AmeriBen conference.
Janet Underwood noted that she talked with several vendors. In doing so, she realized the importance of educating employees on how to find the right health care vendors. She said it was a great conference.

Mark Mansfield told the Trust Board he was impressed by the information available at the conference and gave some details from a conference presentation called “Your Chair is Killing You” which focused upon the need for more physical exercise at work. He suggested that the Trust Board should provide something like Fitbit Activity Trackers to employees and that he had done some research on them.

Robin Reeves noted that the City of Phoenix does that for employees and that she would see what they use.

A discussion of Fitbits followed which included questions and observations about costs and distribution of the fitness tools. Ms. Maiden recommended that this issue be put on the agenda for the next meeting.

**Executive Session**

**VSEBT/ASBAIT**

The Trust Board discussed the previous proposals submitted by the Arizona School Boards Association Insurance Trust (ASBAIT) and Valley Schools Employee Benefits Trust (VSEBT).

Ms. Maiden and Ms. Soto informed the board that both entities, if they chose to, could respond to the RFP that was recently issued.

The Trust Board discussed the process for claims payment by the TPA.

A request was made by Dr. Stegeman to review the audit of the Trust Fund. Ms. Maiden asked that the Trust audit be placed on the agenda for a Trust Board meeting in early 2015. Karla Soto suggested someone from the audit firm be present at that meeting to answer questions.

**Request for Proposal**

Bob Harbour asked for clarification of the RFP process, and Janet Underwood gave a detailed overview of the process which was followed by a discussion of the process.
Mark Mansfield asked if the district had to take the low bid on the RFP. A discussion followed which resulted in an understanding that the district does not have to take the lowest bid, that other factors, such as customer service, are also considered.

Trust Agreement

The Trust Board discussed the changes in the agreement.

After the motion to accept the agreement was passed, the Trust Board members signed the Trust Board agreement.

The meeting adjourned at 7:00 p.m.

Approved this 8th day of December, 2014.

TUSD EMPLOYEE BENEFITS TRUST BOARD

By ____________________________

Dr. Neil R. West, Chairperson