

**ARIZONA LOCAL GOVERNMENT EMPLOYEE BENEFIT TRUST**

**Minutes of Telephonic Board of Trustees Meeting**

**FINAL**

**Friday, May 29, 2015**

**9:00 a.m.**

**Trustees Present:**

Terry Cooper Graham County (Chairman)  
Kay Gale, Greenlee County  
Don McDaniel, Gila County  
Carlos Rivera, Santa Cruz County

**Others Present:**

Karen Houston, Apache County  
Jacque Griffin, Gila County  
Penny Adams, CSA  
Jane Bucano, Gilsbar  
Margaret Martin, Gilsbar  
Debbie Knight, Gilsbar  
Michael Hensley; Jones, Skelton, & Hochuli  
Christian Ackerley. COBRA Appellant  
Erin Collins, ECA  
Amanda Weaver, ECA

**1. Call to Order**

The meeting was called to order at 9:00 a.m. by Chairman, Terry Cooper.

**2. COBRA Appeal**

Erin Collins provided a brief overview to Trustees regarding a COBRA Member who was requesting that his COBRA coverage be reinstated effective March 01, 2015. Debbie Knight with Gilsbar explained to Trustees that the payment was returned and coverage terminated due to insufficient funds. Mr. Ackerley had previously paid his COBRA premium in a timely manner. Since the returned check issue arose, Mr. Ackerley has paid the March, April, and May premiums, which Gilsbar has not processed as the member's coverage was termed due to the missed February payment. Mr. Ackerley explained to Trustees that his son had used his debit card without his knowledge and therefore the February payment did not clear the bank. He also explained that he thought his coverage would be brought current as he had asked Gilsbar to run the check a second time and he had also sent three (3) additional payments for the months of March, April, and May as soon as he was made aware the check was not run a second time. He asked Trustees to please consider reinstating coverage. Erin Collins noted that his research indicated that Mr. Ackerley had made a timely request to re-run the check, but that the Trust was unable to do so because it only had a copy of the check in its possession rather than an original. This blocked our ability to re-run the check before the grace period elapsed.

Trustees discussed and agreed to reinstate coverage back to March 01, 2015.

Kay Gale made a motion to reinstate coverage back to April 01, 2015 and for Gilsbar to process all Cashier's check to bring Mr. Ackereley's COBRA coverage current. Jacque Griffin seconded the motion. **The motion was approved 5-0.**

### **3. RX Changes Effective July 01, 2015**

Erin Collins explained to Trustees that the Prescription Benefit changes outlined at the Annual Trustee Conference in February was somehow overlooked and not included in the Open Enrollment Guides or Meetings. Erin provided three (3) options to Trustees regarding the issue.

1. Implement the Rx changes as approved and advise employees and dependents of the error in the information supplied during OE meetings; or
2. Not implement the change and increase the rates by \$1.21 PEPM and \$3.10 PFPM and allow the counties to determine whether to absorb the increases or pass them along; or
3. Not implement the change and also not change the rate this year. Instead, we would start next year's budget with this change as a "given" and absorb the funding difference in the current year.

Trustees discussed with Erin what the cleanest option would be and what ECA's recommendation would be. It was agreed that not implementing the change, keeping the budgeted rates, and implement the change the 2016-2017 Plan Year was the best option.

Jacque Griffin made a motion to move forward with ECA's recommendation of Option #3. Kay Gale seconded the motion. **The motion was approved 5-0.**

### **4. Plan Amendment #4 – Changes Effective July 1, 2015**

Erin Collins discussed with Trustees the amendment provided in the meeting packet outlined the following changes to the current Summary Plan Document:

- A. Change 1 - Deleting reference to Vision coverage previously administered by Gilsbar due to administration of this benefit moving to VSP of Arizona.
- B. Change 2 – Changes to the definition of "Eligible Employee" to conform to the definition under Health Care Reform.
- C. Changes 3, 5, 8 and 9 – Addition of Partial Hospitalization as a benefit under the Behavioral/Mental Health and Substance Abuse Disorders benefit for both in and out-patient care.'
- D. Changes 4, 6, 10 and 11 – Changes to the immunization benefits.
- E. Changes 7 and 12 – Changes to the definitions to add terms specific to Health Care Reform.

Erin also informed Trustees that ECA was working with Mike Hensley regarding the language in the amendment, so some minor changes could be made and that Gilsbar staff would be available to answer any questions that Trustees may have if clarification was needed.

### **6. Call to the Public**

There was no response to the Call to the Public.

### **7. Adjournment**

Kay Gale made a motion to adjourn. Carlos Rivera seconded.

The meeting was adjourned at 9:21 a.m.

Respectfully submitted,

Amanda Weaver  
Group Benefits Specialist