



**Minutes of the Trust
FINAL
Friday, February 16, 2024
8:00 A.M.**

**Hotel Valley Ho
6580 E. Man Street
Scottsdale, AZ 85251**

The following Trustees were present and a quorum was met:

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|----------------------------------|-------------------|
| Ryan Patterson, Chairperson | Apache County |
| Megan Spielman, Vice-Chairperson | La Paz County |
| James Menlove, Treasurer | Gila County |
| Dustin Welker | Graham County |
| Derek Rapier | Greenlee County |
| Jesus Valdez | Santa Cruz County |

The following Alternate Trustees were present:

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|--------------------|-------------------|
| Stephanie McCarthy | Apache County |
| Rick Husk | Gila County |
| Cindy Norris-Blake | Graham County |
| Austin Adams | Greenlee County |
| Juliana Demers | La Paz County |
| Mauricio Chavez | Santa Cruz County |

The following Vendors were present:

| | |
|---------------------|-----------------------------------|
| Kelly Schoonmaker | AmeriBen |
| Jennifer Huppenthal | American Health Group |
| Casey Lawton | Ameritas |
| Rachele Martin | Blue Cross Blue Shield of Arizona |
| Rajesh Patel | Cheiron |
| John Hatz | Gallagher |
| Tori Hudson | Gallagher |
| Megan Stavros | Gallagher |
| Amanda Weaver | Gallagher |
| Sally Wineman | Gallagher |
| Michael Hensley | Jones, Skelton, and Hochuli |
| Jake Goll | Navitus |
| Lisa Thompson | Navitus |
| Bill Ochs | Ochs, Inc. |

The following Guests were present:

| | |
|------------------|--------------------------------|
| Penny Adams | County Supervisors Association |
| Sherry Grice | Gila County |
| Thaylia Nez | Greenlee County |
| Primitivo Romero | Santa Cruz County |

1. Call to Order

The meeting was called to order by Ryan Patterson, Chairperson at 8:03 a.m.

2. Roll Call

Roll Call was taken by Amanda Weaver, Gallagher.

3. Trustee Training

Michael Hensley, Trust Legal Counsel, provided an overview regarding Trustee Fiduciary Responsibilities, Telehealth, Gag Clause and Mental Health Parity.

4. Discussion, Consideration of, and Possible Action Regarding Approval of December 20, 2023 Special Trust Meeting Minutes

Ryan Patterson requested a motion to approve the Special Trust Meeting Minutes as presented.

Megan Spielman made a motion to approve. James Menlove seconded the motion.

The motion was approved 6-0.

5. Discussion, Consideration of and Possible Action Regarding Approval of Trust Financials through December 31, 2023

Amanda Weaver, Gallagher, reminded Trustees that information was provided in the Work Session Meeting and asked if there were any questions.

James Menlove moved to accept the financials as presented for the period ending December 31, 2023. The motion was seconded by Derek Rapier.

The motion was approved 6-0.

6. Discussion, Consideration of and Possible Action Regarding Approval of 2022-2023 Trust Audit

John Hatz, Gallagher, let Trustees know the Trust had a clean audit with no issues. A copy has been forwarded to the Director of the Department of Insurance as required by statute. A.R.S. §11-952.01 also requires that a copy of the audit be provided to each AZLGEBT member entity. The copy included in the meeting packet fulfills this requirement.

Ryan Patterson asked for an approval of the 2022-2023 Annual Trust Audit. James Menlove made a motion to approve the 2022-2023 Trust Audit as presented. Megan Spielman seconded.

Motion passed 6-0.

7. Discussion, Consideration of and Possible Action Regarding Proposed Changes to the Trust Agreement

John Hatz, Gallagher, outlined to Trustees the change to the duration of AZLGEBT Trust Agreement and the removal of location of the Principal Office; however, still inform where documents for the Trust may be obtained and sent.

Ryan Patterson asked for an approval of the change to the Trust Document. James Menlove made a motion to approve the outlined changes. Dustin Welker seconded.

Motion passed 6-0.

8. Discussion, Consideration of and Possible Action Regarding Guidance of Late Member Terms

Amanda Weaver, Gallagher, provided an overview of issues that could occur due to late Member terms outside of the 31 days. Trustees discussed and tabled the item asking that Gallagher bring back options and financial impacts at the June Meeting.

9. Discussion, Consideration of and Possible Action Regarding Short Term Disability Administration and Offerings.

John Hatz, Gallagher, discussed with Trustees that it had been requested from an entity that the language outline in the Summary Plan Document needed clarification and it had been discussed that additional Short Term Disability Plan Designed priced. John discussed that the current Plan had a slight increase from \$3.90 PEPM to \$4.42 PEPM and that the more traditional options priced were \$20+. Trustees discussed to stay with the current offering; however, table the item and asked that Gallagher, AmeriBen and Trust Legal Counsel propose revised language in the Summary Plan Document and bring back to Trustees to approve at a Special Meeting.

10. Discussion, Consideration of and Possible Action Allowing Increases to the Employee and Spouse Voluntary Benefit and Allow for Child(ren) Open Enrollment Election

John Hatz provided an overview of the process of allowing Employees/Members to have the opportunity to increase Voluntary Term Life above the Guaranteed Issue and allow Medical Underwriting.

James Menlove made a motion to allow Evidence of Insurability for Employee and Spouse in the event of a New Hire, Qualifying Life Event and/or Open Enrollment. Child(ren) coverage can be elected at the time of New Hire, Qualifying Life Event and/or Open Enrollment. Megan Spielman seconded.

Motion passed 5-1/Graham County Opposed

11. Discussion, Consideration of and Possible Action Regarding Implementing the Patient Advocacy Program through American Health Group

John Hatz provided an overview of the intent of the offering to assist Covered Members with Medical/Prescription Claims Issues, Precertification of services, and understanding and education of Medical/Prescription benefits.

Megan Spielman made a motion to decline moving forward with the Patient Advocacy Program effective July 01, 2024. Dustin Welker seconded.

Motion passed 6-0.

12. Discussion, Consideration of and Possible Action Regarding Addition of Voluntary Benefits (VB) and Use of Benefit Enrollers

John Hatz provided an overview of implementing Employee Paid Accident, Critical Illness, and Hospital Indemnity Benefits through AZLGEBT. Megan Stavros, Gallagher, reminded Trustees that if entities move forward they can no longer use their current vendors effective July 01, 2024. Current Voluntary Benefits can be offered for Employees that are effective through June 30, 2024. Employees effective July 1st and Open Enrollment only the Aetna Voluntary Benefits can be offered.

Megan also discussed that if Benefit Enrollers are used, they must be used for all entities.

Derek Rapiere made a motion to move forward with offering the Voluntary Benefits through AZLGEBT effective July 01, 2024 and use the Benefit Enrollers at no cost to the Trust. Megan Spielman seconded.

Motion passed 6-0.

13. Discussion, Consideration of and Possible Action Regarding Approval of Benefits and Rates for the 2024-2025 Plan Year/4-Tier Rating Structure/HSA Contributions

After discussion of the renewal and discussing benefit changes, Trustees approved the following changes for 2024-2025: Actuary Alternate Increase assuming the following benefit changes:

ADMINISTRATIVE

- Continue 2-Tier Rate Structure
- Mental Health Parity Comparative Analysis

MEDICAL – PPO

- Hearing Aid Coverage
 - 80% Coinsurance after Deductible
 - Benefit Maximum: Limited to 2 Hearing Aids up to \$1,500 per 3 Year Period

MEDICAL – HDHP

- Hearing Aid Coverage
 - 100% Coinsurance after Deductible
 - Benefit Maximum: Limited to 2 Hearing Aids up to \$1,500 per 3 Year Period
- HSA Contributions \$55/\$110

IMS – BOTH PLANS – Santa Cruz ONLY

- Hearing Aid Coverage
 - 80% Coinsurance after Deductible
 - Benefit Maximum: Limited to 2 Hearing Aids up to \$1,500 per 3 Year Period
- Hearing Aid Coverage
 - 100% Coinsurance after Deductible
 - Benefit Maximum: Limited to 2 Hearing Aids up to \$1,500 per 3 Year Period

DENTAL – Both Plans

- Fusion Benefit – Up to \$300

VISION

- Add EyeMed Network (Dual Network)

BASIC LIFE

- None

VTL LIFE

- Allow for Evidence of Insurability for Employee and Spouse above the Guaranteed Issue Amount
 - Employee
 - Guaranteed Issue – Up to \$300,000
 - Evidence of Insurability – Up to \$750,000
 - Spouse
 - Guaranteed Issue – Up to \$50,000

- Evidence of Insurability – Up to \$250,000
- Allow for Election of Coverage at Open Enrollment and Qualifying Life Event for
 - Child(ren) Coverage
 - \$10,000

WELLNESS

- Term Vitality Contract – Eliminate Wellness Portal

EAP

- None

EMPLOYEE PAID VOLUNTARY BENEFITS

- Accident Plan
- Critical Illness
- Hospital Indemnity

ADDITIONAL ITEMS

- Active Enrollment
- Benefit Enrollers to be used in person/online per entity decision

Ryan Patterson asked for a motion. James Menlove made a motion to approve the preceding changes and further moved to have Legal Counsel review new contracts and renewals of or amendments to existing contracts and authorize the Trust Chairperson to sign any contracts, renewals and/or amendments that will become effective July 01, 2024; and further directing Gallagher to round premiums upward to the nearest number evenly divisible by two (2). Derek Rapier seconded.

Motion passed 6-0.

14. Discussion, Consideration of and Possible Action Regarding Open Enrollment

Amanda Weaver noted that with all the changes and Active Enrollment for entities to please be responsive and meet deadlines for a May 6th Go Live Date for Open Enrollment with the PlanSource Portal.

15. Discussion, Consideration of and Possible Action Regarding Changes to the Skin Cancer Screening Vendor Billing and Claims Process

Tori Hudson informed Trustees that the current Skin Cancer Screening Vendor, Assured Imaging Women’s Wellness had changed their billing and claims process. With this change the current claims cost would increase from \$145 per claim to over \$300 per claim. Also, the change would impact the cost of travel, lodging, and site fees by approximately \$20,000. Tori recommended that the screenings be skipped for the 2024 Plan Year.

James Menlove made a motion to approve skipping for the 2024 Plan Year while new vendors were researched. Dustin Welker seconded. Derek Rapier stated that this is an important screening and asked for the item to be tabled and new vendors be researched.

16. Discussion, Consideration of and Possible Action Regarding Offer of Membership Renewal to Graham County, Greenlee County and Santa Cruz County

John Hatz informed Trustees that the current membership terms for Graham County, Greenlee County and Santa Cruz County are expiring as of June 30, 2024. John explained that if the entities are offered membership and wish to continue membership, the term is 3 years. If the either County chooses not to continue membership, notice would need to be given to Gallagher by April 01, 2024.

James Menlove made a motion to offer a membership renewal to Graham County, Greenlee County, and Santa Cruz County. Megan Spielman seconded the motion.

The motion was approved 6-0.

17. Administrative Update

Amanda Weaver discussed the following with Trustees:

Basic Employer Paid Life – As a reminder, all full-time benefits eligible Employees must be added into the Enrollment Portal. Even if these Employees waive all other coverages, they must elect the Employer Paid Basic Life.

PlanSource Implementation– Gallagher will keep entities apprised of the progress, trainings and education. Please watch for emails requesting information as we want to ensure the portal is live for Open Enrollment

Open Enrollment Requests & Information – Watch for emails from Gallagher with requests and information. This year will be a HUGE undertaking with the implementation of the portal, new vendors/benefit changes (if applicable). We have to work together in order for this to be a success.

Open Enrollment Meetings – Due to the number of entities for all of our groups, and also to coordinate schedules with vendors for the Open Enrollment Meetings, Gallagher will be sending out an email to verify if we are requested to present onsite or virtual. Please provide dates and times so we can verify availability and add your entity to the calendar. Let us know as soon as possible as our schedules fill up quickly. We also ask that you work with Gallagher when we are coordinating several meetings within a certain location.

18. Discussion, Consideration of and Possible Action Regarding Election of Officers for the 2024-2025 Plan Year

Ryan Patterson asked for nominations for the Election of Officers. Derek Rapier made a motion to for the current Officers to continue in their roles:

- Ryan Patterson, Chairperson
- Megan Spielman, Vice Chairperson
- James Menlove, Treasurer
- Gallagher, Recording Secretary

The motion was seconded by Dustin Welker.

The motion was approved 6-0.

19. Call to the Public

Mike Hensley stated that he felt the Teams Meeting webinar was very helpful for following along with the presentations.

13. Adjournment

Ryan Patterson made a motion to adjourn at 9:53 a.m.

Respectfully Submitted,

Amanda Weaver, Gallagher

