



Minutes of the Trust
FINAL
Friday, February 21, 2025
8:00 A.M.

Hilton Phoenix Tapatio Cliffs Resort
Sunset AB Meeting Room
11111 North 7th Street
Phoenix, Arizona 85020

The following Trustees were present and a quorum was met:

Ryan Patterson, Chairperson	Apache County
James Menlove, Treasurer	Gila County
Dustin Welker	Graham County
Derek Rapier	Greenlee County
Stephanie McDowell	La Paz County
Jesus Valdez	Santa Cruz County

The following Alternate Trustees were present:

Stephanie McCarthy	Apache County
Rick Husk	Gila County
Cindy Norris-Blake	Graham County
Austin Adams	Greenlee County
Megan Spielman, Vice-Chairperson	La Paz County

The following Vendors were present:

Krista Keller	AmeriBen
Rachele Martin	Blue Cross Blue Shield of Arizona
Ryan Olson	Cheiron
Michael Reich	Cheiron
John Hatz	Gallagher
Tori Hudson	Gallagher
Stephanie Moore	Gallagher
Amanda Weaver	Gallagher
Michael Hensley	Jones, Skelton, and Hochuli
Bryan Espinoza	Navitus
Lisa Thompson	Navitus
Bill Ochs	Ochs, Inc.
Will White	Ochs, Inc.
Stacey Bullock	PlanSource

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 8:01 a.m.

2. Roll Call

Roll Call was taken by Amanda Weaver, Gallagher.

3. Discussion, Consideration of, and Possible Action Regarding Approval of December 10, 2024 Trust Meeting Minutes

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

Derek Rapier made a motion to approve. James Menlove seconded the motion.

The motion was approved 6-0.

4. Discussion, Consideration of and Possible Action Regarding Approval of the October, November, and December 2024 AZLGEBT Financials

Amanda Weaver, Gallagher, reminded Trustees that information was provided at the February 19th 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, 2024. The motion was seconded by Derek Rapier.

The motion was approved 6-0.

5. Discussion, Consideration of and Possible Action Regarding Approval of 2023-2024 Trust Audit

Stephanie Moore, 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 approval of the 2023-2024 Annual Trust Audit. James Menlove made a motion to approve the 2023-2024 Trust Audit as presented. Stephanie McDowell seconded.

Motion passed 6-0.

6. Discussion, Consideration of and Possible Action Regarding Replacing Livongo with the Digbi Health

Tori Hudson, Gallagher, reminded Trustees that Phillip Hampton had provided an overview of the proposed program to replace Livongo. Tori discussed with Trustees that Livongo is a targeted program for Diabetes, Prediabetes, Hypertension and Obesity. In the time the program has been in place, claims for those diagnosis have not decreased, so the recommendation was to transition to Digbi Health. The estimated cost would be similar to what was budgeted for Livongo; however, the cost would be processed out of claims rather than a set annual dollar amount. Trustees discussed stating this seemed to be a good program.

Ryan Patterson asked for a motion. Derek Rapier made a motion to terminate the contract with Livongo effective June 30, 2025 and contract with Digbi effective July 01, 2025. James Menlove seconded.

Motion passed 6-0.

7. Discussion, Consideration of and Possible Action Regarding Approval of Benefits and Rates for the 2025-2026 Plan Year

After discussion of the renewal and discussing benefit changes, Trustees approved the following changes for 2025-2026 with an increase of 4.5% to the premiums.

ADMINISTRATIVE

- Add Patient Advocacy Program
- Remove Precertification for Hospice
- Move from PHIA to Carelon for Subrogation Claims
- Medical Re-card for all Employees due to adding PHCS Network

MEDICAL – PPO

- Add PHCS Network
- Remove HMN Network – Apache County Only
- Add Teladoc Behavioral Mental Health
 - \$0 Copay
- Increase Urgent Care Copay from \$45 to
 - \$50
- Increase Emergency Room from \$100 Copay, then 80% after Deductible to:
 - \$150 Copay, then 80% after Deductible

MEDICAL – HDHP

- Add PHCS Network
- Remove HMN Network – Apache County Only
- Add Teladoc Behavioral Mental Health
 - Subject to Deductible
- Add Expanded Preventative Medications
 - \$0 Member Cost Share
- Discontinue Teladoc & Telemedicine \$0 Member Cost Share effective July 01, 2025
 - Member Cost Share per Schedule or Benefits

IMS – PPO PLAN – Santa Cruz ONLY

- Out of Network - Increase Emergency Room from \$100 Copay, then 80% after Deductible to:
 - \$150 Copay, then 80% after Deductible

DENTAL – Both Plans

- None

VISION

- None

BASIC LIFE

- None

VTL LIFE

- No Changes

WELLNESS

- Replace Livongo Program with Digbi Health Program
 - Cost share waiver for Members with Diabetes Diagnosis

EAP

- None

EMPLOYEE PAID VOLUNTARY BENEFITS

- None

ADDITIONAL ITEMS

- Passive Enrollment
- Evidence of Insurability:
 - Employee up to \$750,000
 - Spouse up to \$250,000

Ryan Patterson asked for a motion. James Menlove made a motion to approve the 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, 2025; and further directing Gallagher to round premiums upward to the nearest number evenly divisible by two (2). Jesus Valdez seconded.

Motion passed 6-0.

8. Discussion, Consideration of and Possible Action Regarding Approval of 2025-2026 Administrative Vendor Contracts

Stephanie Moore discussed with Trustees the following vendor renewals offered:

- AmeriBen – A one year rate agreement increasing the claims administration fee from \$19.93 PEPM to \$20.33 PEPM and the life administration fee from \$0.50 to \$0.75. No change to the COBRA administration rate of \$1.00, or STD Admin fee of \$1.00. Move from Phia to Carelon Subrogation. Increase the HMN network access fee from \$4.90 to \$5.10 PEPM (Apache County Only). Add PHCS network access with a percentage of savings fee if adopted as part of the 2025-26 benefits budget
- Jones, Skelton & Hochuli – a one-year agreement with the following rates: Partner \$265, Associates \$215 and Paralegals \$135
- Gallagher Benefit Services Trust Administration – a two-year agreement increasing the PEPM fee from \$10.75 to \$11.25 PEPM in 2025-26 and no increase in 2026-27.
- Gallagher Benefit Services Wellbeing Administration – a two-year agreement with no increase from the current fee of \$8.00 PEPM in 2025-26 and increasing to \$8.50 for 2026-27
- Ochs/Securian – a three-year agreement with no increase for the Basic Life of \$0.147 per \$1,000 and Voluntary Term Life rate schedule
- IMS – a one-year extension of the current contract with no rate change. (Santa Cruz County Only)
- Teladoc – a three-year agreement for general and behavioral health with a rate guarantee of \$1.50 PEPM

Ryan Patterson asked for a motion. Derek Rapier made a Move to approve the 2025-2026 AZLGEBT Administrative Vendor Amendments and authorize the Chairperson to execute the amendments following approval as to form by the Trust Legal Counsel. Dustin Welker seconded.

Motion passed 6-0.

9. Discussion, Consideration of and Possible Action Regarding Open Enrollment Period

Amanda Weaver discussed with Trustees scheduling Open Enrollment from April 28, 2025-May 23, 2025, allowing the week of May 26th for any additional cleanup by Human Resources in the PlanSource Portal. This will help ensure the file feeds go to the vendors timely.

Ryan Patterson asked for a motion. Derek Rapier made a motion to approve the Open Enrollment Dates and Stephanie McDowell seconded.

Motion passed 6-0.

10. Discussion, Consideration of and Possible Action Regarding Stop Loss Renewal Authorization

Stephanie Moore discussed with Trustees that when renewing the Stop Loss each Plan Year it can be a very quick turnaround when binding the coverage. Stephanie requested that Trustees approve allowing Gallagher to work with the Trust Chairperson on the best option for the Trust and then asking Trustees to ratify at the next Trust Meeting.

Ryan Patterson asked for a motion. James Menlove made a motion to approve Gallagher working with the Chairperson to bind the Stop Loss coverage and later ratifying the coverage with Trustees. Dustin Welker seconded.

Motion passed 6-0.

11. Discussion, Consideration of and Possible Action Regarding Offer of Membership Renewal to La Paz County

Stephanie Moore informed Trustees that the current membership terms for La Paz County are expiring as of June 30, 2025. John explained that if the entity is offered membership and wishes to continue membership, the term is 3 years. If the County chooses not to continue membership, notice would need to be given to Gallagher by April 01, 2025.

James Menlove made a motion to offer membership renewal to La Paz County. Derek Rapier seconded the motion.

The motion was approved 6-0.

12. Administrative Update

Amanda Weaver discussed the following with Trustees:

Basic Employer Paid Life – 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.

Dual Coverage - Married employees and parents/child(ren) employed by the entities cannot cover each other on benefits. Married spouses cannot both cover dependent children on benefits.

Open Enrollment Meetings – Due to the number of entities and working 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, virtual or a combination. Please provide dates and times so we can verify availability and add your entity to the calendar. Please let us know as soon as possible as our schedules fill up quickly.

PlanSource - The email field in the PlanSource platform will be made a required field so employees will receive important notifications from the platform. The platform can automatically create the username, but the initial password must still be created by the HR representative. The system requires the employee to change their password at their first login.

Gallagher National Benchmarking Survey - The invitations have been sent out to participate. If you haven't received yours and would like to participate, we can send your personalized link to the survey.

No motion needed

13. Discussion, Consideration of and Possible Action Regarding Election of Officers for the 2025-2026 Plan Year

Ryan Patterson asked for nominations for the Election of Officers. Dustin Welker made a motion for the current Officers to continue in their roles with the exception of Megan Spielman as she is no longer a Trustee and for Stephanie McDowell to step into the role of Vice-Chairperson.

- Ryan Patterson, Chairperson
- Stephanie McDowell, Vice Chairperson
- James Menlove, Treasurer
- Gallagher, Recording Secretary

The motion was seconded by Jesus Valdez.

The motion was approved 6-0.

14. Discussion, Consideration of and Possible Action Regarding Election of Investment Committee Officers for the 2025-2026 Plan Year

Stephanie Moore reminded Trustees that this item was tabled due to Megan Spielman moving into an Alternate Trustees role. Ryan Patterson made a motion for the following officers.

- Derek Rapier, Chairperson
- Jesus Valdez, Vice Chairperson
- Dustin Welker, Member
- Gallagher, Recording Secretary

The motion was seconded by James Menlove.

The motion was approved 6-0.

15. Future Agenda Items

Derek Rapier asked if there is an opportunity to provide more benefit education to Employees. Amanda Weaver stated that beginning July 1st, each month different flyers and reminders would be sent out regarding the AZLGEBT benefits.

16. Individual Entity Reports

James Menlove stated that he was thankful for the vendors and information presented throughout the conference. Ryan Patterson thanked everyone as well for attending.

17. Next Meeting Date- June 10, 2025 at 1:30 p.m.

18. Call to the Public

No public was present

13. Adjournment

Ryan Patterson made a motion to adjourn at 8:43 a.m.

Respectfully Submitted,

Amanda Weaver, Gallagher
AZLGEBT Recording Secretary