



City of Goodyear

See meeting location
below

Meeting Minutes

Self-Insured Healthcare Trust Board

Thursday, January 28, 2021

3:00 PM

City Hall, Room 117
190 N. Litchfield Rd.
Goodyear, AZ 85338

This meeting will be held in conference room 117 at Goodyear City Hall, but will be set-up via Microsoft Teams for anyone who would like to attend virtually.

CALL TO ORDER

Chairman Balsan called the meeting called to order 3:01 p.m.

ROLL CALL

Present: 5 - Chairman Balsan, Vice Chairman Foster, Secretary Preyer-Bonton, Boardmember Sandstrom and Boardmember Newcomer

Staff Present: Lyman Locket, Jeanni Ruddy, Chanda Washington, Jared Askelson

Others Present: Rick Shuckerow, Erica Emmons, Samuel Gish, Kristin Zipprich

APPROVE MINUTES

1. [MINUTES](#) Approve draft minutes of the Self-Insured Healthcare Trust Board meeting held on
[2020-220](#) October 29, 2020.

MOTION BY Chairman Balsan, SECONDED BY Boardmember Sandstrom, to APPROVE the draft minutes of the Self-Insured Healthcare Trust Board meeting held on October 29, 2020. The motion carried by the following vote:

Ayes: 5 - Chairman Balsan, Vice Chairman Foster, Secretary Preyer-Bonton, Boardmember Sandstrom and Boardmember Newcomer

CITIZENS COMMENTS/ APPEARANCES FROM THE FLOOR

There were no citizen comments.

OLD BUSINESS

None.

NEW BUSINESS

2. Financial Overview

Jared Askelson provided the financial overview. \$5.3M in sources and contributions and 350K in pharmacy rebates. Change in assets is almost at break-even, but we currently exceed the current reserve requirement.

3. FY21 Q2 Claims Experience

Samuel Gish provided an overview of the Population Health Summit report covering July 2020 to Dec 2020. The report focuses on medical and pharmacy spend, and there has been growth from the period July 2019 - Dec 2019. Medical spending is the same as the last period reviewed, and pharmacy spend increase is on par with the national average. There was a discussion on plan performance, and pharmacy spend and plan paid breakout for generic versus brand script. A summary review of large claimants, risk scores, and costs were briefly discussed. Large claimants accounted for a majority of the costs over the last year. Samuel explained the incurred claims by month chart and how risk scores provide valuable information for predicting how a claim will move going forward. The dental experience report was reviewed, and the dental spend is not an area of concern due to the dental plan showing well funded. Samuel shared the simulation summary with actuarial projections for the next plan year through June 2022. Anything between .5 to 3.5% increase would be sufficient to cover estimated claims. The IBNR estimate was discussed. Lyman asked about unanticipated costs related to COVID. Samuel reiterated that based on the data, he feels we projected the costs related to COVID well even though it is difficult to anticipate future costs.

4. Cigna's Observations and Recommendations

Erica Emmons presented to the Healthcare Benefits Trust providing a recap of possible changes for next year. Overall, the 6-year trend is 4.6%. The medical trend is 6.4% and pharmacy trend of 26.9% is driven by specialty drug utilization. Hence, opportunities to bring costs down and recommended changes to the plan for 2021-2022 were discussed.

5. Overview of Benefits Survey Data

Chanda Washington provided a summary of the benefits survey results to date. Surveys were sent to employees two weeks ago for feedback; employees have until February 2nd to provide a response. Once all responses are in, the city will work with Cigna to look at cost impact of any changes that can be considered for benefits and bring recommendations to the Board at the next meeting. Overall employee satisfaction was high with the city benefits. Preliminary numbers show 80.2% of respondents thus far were satisfied/very satisfied with the medical plan. 74.3% were satisfied/very satisfied with the dental plan. Of those who had no feedback, many did not use the medical and dental plans. 11 respondents were not satisfied with the medical and dental plan. There was a discussion on some of the feedback given from employees on the benefits survey.

6. Discussion of FY22 Healthcare Premiums

There will be further discussion on rates at the next meeting. There was a brief discussion on COVID

costs, and Erica shared that the last COVID update was costs were \$215K and covered the period Jan 2020 to Dec 2020. COVID claims include diagnosis and testing which are covered entirely by the plan.

INFORMATION ITEMS

None.

NEXT MEETING

Jeanni proposed the next meeting for March 4, 3:00 p.m.

ADJOURNMENT

There being no further business to discuss, Chairman Michael Balsan adjourned the meeting at 4:15 p.m.

Respectfully Submitted by:

Chanda Washington, Benefits Analyst

Chairman Michael Balsan, Chairman

Date: _____