

Self-Insured Healthcare Trust Board
Goodyear City Hall - Council Chambers
1900 N. Civic Square
Goodyear, AZ 85395



Thursday, August 25, 2022

3:00 p.m.

Meeting Minutes

CALL TO ORDER

ROLL CALL

Present: Board Chair Michael Balsan; Vice Chair Wade Foster; Board Member Jennifer Preyer-Bonton; Board Member Richard Newcomer

Absent: Ex-Officio Doug Sandstrom

Staff Present: Human Resources Director Lyman Locket; Deputy Director of Finance Jared Askelson; Total Compensation & HRIS Manager Jeanni Ruddy; Benefits Analyst Chanda Washington

Attendees: Sam Gish, GBS Consultant; Rick Shuckerow, GBS Consultant; Shelli Maggio, GBS Consultant; Erica Emmons, Cigna Strategic Account Executive

PUBLIC COMMENTS

Before you begin to speak, identify yourself by clearly stating for the record, your name and address. This is the time for citizens who would like to address the Board on any non-agenda item within the jurisdiction of the Board. The Board will listen to comments, and may take any one of the following:

- Respond to criticism.
- Request that staff investigate and report on the matter.
- Request that the matter be scheduled on a future agenda.

BUSINESS

1. APPROVE MINUTES

MOTION By Board Chair Balsan, SECONDED BY Vice Chair Newcomer, to APPROVE the draft minutes of the Self-Insured Healthcare Trust Board meeting held on March 3, 2022. The motion carried by the following vote:

AYE: Vice Chair Wade Foster, Board Chair Michael Balsan, Board Member Jennifer Preyer-Bonton, Board Member Richard Newcomer

Other: Ex-Officio Doug Sandstrom (Excused)

Passed - Unanimously

2. FY22 Claims Experience

Sam Gish discussed the executive summary details for the claims experience for fiscal year 2022. He mentioned the claims were up 9% due to growth and the subscriber increased by 13% and Goodyear has experienced the best loss ratio over the last 3 years reviewed at 74.2%. The total per employee per month (PEPM) costs were down by 4%, the medical claims costs were down \$3 per employee per month and the pharmacy claims were down by 12%. Sam reviewed the plan year snapshot and experience by plan which shows all plans are performing as expected based upon the plan being proactive in keeping costs low. The top prescription drugs and top injectables were also reviewed. Sam discussed the large claimants and that 63 members make up the large claimants and the shock claimants (claims that reach the threshold of \$25K) were down by 11%.

3. Financial Overview

Jared Askelson discussed the unaudited Trust Fund Statement for June 30, 2022. He provided the trust board with status of the trust fund by stating there was \$13M in total sources, \$10.6M in total uses and \$2.4M in total net assets. The trust fund had \$8.3M at the end of the plan year and \$633K of IBNR was added back into the trust fund to maintain a total balance of \$8.9M in the restricted reserve. Jared reminded the trust board that the restricted reserve requirement is \$5.2M and stated the trust fund has done well to exceed the reserve requirement.

4. Cigna Consultative Analytics Report

Erica Emmons discussed Cigna's report which shows expenses incurred versus the GBS report shows which expenses paid. She went over the total trend of 8% per member per year, the increase in medical plan spend at 13.6% and decrease in pharmacy plan spend at 5.9%. She recapped the changes that were made last plan year that contributed to the decrease in the pharmacy plan spend. The generic prescription drugs utilization increased by 2% and provided a total savings of \$214K. She discussed the city's generic trend utilization rate is at 90.8%. She also explained the virtual care that Cigna provides through MD Live, Behavioral Health and through Cigna providers.

INFORMATION ITEMS

Comments, Commendations, Report on Current Events and Presentations by Board, Commission or Committee Members, staff or members of the public. The members may not propose, discuss, deliberate or take any legal action on the information presented pursuant to A.R.S. § 38-431.02.

NEXT MEETING

The board discussed the next meeting will be held on October 20th at 3:00 p.m.

ADJOURNMENT

There being no further business to discuss, Chairman Balsan adjourned the meeting at 4:01 p.m.

Respectfully Submitted by:

Lyman Lockett, Human Resources Director

Michael Balsan, Chairman

Date: _____

