

APPROVED by the Employee
Benefits Trust Board
Date: April 11, 2018
Clerk's Office: /s/ M. Lopez

MINUTES
Regular Meeting
City of San Luis Employee Benefit Trust
San Luis Fire Department
1165 McCain Avenue
San Luis, AZ 85349
February 7, 2018
5:30 p.m.

1. CALL TO ORDER/ROLL CALL: Chairman Gerardo Sanchez called the meeting to order at approximately 5:35 p.m.

PRESENT: Gerardo Sanchez, Chairman
Maria Sabori, Secretary-participated via telephone
Maria Gonzalez, Board Member

ABSENT: Emma Torres, Vice-Chairwoman
Jose Andrade, Board Member

OTHERS PRESENT: Tadeo A. De La Hoya, City Manager
Kay Marion Macuil, City Attorney
Olivia Jenkins, Director of Human Resources
Carlos Cortes, Assistant Director of Finance
Kassandra Ramirez, Human Resources
Susan Posada, Consultant
Melissa Lopez, Deputy City Clerk

2. DISCUSSION AND POSSIBLE ACTION ITEMS:

2. A. Discussion and possible action on any and all matters regarding the approval of minutes: Meeting - March 29, 2017.

MOTION: Secretary Maria Sabori/Board Member Maria Gonzalez to approve the minutes of March 29, 2017. Motion passed unanimously.

2. B. Discussion and possible action on any and all matters regarding the change of the Third Party Administrator from Mayo Clinic Health Solutions. (Susan Posada, Benefits Consultant)

Ms. Susan Posada, Benefits Consultant, informed Mayor Health Solution has sold their Thirds Party Administrator (TPA) services to Medica, and by July 1, 2018, their services would be terminated. She stated that for this reason, the Trust had to go out to bid to find another TPA. She presented the Board with a list of TPA's there were consulted to obtain a quote. Those companies are Gilsbar, Meritan/Aetna, EBSO, and Tall Tree. She informed that Gilsbar and EBSO provided a quote; Meritan/Aetna do not provide services through Blue Cross Blue Shield and Tall Tree did not responded. Ms. Posada provided Board Member with a spreadsheet containing the current fees pay to Mayo and the proposed fees by EBSO and Gilsbar. She stated that she is recommending contracting with EBSO as they will provide benefits translation which is included int hey proposed fees.

Board Member Maria Gonzales asked Ms. Posada to explain what will be translation services that EBSO will be providing.

Ms. Posada explained that translation services are for the Explanation of Benefits, this is a requirement by law. This summary of benefits are in English, but the population of Spanish speaking employees is approximately 50% to 70%.

Chairman Gerardo Sanchez stated that he believes the EBSO is the better option as Ms. Posada stated.

MOTION: Chairman Gerardo Sanchez/Board Member Maria Gonzalez to approve EBSO as the Third Party Administrator for the City of San Luis Benefits Trust. Motion passed unanimously.

Ms. Posada stated that this change will be effective July 1, 2018.

2. C. Discussion and possible action on any and all matters regarding the cost of Run-Out Claims for 12 months. (Susan Posada, Benefits Consultant)

Ms. Susan Posada, Benefits Consultant, informed that this item for the approval Run-Out claims for 12 months in the amount of \$17,000.00 for EBSO.

MOTION: Chairman Gerardo Sanchez/Board Member Maria Gonzalez to approve the run-out claim through EBSO in an amount not to exceed \$17,000.00. Motion passed unanimously.

2. D. Discussion and possible action on any and all matters regarding the review and approval of SIARMED claims audit report completed by Health Claim Auditors, Inc. (Susan Posada, Benefits Consultant and Olivia Jenkins, Director of Human Resources)

Ms. Olivia Jenkins, Director of Human Resources, presented the audit report made by Auditors, Inc. on SIARMED claims. She informed that this audit covers medical and dental claims paid from November 2016 through March 2017 and also includes medical claims that were reviewed from January 2016 to March 2017. There were a total of 60 dental claims and 150 medical claims were reviewed. She mentioned that in the dental claims there were 28 potential errors for total overpayment of \$555.00 and in the medical claims there were 7 potential errors with overpayment of \$692.26 and underpayments of \$902.75. Furthermore she added that most of the errors identified were related to technical coding, the other errors were SIARMED entering the claim amount incorrectly, not collecting the co-payment from the employee or collecting more than they should. Mr. Jenkins informed that this audit report shows major improvements from the previous services provided in Mexico.

Ms. Susan Posada, Benefits Consultant, informed that SIARMED did a good job. She mentioned that those claims were sent back to SIARMED for corrections, as they were typos. She explained that were the most discrepancies found was in the dental plan claims. The errors were that they charged the employee less co-payment than what they should have based on the plan. Furthermore she added that the SIARMED is recommending changing to plan base on a schedule to reduce the errors made. She stated that overall the audit was good. She mentioned that this audit was approved by the board.

Mr. Tadeo A. De La Hoya, City Manager, informed that this audit was made as stipulated in the contract with SIARMED, which stated that an audit will be done every two (2) years, as requested by the board.

No action was required from the board.

2. E. Staff reports with discussion and possible action or directions to staff regarding future matters to come before the trust.

Ms. Olivia Jenkins, Director of Human Resources, presented the board with the financial reports prepared by Mr. Carlos Cortes, Assistant Director of Finance. This report included Revenues and Expenditures from year 2013 through June 30, 2017, and

included the balance as of December 31, 2017. She informed that from year 2013 through 2015 the trust fund had deficiencies, and as of the end of June 30, 2017 the ending balance from the Trust Fund was \$1,748,301.00, this amount has been already audited.

Mr. Cortes informed that the current balance is \$2,269,070.00 but this amount has not been audited and it will be audited at the end of fiscal year 2018.

Chairman Gerardo Sanchez thanked Mr. Cortes for the report.

Mr. Olivia Jenkins reported that the next board meeting will be held before the Council's budget retreat.

3. ADJOURNMENT

MOTION: Chairman Gerardo Sanchez/Board Member Maria Gonzalez to adjourn the meeting at approximately 6:20 p.m. Motion passed unanimously.



Certification of Council Minutes

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the regular meeting of the City of San Luis Employee Benefit Trust held on February 7, 2018. I further certify the meeting was duly called and held and that the quorum was present and that the board approved these minutes at their regular meeting held on April 11, 2018.

Dated this 29th day of August 2018.

/s/ Melissa Lopez, Deputy City Clerk