

## **NOTICE OF REGULAR MEETING**

NOTICE OF SAN LUIS HEALTH BENEFIT TRUST MEETING IN ACCORDANCE WITH SECTION 38-431.01 OF THE ARIZONA REVISED STATUTES OF THE STATE OF ARIZONA, NOTICE IS HEREBY GIVEN TO THE TRUSTEES OF SAN LUIS EMPLOYEE HEALTH BENEFIT TRUST AND TO THE GENERAL PUBLIC THAT THE TRUSTEES OF THE SAN LUIS EMPLOYEE HEALTH BENEFIT TRUST WILL HOLD A BOARD MEETING AT 3:00P.M., WEDNESDAY, APRIL 11, 2018. THE MEETING WILL TAKE PLACE AT THE CITY HALL, COUNCIL CHAMBERS, LOCATED AT 1090 E. UNION STREET, SAN LUIS, ARIZONA, 85349. EVERYONE FROM THE PUBLIC IS INVITED TO ATTEND THE OPEN MEETING.

In accordance with the Americans with Disabilities Act (ADA) and Section 504 of the Rehabilitation Act of 1973, the City of San Luis does not discriminate on the basis of disability in the admission of or access to, or treatment of employment in its programs, activities, or services. For information regarding rights and provisions of the ADA or Section 504, or to request reasonable accommodations for participation in City programs, activities or services contact: ADA/Section 504 Coordinator, City of San Luis Human Resources Department, 1090 East Union Street, San Luis, Arizona 85349; (928) 341-8579. Notice is hereby given that pursuant to A.R.S. §1-602.A.9 , subject to certain specified statutory exceptions, parents have a right to consent before the State or any of its political subdivisions make a video or audio recording of a minor child. Meetings of the City Council are audio and/or video recorded, and, as a result, proceedings in which children are present may be subject to such recording. Parents in order to exercise their rights may either file written consent with the City Clerk to such recording, or take personal action to ensure that their child or children are not present when a recording may be made. If a child is present at the time a recording is made, the City will assume that the rights afforded parents pursuant to A.R.S. §1-602.A.9 been waived.

THIS NOTICE IS APPROVED BY:

/s/ Kassandra Ramirez, HR Benefits Coordinator

### **AVISO DE JUNTA REGULAR**

AVISO DE JUNTA DEL FONDO DE BENEFICIOS MEDICOS DE ACUERDO A LA SECCION 38-431.01 DE LOS ESTATUTOS REVISADOS DEL ESTADO DE ARIZONA. SE LE INFORMA A LOS MIEMBROS DE LA MESA DE PERSONAL DE SEGURIDAD PUBLICA Y PUBLICO EN GENERAL QUE EL PRESIDENTE Y MESA DIRECTIVA DE FONDO DE BENEFICIOS MEDICOS, SAN LUIS, ARIZONA TENDRAN UNA JUNTA REGULAR A LAS 3:00 P.M., EL DIA MIERCOLES 11 DE ABRIL DEL AÑO 2018. LA JUNTA SE LLEVARA A CABO EN LAS OFICINAS DE LA CIUDAD, EN LA SALA DEL CABILDO, UBICADA EN EL 1090 E. UNION STREET, SAN LUIS, ARIZONA, 85349. EL PUBLICO ESTA CORDIALMENTE INVITADO.

De acuerdo con el Acta de Americanos con discapacidades y la Sección 504 del Acta de Rehabilitación del 1973, la Ciudad de San Luis no discrimina por causa de discapacidad la admisión y acceso a sus programas, actividades, servicios o en el trato en cuanto a empleo. Para mas información referente a derechos y provisiones del Acta de Americanos con discapacidades o Sección 504, o para solicitar adaptaciones que sean razonables para la participación en programas, actividades o servicios de la ciudad, contactar al: Coordinador del Acta de Americanos con discapacidades/Sección 5004, Departamento de Recursos Humanos de la Ciudad de San Luis, 1090 Este Calle Unión, San Luis, Arizona, 85349; (928) 341-8579.

Por medio de este aviso y de acuerdo con los Estatutos Revisados del Estado de Arizona, sujeto a ciertas excepciones reglamentarias, los padres de familia tienen el derecho de dar o no dar el consentimiento antes que el Estado o alguna subdivision política grabe a un menor de edad, ya sea en audio o video. Las juntas del Concilio se graban en audio y/o video y como resultado, el hecho de que haya menores presentes puede ser sujeto a que sean grabados. Para que los padres de familia puedan ejercer sus derechos pueden solicitar por escrito con la Secretaria de la Ciudad a tal grabación, o tomar acción personal para asegurarse que su hijo/hija menor no esté presente cuando la grabación se lleve a cabo. Si un menor de edad esta presente en el momento de la grabación, la Ciudad asumirá que los padres de familia están cediendo los derechos sobre una posible grabación de acuerdo con el Estatuto Revisado del Estado de Arizona §1-602.A.9.

ESTE AVISO ES APROBADO POR:

/s/ Kassandra Ramirez, HR Benefits Coordinator

**AGENDA**  
**Regular Meeting**  
**City of San Luis Employee Benefit Trust**  
**Council Chambers – City Hall**  
**1090 E Union Street**  
**San Luis, AZ 85349**  
**Wednesday, April 11, 2018**  
**3:00 p.m.**

**PLEASE NOTE THAT BOARD OF TRUSTEES MEMBERS MAY ATTEND THIS MEETING BY TELEPHONIC COMMUNICATION.** If authorized by majority vote of the Board of Trustees, an executive session will be held immediately following the vote in accordance with A.R.S. §38-431.03(A) and the meeting will be temporarily recessed while the Board retires to executive session which will not be open to the public.

1. **CALL TO ORDER/ROLL CALL**

2. **CONSENT AGENDA**

All matters are considered to be routine by the Employee Benefit Trust Board and will be enacted by one motion. If discussion is desired that item will be removed from the Consent Agenda and will be considered separately.

1. Discussion and possible action on any and all matters regarding the approval of minutes for meeting held February 7, 2018.

3. **DISCUSSION AND POSSIBLE ACTION ITEMS:**

1. Discussion and possible action on any and all matters regarding the proposed employee benefit rates and contributions. **(Susan Posada, Benefits Consultant and Olivia Jenkins, Human Resources Manager)**
2. Discussion and possible action on any and all matters regarding the City of San Luis Employee Benefit Trust owners and signers replacements due to changes in city personnel and TPA.

5. **EXECUTIVE SESSION**

6. **ADJOURNMENT**

**Employee Benefit Trust Board Meeting**

**2.1.**

**Meeting Date:** 04/11/2018

**Department Head:** Olivia Jenkins, Human Resources Manager, Human Resources Department

**Submitted By:** Olivia Jenkins, Human Resources Manager, Human Resources Department

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**ITEM:**

Discussion and possible action on any and all matters regarding the approval of minutes for meeting held February 7, 2018.

**SUMMARY:**

Staff is requesting review and approval of minutes.

**RECOMMENDATION / SUGGESTED MOTION:**

Motion

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**Attachments**

Minutes Feb. 7, 2018

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**MINUTES**  
**Special 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 in the 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.

**Employee Benefit Trust Board Meeting**

**3.1.**

**Meeting Date:** 04/11/2018

**Department Head:** Olivia Jenkins, Human Resources Manager, Human Resources Department

**Submitted By:** Olivia Jenkins, Human Resources Manager, Human Resources Department

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**ITEM:**

Discussion and possible action on any and all matters regarding the proposed employee benefit rates and contributions. **(Susan Posada, Benefits Consultant and Olivia Jenkins, Human Resources Manager)**

**SUMMARY:**

Benefits Consultant met and presented city staff overview various benefit coverage and changes for Stop Loss Renewal, medical and dental plan changes and rate recommendations for FY 2018-2019.

**Stop Loss Renewal** Offer provides two options, 1) \$50,000 and 2) \$75,000, staff recommends to remain with option 1 at \$50,000.

**Proposed changes to plan** are to Rehabilitation Services, allowing for a \$30 copay and include 60 visits instead of the 20% deductible to encourage employees to seek rehab services. Also, increase in annual out of pocket maximums both in the U.S. as well as in Mexico Medical plan.

**SIARMED Dental** decrease in copay for the basic dental services to encourage preventive dental care per schedule.

**Rate** increase of 5% for medical and 3% for dental plans. The trend shows an overall 10% increase in medical costs; however the city's trust stability is good and last year claims have maintained a stable trend.

The proposed changes have been reviewed and it would be up to board's discretion to determine if the rate increase should be absorbed by Employee Trust Fund or be passed on to the employees. Currently the employer's contribution is 76.19% and employees' contribution is 23.81%. If the increase is passed on to employee for U.S./Mexico it would be an additional \$14.98 for Employee plus Spouse or Children, \$22.91 Family. Mexico only would increase be \$5.46 for Employee plus Spouse or Children and \$7.97 Family.

**RECOMMENDATION / SUGGESTED MOTION:**

I move to \_\_\_\_\_.

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## Employee Benefit Trust Board Meeting

3.2.

**Meeting Date:** 04/11/2018

**Department Head:** Olivia Jenkins, Human Resources Manager, Human Resources Department

**Submitted By:** Olivia Jenkins, Human Resources Manager, Human Resources Department

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### ITEM:

Discussion and possible action on any and all matters regarding the City of San Luis Employee Benefit Trust owners and signers replacements due to changes in city personnel and TPA.

### SUMMARY:

City staff and consultant needs to have Employee Benefit Trust Board to consider the replacement of some members who are listed as owners and signors for the Trust Fund. During transition of TPA and city staff, it has become apparent that changes/update of the following some of the members need to updated to reflect current personnel changes and TPA representative.

Current List of Owners and authorized Signer.

City Of San Luis Employee Owner 32-0354479

Benefits Trust Owner - Ending **0520**

Mark A Matthias -- Authorized Signer

Maria Sabori -- Authorized Signer

Gerardo Ochoa Sanchez -- Authorized Signer

Emma Torres -- Authorized Signer

Ralph Velez -- Authorized Signer

Ketie Stlouis -- Authorized Signer

City Of San Luis Employee Owner 32-0354479

Benefits Trust Owner -- Ending **0681**

Maria Sabori Authorized Signer

Maria Sabori Co-Trustee

Gerardo Ochoa Sanchez Authorized Signer

Gerardo Ochoa Sanchez Co-Trustee

Emma Torres Authorized Signer

Emma Torres Co-Trustee

Ralph G Velez Authorized Signer

Ralph G Velez Co-Trustee

Ketie St Louis Authorized Signer

Ketie St Louis Co-Trustee

Staff recommends the following replacements for Boards consideration.

Mark A Matthias – **New rep** for EBSO TPA

Ralph Velez replace with **Tadeo A. De La Hoya**

Ketie St. Louis replace with **Monica Castro**

Maria Sabori replace with **Kassandra Ramirez**

Ms. Susan Posada, also suggested that either Ms. Maria Sabori or Olivia Jenkins be added as signers.

### RECOMMENDATION / SUGGESTED MOTION:

Motion:

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Trust Accounts Email

Trust Owners & Signers Recommended

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# Trust Accounts

Tuesday, April 10, 2018 1:38 PM

|         |                                |
|---------|--------------------------------|
| Subject | <b>Trust Accounts</b>          |
| From    | <a href="#">Maria Gonzalez</a> |
| To      | Olivia Jenkins                 |
| Sent    | Monday, April 02, 2018 3:04 PM |

Hello-

You will find the information you've requested.

City Of San Luis Employee Owner 32-0354479  
Benefits Trust Owner - Ending **0520**  
Mark A Matthias -- Authorized Signer  
Maria Sabori -- Authorized Signer  
Gerardo Ochoa Sanchez -- Authorized Signer  
Emma Torres -- Authorized Signer  
Ralph Velez -- Authorized Signer  
Katie Stlouis -- Authorized Signer

City Of San Luis Employee Owner 32-0354479  
Benefits Trust Owner -- Ending **0681**  
Maria Sabori Authorized Signer  
Maria Sabori Co-Trustee  
Gerardo Ochoa Sanchez Authorized Signer  
Gerardo Ochoa Sanchez Co-Trustee  
Emma Torres Authorized Signer  
Emma Torres Co-Trustee  
Ralph G Velez Authorized Signer  
Ralph G Velez Co-Trustee  
Katie St Louis Authorized Signer  
Katie St Louis Co-Trustee

Thank you



Maria Gonzalez  
AVP/Branch Manager  
NMLS# 594258  
(928) 217-9967  
645 N. 1st Ave.  
San Luis, AZ. 85349



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# Benefits Trust Meeting April 2018

Tuesday, April 10, 2018 10:47 AM

|                |   |
|----------------|---|
| <b>Subject</b> | <b>Benefits Trust Meeting April 2018</b>  |
| <b>From</b>    | Kassandra Ramirez   |
| <b>To</b>      | Maria Gonzalez (mgonzalez@1stbankyuma.com); ecarri1@aol.com; Jose Andrade (JAndrade@Hacorp.org); Maria Sabori |
| <b>Cc</b>      | Olivia Jenkins  |
| <b>Sent</b>    | Thursday, April 05, 2018 10:11 AM   |

Good Morning! Hope you are all doing great! Would you be available for a Benefits Trust Committee meeting on Wednesday April 11<sup>th</sup> at 3:00pm? Chairman Sanchez has confirmed his availability. It would be a quick 30 minute meeting, we recently have had changes in personnel, therefore there are signers of the trust account that may need to be replaced, for example:

Mark A Matthias  
Ralph Velez replace with Tadeo A. De La Hoya  
Katie St. Louis replace with Monica Castro  
Maria Sabori replace with Kassandra Ramirez  
Add Olivia Jenkins

In addition, we would like to review the recommended benefit rate changes for the upcoming fiscal year.

Thank you all in advance! Your assistance is greatly appreciated.

## ***Kassandra Ramirez***

HR Benefits Coordinator |City of San Luis HR Department  
1090 E. Union St. | P.O. Box 1170 | San Luis, AZ 85349  
P: (928) 341-8547 | F: (928) 722-6773 |E: [kramirez@cityofsanluis.org](mailto:kramirez@cityofsanluis.org)  
M-TH 7:00AM-6:00PM



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