

NOTICE OF SPECIAL MEETING

In accordance with §38-431.02 of the Arizona Revised Statutes of the State of Arizona, notice is hereby given to the Employee Benefit Trust Board and to the general public that the Mayor and Trustees of the Employee Benefit Trust Board will hold an Employee Benefits Trust Board Meeting at 4:30PM., on Monday, October 2, 2023. The meeting will take place at the City Council Chambers, located at 1090 E. Union Street, San Luis, Arizona, 85349.

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/ Maria Barajas, Human Resources Benefits Coordinator

AVISO DE JUNTA ESPECIAL

De acuerdo con los Estatutos del Estado de Arizona A.R.S. §38-431.02, se le informa a los miembros de la Junta Fiduciaria de Beneficios para Empleados y al público en general que el Presidente y la Mesa Directiva de Fondo de Beneficios Medicos de San Luis, Arizona, tendrán una Junta Especial a las 4:30PM, el día Lunes 2 de Octubre, 2023. La junta se llevará a cabo en la Sala del Cabildo, ubicada en el 1090 E. Union Street, San Luis, Arizona, 85349.

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 504, 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:

/f/ Maria Barajas, Coordinadora de Beneficios de Recursos Humanos

AGENDA
Special Meeting
City of San Luis Employee Benefit Trust
Council Chambers – City Hall
1090 E Union Street
San Luis, AZ 85349
Monday, October 2, 2023
4:30PM

NOTE: Some members of the Board of Trustees of the City of San Luis Employee Benefit Trust may attend the meeting telephonically. 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.

AVISO: Algunos miembros de la Junta de Fiduciaria de Beneficios para Empleados de la Ciudad de San Luis pueden asistir a la reunión por teléfono. Si se autoriza por mayoría de votos de la Junta de Síndicos, se llevará a cabo una sesión ejecutiva inmediatamente después de la votación de acuerdo con A.R.S. §38-431.03(A) y la reunión tendrá un receso temporal mientras la Junta se retira a la sesión ejecutiva que no estará abierta al público.

1. CALL TO ORDER/ROLL CALL

2. CONSENT AGENDA

2. A. MINUTES OF:

-Special meeting held on June 14, 2023

3. DISCUSSION AND POSSIBLE ACTION ITEMS:

3. A. Discussion and possible action on any and all matters regarding the quarterly review of the benefit plan. **(Susan Posada, Broker and Consultant)**

4. EXECUTIVE SESSION

4. A. Discussion and possible action on any and all matters regarding action to hold an executive session under A.R.S. § 38-431.03(A) subsection (3) for discussion or consultation for legal advice with the City Attorney regarding the current broker contract and the broker proposals in response to the request for qualifications and bids. And discussion and possible action on any and all matters regarding action to hold an executive session under A.R.S. § 38-431.03(A) subsection (4) for discussion or consultation with the City Attorney in order for the Trustees to consider their position and instruct the City Attorney regarding the Trustees' position regarding contracts that are the subject of negotiations, in pending or contemplated litigation or in settlement discussions conducted in order to avoid or resolve litigation, specifically, the current broker contract and the broker proposals in response to the request for qualifications and bids. **(Kay Marion Macuil, City Attorney).**

5. MOTION TO GO BACK INTO REGULAR SESSION

6. ADJOURNMENT

Employee Benefit Trust Board Meeting

2. A.

Meeting Date: 10/02/2023

Summary

MINUTES OF:

-Special meeting held on June 14, 2023

Attachments

06.14.23 MINUTES

Minutes
EMPLOYEE BENEFITS TRUST
COUNCIL CHAMBERS
1090 E. Union Street San Luis, Arizona 85349
June 14, 2023
4:30 PM

1. **CALL TO ORDER/ROLL CALL** Chairman De La Hoya called the meeting to order at approximately 4:32 PM.

Those present:

Board Member Maria Gonzalez
Board Member Gustavo MacGrew-arrived at approximately 4:34 PM
Secretary Maria Saboir
Chairman Tadeo De La Hoya

Those not present:

Vice-Chairman Emma Torres

Others present:

Kay Marion Macuil, City Attorney
Janet Taylor, Legal Secretary-Clerk of the Board
Mary Barajas Gutierrez, Human Resources Coordinator
Jenny Torres, Assistant City Manager
Susan Posada, Benefits Coordinator – Via Zoom
Monica Castro, Director of Finance
Adela Cortez, Director of Human Resources
IT Department; Ruben Lopez, IT Technician; Antonio Maldonado, Video Production Specialist.

2. **CONSENT AGENDA**

All matters are considered 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.

2. A. **MINUTES OF:**

- Special meeting held on May 11, 2023

MOTION: Chairman De La Hoya and Board Member Maria Gonzalez approve the consent agenda as presented.

The vote was as follows:

Board Member Maria Gonzalez	Aye
Board Member Gustavo MacGrew	Aye
Secretary Maria Sabori	Aye

Chairman De La Hoya

Aye

3. DISCUSSION AND POSSIBLE ACTION ITEMS:

3.A. Discussion and possible action on any and all matters regarding Document Plan amendment. **(Susan Posada, Broker, and Consultant)**

Susan Posada, Broker and Consultant, discussed briefly changes that will be affecting the plan:

Preventive Dental Services such as sealant will set an age limit of 16.

Durable Medical Equipment/Prosthetics/Orthotics, such as wigs, will be set at a limit of \$500 per calendar year and for chemotherapy only. Alopecia will be covered for treatment only.

Preventive Care Services, sterilization will now include dependents.

Dental Carryover (roll-over unused dollars) was previously offered with 90 Degrees Benefits; however, the new Third Party Administrator HealthComp, will not be able to continue that. Therefore the new TPA is raising the maximum benefit from \$2,000 to \$2,500 for US Plan and \$1,000 to \$1125 for the Mexico Plan.

MOTION: Chairman De La Hoya and Secretary Maria Sabori approve the Document Plan amendments as presented.

The vote was as follows:

Board Member Gustavo MacGrew	Aye
Board Member Maria Gonzalez	Aye
Secretary Maria Sabori	Aye
Chairman Tadeo De La Hoya	Aye

4. EXECUTIVE SESSION

4.A. Discussion and possible action on any and all matters regarding action to hold an executive session pursuant to A.R.S. §§ 38-431.03(A) subsections (3) and (4) for discussion or consultation for legal advice with the City Attorney in order to consider the Trustees' position and instruct the City Attorney regarding the Trustee's position regarding opening the broker/consultant contract to request for qualifications and contract negotiations. (Kay Marion Macuil, City Attorney)

Motion: Chairman De La Hoya requested this item be presented in an open session. There was not a second for this motion.

Motion: Secretary Maria Sabori and Board Member Gustavo MacGrew to go into executive session:

The vote was as follows:

Secretary Maria Sabori	Aye
Board Member Maria Gonzalez	Aye
Board Member Gustavo MacGrew	Aye
Chairman De La Hoya	Nay

5. MOTION TO GO BACK INTO REGULAR SESSION

Motion: Chairman De La Hoya and Secretary Maria Sabori move to go back into Regular Session.

The vote was as follows:

Board Member Gustavo MacGrew	Aye
Board Member Maria Gonzalez	Aye
Secretary Maria Sabori	Aye
Chairman De La Hoya	Aye

6. ADJOURNMENT *Chairman De La Hoya adjourned the meeting at approximately 5:02 PM.*

PENDING APPROVAL



AGENDA ITEM REVIEW FORM

Employee Benefit Trust Board Meeting

3. A.

Meeting Date: 10/02/2023

Department Head: Adela Cortez, Director Human Resources, Human Resources Department

Submitted By: Maria Barajas Gutierrez, Human Resources Coordinator, Human Resources Department

ITEM:

Discussion and possible action on any and all matters regarding the quarterly review of the benefit plan. **(Susan Posada, Broker and Consultant)**

SUMMARY:

The Trustees are to meet on a quarterly basis to review the Trust Fund. This would be to ensure "sufficient funds exist to pay outstanding and future benefits, and pay for losses of claims or any combination of insurance and direct payment and pay for risk management consultation".

This item is informational. However, it has been put on the agenda as an action item in case there is any action the Board wishes to take.

RECOMMENDATION / SUGGESTED MOTION:

I MOVE TO _____

Attachments

Presentation



Employee Benefit Trust Meeting

October 2, 2023

RESULTS OF FISCAL YEAR ENDING

JUNE 30, 2023



Medical and Dental Membership	July	August	September	October	November	December	January	February	March	April	May	June	Yr to Date	Monthly Average	Annualized	2021.2022 Comparison	% Change	
US & Mexico Med - Employees	144		142	140	144	155	153	156	149	159	153	171	1826	152				
US & Mexico Med - Spouse	7		9	9	9	9	11	11	10	10	9	9	107	9				
US & Mexico Med - Children	35	34	40	41	43	43	41	51	38	43	43	49	493	41				
US & Mexico Med - Family	45	44	37	32	29	27	27	27	27	27	27	29	377	31				
Mexico Med - Employee	5	5	5	4	4	4	6	6	6	6	6	6	62	5				
Mexico Med - EE + Spouse	5	5	5	5	5	5	5	6	10	7	7	7	72	6				
Mexico Med - Child(ren)	8	8	7	7	7	11	8	8	8	8	8	8	96	8				
Mexico Med - Family	25	25	24	24	23	23	19	20	22	23	24	23	274	23				
Dental US & Mexico - Employees	137	135	132	129	143	140	144	136	145	140	157	148	1686	141				
Dental US & Mexico - Spouse	8	8	8	9	9	10	10	9	7	8	8	8	101	8				
Dental US & Mexico - Children	29	29	31	31	31	33	30	38	29	32	32	30	375	31				
Dental US & Mx - Family	29	28	25	25	22	21	20	21	21	20	21	21	277	23				
Dental Mexico Only - Employee	10	10	10	9	9	10	10	10	10	10	11	10	119	10				
Dental Mexico Only - EE + Spouse	8	8	8	10	10	13	12	13	15	13	13	12	135	11				
Dental Mexico Only - Child(ren)	15	14	14	15	17	17	17	18	15	17	16	15	195	16				
Dental Mexico Only - Family	39	39	38	36	34	29	31	33	35	33	35	35	417	35				
Plan Contributions																		
Medical																		
US & M - EE \$604.84	\$87,096.96	\$85,887.28	\$84,677.60	\$87,096.96	\$93,750.20	\$92,540.52	\$94,355.04	\$90,121.16	\$96,169.56	\$92,540.52	\$103,427.64	\$96,774.40	\$1,104,437.84	\$92,036.49	\$1,104,437.84	\$1,010,687.64	9.28%	
US & M - SP \$1255.16	\$8,786.12	\$8,786.12	\$11,296.44	\$10,041.28	\$11,296.44	\$16,317.08	\$13,806.76	\$8,786.12	\$12,551.60	\$10,041.28	\$11,296.44	\$11,296.44	\$134,302.12	\$11,191.84	\$134,302.12	\$105,433.44	27.38%	
US & M Child(ren) \$1255.16	\$43,930.60	\$42,675.44	\$50,206.40	\$51,461.56	\$53,971.88	\$55,227.04	\$51,461.56	\$64,013.16	\$47,696.08	\$53,971.88	\$53,971.88	\$50,206.40	\$618,793.88	\$51,566.16	\$618,793.88	\$582,394.24	6.25%	
USM Sp Child(ren) \$1920.04	\$86,401.80	\$84,481.76	\$71,041.48	\$61,441.28	\$55,681.16	\$51,841.08	\$51,841.08	\$51,841.08	\$51,841.08	\$49,921.04	\$51,841.08	\$55,681.16	\$723,855.08	\$60,321.26	\$723,855.08	\$754,575.72	-4.07%	
Mexico Med EE \$220.40	\$1,102.00	\$1,102.00	\$2,286.60	\$881.60	\$881.60	\$881.60	\$1,322.40	\$1,322.40	\$1,322.40	\$1,322.40	\$1,322.40	\$1,322.40	\$13,664.80	\$1,136.73	\$13,664.80	\$5,730.40	138.46%	
Mexico Med - SP \$43.32	\$2,286.60	\$2,286.60	\$2,286.60	\$2,286.60	\$2,286.60	\$2,286.60	\$2,743.92	\$4,573.20	\$3,201.24	\$3,201.24	\$3,201.24	\$3,201.24	\$32,927.04	\$2,743.92	\$32,927.04	\$35,213.64	-6.49%	
Mexico Med - Child(ren) - \$457.32	\$3,658.56	\$3,658.56	\$3,201.24	\$3,201.24	\$3,201.24	\$5,030.52	\$3,658.56	\$3,658.56	\$3,658.56	\$3,658.56	\$3,658.56	\$3,658.56	\$43,902.72	\$3,658.56	\$43,902.72	\$48,475.92	-9.43%	
Mexico Family - \$667.80	\$16,695.00	\$16,695.00	\$16,027.20	\$16,027.20	\$15,359.40	\$15,359.40	\$13,359.40	\$14,691.60	\$15,359.40	\$14,691.60	\$16,027.20	\$15,359.40	\$182,977.20	\$15,248.10	\$182,977.20	\$196,333.20	-6.80%	
Dental																		
Dental US & Mexico EE \$36.47	\$4,996.39	\$4,923.45	\$4,814.04	\$4,704.63	\$5,215.21	\$5,105.80	\$5,251.68	\$4,959.92	\$5,288.15	\$5,105.80	\$5,725.79	\$5,397.56	\$61,488.42	\$5,124.04	\$61,488.42	\$59,409.63	3.50%	
Dental US & Mexico SP \$72.93	\$583.44	\$583.44	\$656.37	\$656.37	\$656.37	\$729.30	\$729.30	\$437.58	\$656.37	\$510.51	\$583.44	\$7,365.93	\$613.83	\$7,365.93	\$4,886.31	50.75%		
Dental US & Mexico Ch \$72.93	\$2,114.97	\$2,114.97	\$2,260.83	\$2,260.83	\$2,260.83	\$2,406.69	\$2,187.90	\$2,771.34	\$2,114.97	\$2,333.76	\$2,333.76	\$2,187.90	\$27,348.75	\$2,278.06	\$27,348.75	\$27,494.61	-0.53%	
Dental US & Mexico Fam \$91.03	\$2,639.87	\$2,548.84	\$2,275.75	\$2,275.75	\$2,002.66	\$1,911.63	\$1,820.60	\$1,911.63	\$1,911.63	\$1,820.60	\$1,911.63	\$2,184.72	\$25,215.31	\$2,101.28	\$25,215.31	\$30,677.11	-17.80%	
Dental Mexico Only EE \$16.28	\$162.80	\$162.80	\$162.80	\$146.52	\$146.52	\$162.80	\$162.80	\$162.80	\$162.80	\$162.80	\$179.08	\$162.80	\$1,937.32	\$161.44	\$1,937.32	\$439.56	340.74%	
Dental Mexico Only SP \$32.54	\$260.32	\$260.32	\$260.32	\$325.40	\$325.40	\$423.02	\$390.48	\$423.02	\$488.10	\$423.02	\$423.02	\$423.02	\$390.48	\$4,392.90	\$366.08	\$4,392.90	\$4,360.36	0.75%
Dental Mexico Only Ch \$32.54	\$488.10	\$455.56	\$455.56	\$488.10	\$553.18	\$650.80	\$553.18	\$585.72	\$488.10	\$553.18	\$553.18	\$520.64	\$6,345.30	\$528.78	\$6,345.30	\$5,694.50	11.43%	
Dental Mexico Only Fam \$43.39	\$1,692.21	\$1,648.82	\$1,648.82	\$1,648.82	\$1,475.26	\$1,345.09	\$1,345.09	\$1,431.87	\$1,518.65	\$1,431.87	\$1,518.65	\$1,518.65	\$18,093.63	\$1,507.80	\$18,093.63	\$15,837.35	14.25%	
Actual Contributions	\$262,895.74	\$258,314.35	\$252,153.05	\$244,857.36	\$249,063.95	\$249,460.99	\$244,529.03	\$249,861.88	\$245,800.65	\$241,690.06	\$257,974.99	\$250,446.19	\$3,007,048.24	\$250,587.35	\$3,007,048.24	\$2,887,643.63	4.14%	
Plan Distributions																		
Medical Claims US & MX	-\$52,469.36	-\$98,285.78	-\$65,832.62	-\$54,461.18	-\$146,190.53	-\$94,769.15	-\$184,123.70	-\$304,647.50	-\$141,325.07	-\$151,732.13	-\$204,591.82	-\$323,566.20	-\$1,821,995.04	-\$151,832.92	-\$1,821,995.04	-\$1,203,130.09	51.44%	
Medical Claims Mexico Only	-\$4,538.55	-\$22,136.41	-\$4,691.78	-\$12,604.07	-\$9,719.56	-\$14,541.16	-\$23,877.21	-\$3,525.92	-\$9,824.31	-\$75,410.76	-\$13,872.58	-\$98,832.50	-\$293,674.81	-\$24,472.90	-\$293,674.81	-\$119,762.20	145.22%	
RX US & MX	-\$7,039.96	-\$1,253.12	-\$45.00	-\$52,738.79	-\$20,718.17	-\$27,418.17	-\$16,948.39	-\$9,949.57	-\$17,010.48	-\$6,397.13	-\$21,032.34	-\$198,325.21	-\$16,527.10	-\$198,325.21	-\$430,614.91	-\$53.94%		
RX Mexico Only	-\$10,621.78	-\$11,893.03	-\$3,388.50	-\$9,641.99	-\$13,583.63	-\$11,488.97	-\$26,555.49	-\$7,715.52	-\$10,792.10	-\$9,938.17	-\$11,912.72	-\$27,915.49	-\$162,447.39	-\$13,537.28	-\$162,447.39	-\$87,193.18	17.20%	
Dental US	-\$1,032.00	-\$6,185.96	-\$481.95	-\$1,622.44	-\$3,465.23	-\$3,077.00	-\$3,435.88	-\$3,059.44	-\$2,784.92	-\$1,694.72	-\$1,230.22	-\$7,672.07	-\$35,741.53	-\$2,970.46	-\$35,741.53	-\$43,167.22	-17.20%	
Dental Mexico		-\$6,268.57	-\$9,230.63	-\$8,017.87	-\$7,778.55	-\$6,511.31	-\$10,285.07	-\$4,903.30	-\$4,401.26	-\$7,586.09	-\$8,448.02	-\$8,376.87	-\$81,807.54	-\$6,817.30	-\$81,807.54	-\$68,292.84	19.79%	
Total Claims Paid	-\$75,701.65	-\$146,022.87	-\$83,670.48	-\$139,086.34	-\$201,456.67	-\$157,805.76	-\$265,225.44	-\$333,801.25	-\$186,238.44	-\$252,759.00	-\$268,828.05	-\$483,395.47	-\$2,593,991.52	-\$216,165.96	-\$2,593,991.52	-\$1,952,156.46	32.88%	
EBSO TPA Medical fee \$24.50	-\$6,984.00	-\$6,910.50	-\$6,706.50	-\$6,757.50	-\$7,012.50	-\$7,038.00	-\$6,987.00	-\$6,936.00	-\$7,165.50	-\$6,961.50	-\$7,548.00	-\$7,242.00	-\$84,249.00	-\$7,020.75	-\$84,249.00	-\$76,758.50	9.76%	
EBSO Dental Admin \$3.00	-\$825.00	-\$816.00	-\$792.00	-\$792.00	-\$825.00	-\$825.00	-\$825.00	-\$813.00	-\$825.00	-\$813.00	-\$885.00	-\$855.00	-\$9,903.00	-\$825.25	-\$9,903.00	-\$9,378.00	5.60%	
BCBS Network Fee \$16	-\$4,845.75	-\$4,788.00	-\$4,683.00	-\$4,725.00	-\$4,956.00	-\$4,977.00	-\$4,893.00	-\$4,872.00	-\$4,914.00	-\$4,830.00	-\$5,271.00	-\$5,040.00	-\$58,794.75	-\$4,899.56	-\$58,794.75	-\$45,972.50	27.89%	
StarMed Admin Fee \$4.25	-\$1,185.75	-\$1,173.00	-\$1,139.00	-\$1,185.75	-\$1,185.75	-\$1,190.00	-\$1,185.75	-\$1,207.00	-\$1,185.75	-\$1,270.75	-\$1,219.75	-\$1,422.00	-\$1,185.75	-\$1,422.00	-\$1,185.75	-\$1,422.00	6.05%	
ACA Reporting \$3.00	-\$822.00	-\$813.00	-\$789.00	-\$795.00	-\$825.00	-\$828.00	-\$822.00	-\$816.00	-\$843.00	-\$819.00	-\$888.00	-\$852.00	-\$9,912.00	-\$826.00	-\$9,912.00	-\$9,399.00	6.05%	
Stop Loss Reinsurance Premium	-\$64,362.94	-\$63,787.64	-\$62,302.42	-\$61,959.66	-\$62,374.12	-\$63,218.59	-\$61,290.08	-\$62,955.12	-\$63,126.68	-\$61,643.46	-\$65,494.22	-\$63,985.10	-\$756,138.03	-\$63,011.50	-\$756,138.03	-\$658,724.78	29.09%	
Reinsurance Fees (PPCORI)																		
Healthiest You	-\$3,419.00	-\$3,458.00	-\$3,354.00	-\$3,432.00	-\$3,458.00	-\$3,497.00	-\$3,328.00	-\$3,432.00	-\$3,393.00	-\$3,484.00	-\$3,471.00	-\$3,432.00	-\$41,158.00	-\$3,429.83	-\$41,158.00	-\$24,400.00	68.68%	
EAP Preferred	-\$554.04	-\$554.04	-\$554.04	-\$554.04	-\$554.04	-\$554.04	-\$554.04	-\$554.04	-\$580.77	-\$580.77	-\$580.77	-\$580.77	-\$6,755.40	-\$562.95	-\$6,755.40	-\$6,369.44	6.06%	
Adjustments Prior Period																		
Other	-\$1,351.06	-\$561.15	-\$1,109.16	-\$5,484.71	-\$4,396.50	-\$2,921.67	-\$1,674.77	-\$5,899.11	-\$3,890.34	-\$1,837.50	-\$53,903.34	-\$60,846.34	-\$143,375.01	-\$11,947.92	-\$143,375.01	-\$11,683.18		
Consultant Comp	-\$9,765.00	-\$9,660.00	-\$9,380.00	-\$9,380.00	-\$9,765.00	-\$9,800.00	-\$9,730.00	-\$9,625.00	-\$9,940.00									

OVERVIEW

**Total Stop Loss Negotiated Savings:
\$466,375**

STOP LOSS PREMIUM INCREASE

Stop Loss Premium Increased 34.35%

- From \$653,641 to \$838,641 including a laser of \$185,000

OVERVIEW CONTINUED

- *Increase in funding from prior year – 4.14%*
- *Decrease in total claims from prior year 15.68%*
- *Specific Stop Loss reimbursement \$701,824.23*

OVERVIEW CONTINUED

- *Large claims in number of members - 36*
- *Stop loss paid or will pay for the plan year - \$1,750,775.23*
 - *The result of the Stop Loss increase of 34.35%*

MEASUREMENTS OF SUCCESS



PLAN DESIGNS



SAVINGS



FUND BALANCE

PLAN DESIGNS

US PLAN

Unchanged Since 2011

- Deductible \$750
- Primary Care Copay \$15
- Specialist Copay \$25

MEXICO PLAN

Unchanged Since 2011

- Deductible \$0
- Primary Care Copay \$5
- Urgent Care Copay \$20
- Inpatient Hospital Copay \$50

VALUE ADDED

- ✓ Esurgeries - No Copay, No Deductible
- ✓ Stand Alone Providers - for Imaging - \$25 Copay
- ✓ Mexico Plan - Covid Testing & Vaccines
- ✓ Vaccine's - Coordinated Vaccine's for Public Safety and Employees During Pandemic

MEASUREMENTS OF SUCCESS

Savings

\$1,477,000

Fund

\$4,000,000
high claims
& over 1 year of reserve

WELLNESS PROGRAM OFFERED AND AVAILABLE

Through HealthComp Offered:

1. **Population Preventative Care PPC** – Population Preventative Care inclusive of Cancer Awareness, gaps in Care, ER Solutions & Disease Management
2. **HealthComp Elevate** – Includes Case Management, Nurturing Together, & Population Presentation Care PPC, PPC is inclusive of Cancer Awareness, Gaps in Care, ER Solutions & Disease Management
3. **Apps Online Wellness System**
4. **Biometrics with Outside Vendor**
5. **Mammograph Border Health**



Thank You



*Collaboration
with Trust*





AGENDA ITEM REVIEW FORM

Employee Benefit Trust Board Meeting

4. A.

Meeting Date: 10/02/2023

Department Head: Kay Macuil, City Attorney, Attorney's Office

Submitted By: Kay Macuil, City Attorney, Attorney's Office

ITEM:

Discussion and possible action on any and all matters regarding action to hold an executive session under A.R.S. § 38-431.03(A) subsection (3) for discussion or consultation for legal advice with the City Attorney regarding the current broker contract and the broker proposals in response to the request for qualifications and bids. And discussion and possible action on any and all matters regarding action to hold an executive session under A.R.S. § 38-431.03(A) subsection (4) for discussion or consultation with the City Attorney in order for the Trustees to consider their position and instruct the City Attorney regarding the Trustees' position regarding contracts that are the subject of negotiations, in pending or contemplated litigation or in settlement discussions conducted in order to avoid or resolve litigation, specifically, the current broker contract and the broker proposals in response to the request for qualifications and bids. **(Kay Marion Macuil, City Attorney).**

SUMMARY:

The Trustees can be properly advised by holding an executive session for the purposes described in the agenda item.

RECOMMENDATION / SUGGESTED MOTION:

I MOVE TO HOLD AN EXECUTIVE SESSION PURSUANT TO A.R.S. §§ 38-431.03(A) SUBSECTIONS (3) AND (4).

Attachments

Broker Agreements/Amendments

Broker/Consultant Agreement

This Broker Agreement, hereinafter referred to as "Agreement" is between **City of San Luis**, hereinafter referred to as "Client" and **Susan Posada Agency Inc.**, hereinafter referred to as "Broker/Consultant."

WHEREAS, Client wishes to obtain the assistance of Consultant with strategic benefit planning, design, funding, administration, and communication with respect to its employee benefit programs;

WHEREAS, Consultant has knowledge and expertise in assisting employers with designing and servicing employee benefit plans; and

WHEREAS, the parties wish to set forth their respective expectations;

Now, therefore, for good and valuable consideration, the receipt and sufficiency of which is hereby mutually acknowledged, the parties hereby agree as follows:

I. Scope of Services to be Provided by Consultant

Consultant will provide Client with consulting, and brokerage services for the following compensation and benefit programs listed below:

- Medical (including retirees)
- Prescription Drugs
- Dental
- Vision
- Short-term Disability/Salary Continuation
- Long-term Disability
- Group Life Insurance
- Voluntary Life and AD&D
- Other Related Services

1. Purpose:

Our Purpose is to provide the following general services, but not limited to the following:

- a. To review, advise and make recommendations on the appropriate types of insurance coverage's.
- b. Market, manage and coordinate the bidding process for proposals as required and make recommendations on various carriers and plan designs, stop loss carriers and other related vendors.
- c. Act as a liaison and advocate for the City with the selected insurance companies.
- d. Develop new alternatives to traditional insurance plans as appropriate for the City.
- e. Develop and produce communication material including a custom benefit website.

2. Approach:

Annual Renewal Process

The approach in performing the scope of work is detailed as follows:

- a. As the assigned consultant, a review of the employee benefits, contracts, certificates of coverage and premiums will be performed. An analysis of the insurance proposal will be done and findings will be presented to management. Consult with the Human

- Resources Manager or designee to understand the City's goals, objectives, and proposed changes to plan designs. Listen to concerns and challenges with present carriers. Obtain the needed information to properly design and prepare bid specifications, including but not limited to census information, premium history and carrier statistics (e.g. claims experience, network utilization, RX utilization, premium and loss ratio reports).
- b. Consult with the City on alternative methods to reduce premium dollars and maximize benefit plan designs based on market conditions.
 - c. Prepare bid specifications and review with Human Resources Manager or designee. The bid specifications are designed based on the City's goals, objectives, employees' input, cost and knowledge of the market place.
 - d. Distribute bid request to carriers based on their ability to provide service, history of service, claims experience and general market conditions.
 - e. Analyze bids received. The bids are reviewed for accuracy, ability to perform services in geographic and specific specialty areas. The bids are compared to ensure that the highest benefit is received for the least premium dollar while maintaining the quality of service.
 - f. Negotiate premiums and benefits with the carriers where appropriate.
 - g. Written and verbal recommendations are made to the Human Resources Manager or designee and to the City Council and others as required by the City of San Luis. Once the bid is accepted, a review for any changes is made with the Human Resources Manager or designee.
 - h. Review each carrier's summaries, certificate of coverage, contracts and other printed material to ensure accuracy and adherence to agreements. Coordinate with carrier's and order orientation material and prepare necessary documents required by the carrier to hold enrollment meetings as required by the City of San Luis.
 - i. Manage and Coordinate Open Enrollment Meetings and coordinate with various carriers and the City staff for a successful enrollment.
 - j. Develop and produce benefit material for Open Enrollment meetings and preparation of website for use by Human Resources and employees.

3. Work Plan: Approach, Annual Renewal and Reviews

Approach:

The approach in performing the scope of work is detailed as follows:

Bidding/Renewal Process Continued:

- a. Follow up with carriers to ensure timely receipt of enrollment cards and material.
- b. Review with Human Resource Manager monthly and/or Quarterly carrier status (e.g. claim experience, network utilization, Rx utilization premium and loss ratios) and make modification recommendations, work with carrier or third party administrator to reduce cost.

4. Work Plan: Approach, Ongoing Communication and Meetings

Our objective is to assist, support and educate employees and management with all of the selected benefits. To continually monitor all plans to ensure employee and management satisfaction. The following is our approach:

- a. Coordinate with carrier (s) and prepare necessary documents required by the carrier and hold enrollment meetings as required by the City.

- b. Assist in the enrollment process and obtain new enrollment information for all employees. Work with Human Resources to ensure accuracy of those enrolled with each carrier.
- c. Prepare a brochure that includes cost, summary of benefits, carrier contact and general employee benefit information, to be provided along with all enrollment material to employees.
- d. Prepare and update a custom benefit website with carrier and other required information for the employees and Human Resources.
- e. Follow up to ensure accuracy and timely receipt of member ID cards, summaries, certificates of coverage and claim forms.
- f. Review and present copies of contracts, applications of all benefits to Human Resource Manager in a form that is easily accessible.
- g. Act as consultant on an ongoing basis on various employee benefit related issues; assist in claim and billing management. Interact with City as changes may develop in the employee benefits area that impact the City and its employees.
- h. To review and analyze claim reports, monthly or quarterly as deemed necessary and review with the Human Resource Manager or designee, Management and City Council as needed.
- i. Assist the City in any written procedures and proposals as needed. Communicate and assist in coordinating meetings, answering questions and communicating changes as needed.
- j. Consultant will advise and counsel regarding program funding alternatives, including review fee proposals, recommend budget rates, employee contribution rates, and COBRA rates; select and procure appropriate stop loss terms; and monitor program costs against expectations.
- k. Communication - assist in drafting employee communications regarding benefit program performance and changes, and assist in the review of plan documents and insurance certificates during the planning and enrollment process.

5. Other Services

- A. **Compliance Tools & Legislative Information.** Consultant will provide informational materials on legislative developments affecting employee benefit plans, including access to online reference tools on topics such as FMLA, COBRA, HIPAA, HIPAA Privacy, and Section 125.
- B. **Meetings with Client and Vendors.** Services will include attendance at and facilitation of regular meetings with Client and vendors as needed to facilitate program management including day-to-day operations and planning program changes.
 - Consultant shall meet with Client on a quarterly basis to review all activities performed by Consultant during the prior quarter. The meetings will include discussion of business concerns, including presentations of options and recommendations.
 - Consultant shall meet with Client semi-annually to discuss review of the program, state of the marketplace, progress made toward strategic plan, and developments within Client's organization.
 - Consultant shall meet with Client annually to review the claims reports and review plan performance for the preceding year, review goals and objectives for the upcoming year, and agree upon Consultant's fees for the next twelve-month period.

- C. **Day-to-Day Administrative Issues.** Consultant shall provide assistance in the daily administration of programs, including resolution of vendor service issues and addressing questions and concerns raised by Client's employees and management.

II. Disclosure and Recordkeeping

1. **Full Disclosure.** Client shall approve any arrangements and/or the utilization of any intermediaries in connection with, or arising out of, or in any way related to Client's insurance and risk management program. Consultant must seek approval from Client prior to the use of any of the above in connection with the Client's insurance and risk management program.
2. **Recordkeeping.** Consultant will maintain accurate and current files including, but not limited to, insurance policies and correspondence with insurers or brokers in accordance with industry standard record retention practice or as otherwise directed by Client.

III. Term & Termination

1. **Term.** This initial term of this Agreement shall be 3 years, commencing on April 1, 2013 and ending July 1, 2016 ("Initial Term"). Thereafter, this Agreement will remain in effect until terminated as described below.
2. **Termination.** This Agreement may be terminated by either party only as follows:
 - Effective upon thirty (30) days advance written notice to the other party stating that such other party is in breach of any of the provisions or non-performance of this Agreement, provided such breach (if able to be cured) is not cured within fifteen (15) days after the notice is received;
 - The city can elect to extend or continue this contract beyond the 3 years.

IV. Cost of Services

Consultant professional fees are based upon time expended by specific individuals. The fees do not include out-of-pocket expenses, including expenses related to travel outside of the state. Client agrees to pay Consultant professional fees as outlined in Exhibit 1. These annual fees are payable in monthly installments and Consultant agrees to submit invoices to Client on a monthly basis.

Invoices are prepared and sent by the Third Party Administrator (TPA) according to the agreement and provided monthly by the TPA. Payment for the consultant professional fees, calculated by the TPA are paid by the TPA on a monthly basis.

Additional programs and services will be provided on a project basis for an additional fee to be disclosed in writing and shall be undertaken upon mutual agreement between Consultant and Client. Such programs and services may include, but not be limited to, retiree medical plans, special employee surveys, employee communication materials, and long-term care insurance, vision, disability, life, supplemental life and any other required by the Client. Such Ancillary benefits are paid by the carrier and not by the Client.

V. Personnel

Consultant will assign its personnel according to the needs of Client and according to the disciplines required to complete the appointed task in a professional manner. Consultant retains the right to substitute personnel with reasonable cause. The Account Management Team consists of the following individuals:

Primary Service Team: Susan Posada
Broker/Consultant/ Account Manager

Other Personnel shall be assigned as designed for quality services

VI. Client's Responsibilities

Client will make available such reasonable information as required for Consultant to conduct its services. Such data will be made available as promptly as possible. It is understood by Consultant that the time of Client's personnel is limited, and judicious use of that time is a requirement of this Agreement. Client will make timely payments of the service fees as set forth elsewhere in this Agreement.

VII. Records and Information

Consultant understands and agrees to limit its use and disclosure of protected health information as described in Exhibit 2.

VIII. Independent Contractor

It is understood and agreed that Consultant is engaged by Client to perform services under this Agreement as an independent contractor. Consultant shall use its best efforts to follow written, oral, or electronically transmitted (i.e., sent via facsimile or e-mail) instructions from Client as to policy and procedure.

IX. Fiduciary Responsibility.

Client acknowledges that: (i) Consultant shall have no discretionary authority or discretionary control respecting the management of any of the employee benefit plans; (ii) Consultant shall exercise no authority or control with respect to management or disposition of the assets of Client's employee benefit plans; and (iii) Consultant shall perform services pursuant to this Agreement in a non-fiduciary capacity. Client agrees to notify Consultant as soon as possible of any proposed amendments to the plans' legal documents to the extent that the amendments would affect Consultant in the performance of its obligations under this Agreement. Client agrees to submit (or cause its agent, consultants, or vendors to submit) all information in its (or their) control reasonably necessary for Consultant to perform the services covered by this Agreement.

X. Entire Agreement

This constitutes the entire Agreement between the parties, and any other warranties or agreements are hereby superseded.

Subsequent amendments to this Agreement shall only be in writing signed by both parties.

Raene Mey
Signature
City Manager
Title

6/05/2013
Date

Susan Posada Agency Inc.
[Signature]
Signature
President/owner
Title

6/24/13
Date

Exhibit 1

Consulting Fees

The Broker/Consultant commissions shall not exceed 5% of the fully insured equivalent as determined by MMSI/Mayo or the appointed Third Party Administrator each year. This amount is calculated by the third party administrator and provided as a Per Employee Per Month (PEPM) format.

For the year beginning July 1, 2012 to July 1, 2013 the fee as determined by the TPA was \$33.00 and the Consultant agreed to a \$30.00 PEPM. The rate calculation for the \$33.00 fee is attached.

For the year beginning July 1, 2013, the rate as determined by MMSI/Mayo is \$34.07. For the plan year the Broker Consultant has elected to receive \$32 Per Employee Per Month instead of the \$34.07. The rate will not exceed the 5% as determined each year for Medical and Dental benefits as administered by MMSI/Mayo. The calculation by MMSI/Mayo for Plan year 2013/2014 is attached to this contract.

Each plan year beginning 7/1/13 the fee will be calculated based on the 5% of the fully insured equivalent as determined by the TPA.

Any other ancillary fees as paid by the carrier are standard fees paid by the carrier such as for coverage for vision, disability and life. Such payment is paid directly by each carrier and not by the Trust through MMSI/Mayo.

**Mayo Clinic Health Solutions
 Estimated Premium Rate Comparison for
 City of San Luis
 based on Reinsurer Expected Claims Liability**

Current Premium - 2012/2013 Plan Year
 - Dependent rates include Employee cost

Coverage	Enrollment Tier	Enrollment Count	Fully Ins'd Equiv Rate	Monthly Premium
Medical	US & Mexico - Employee Cost	89	\$ 429.00	\$ 38,181.00
Medical	US & Mexico - Emp & Spouse Cost	7	\$ 890.24	\$ 8,231.68
Medical	US & Mexico - Emp & Child(ren) Cost	40	\$ 890.24	\$ 35,609.60
Medical	US & Mexico - Emp, Spouse & Child(ren) Cost	17	\$ 1,381.84	\$ 23,151.28
Med & Dent	Mexico - Emp, Spouse & Child(ren) Cost	44	\$ 358.20	\$ 15,760.80
Dental	US & Mexico - Employee Cost	87	\$ 30.00	\$ 2,610.00
Dental	US & Mexico - Emp & Spouse Cost	6	\$ 67.88	\$ 407.16
Dental	US & Mexico - Emp & Child(ren) Cost	27	\$ 67.88	\$ 1,832.22
Dental	US & Mexico - Emp, Spouse & Child(ren) Cost	35	\$ 67.88	\$ 2,375.10
Dental Only	US & Mexico - Dependent Cost	0	\$ 37.86	\$ -
Monthly Premium -				\$ 126,158.84
Annual Premium -				\$ 1,513,808.08

Required Premium based on Rates and Factors - 2013/2014 Plan Year

Category	Enrollment Count	Rate	Total
Fixed Rates			
Specific Premium - Employee (\$50K)	89	\$ 92.48	\$ 8,230.72
Specific Premium - Family (\$50K)	64	\$ 228.97	\$ 14,654.08
Aggregate Premium	197	\$ 4.24	\$ 835.28
Medical/Rx Claims Administration Fee	197	\$ 18.70	\$ 3,289.90
Dental Claims Administration Fee	196	\$ 2.80	\$ 609.60
Broker Fee	197	\$ 33.00	\$ 6,501.00
Utilization Review/Case Management Fee	197	\$ 3.00	\$ 591.00
COBRA/HIPAA Fee	197	\$ 0.79	\$ 155.63
PPO Fee - BCBSAZ Medical	153	\$ 13.50	\$ 2,065.50
PPO Fee - BCBSAZ Dental	153	\$ 1.50	\$ 229.50
PPO Fee - Stamed	197	\$ 4.00	\$ 788.00
Aggregate Factors - Medical & Rx			
Employee	89	\$ 251.54	\$ 22,387.42
Family	108	\$ 625.09	\$ 67,509.50
Estimated Dental Claims			
			\$ 6,500.00
Monthly Premium -			\$ 134,247.13
Annual Premium -			\$ 1,610,985.56

Proposed Premium - 2013/2014 Plan Year

- Dependent rates include Employee cost

Coverage	Enrollment Tier	Enrollment Count	Fully Ins'd Equiv Rate	Monthly Premium
Medical	US & Mexico - Employee Cost	89	\$ 458.50	\$ 40,628.50
Medical	US & Mexico - Emp & Spouse Cost	7	\$ 847.32	\$ 8,631.24
Medical	US & Mexico - Emp & Child(ren) Cost	40	\$ 947.32	\$ 37,892.80
Medical	US & Mexico - Emp, Spouse & Child(ren) Cost	17	\$ 1,449.15	\$ 24,635.55
Med & Dent	Mexico - Emp, Spouse & Child(ren) Cost	44	\$ 381.18	\$ 16,771.04
Dental	US & Mexico - Employee Cost	87	\$ 31.92	\$ 2,777.04
Dental	US & Mexico - Emp & Spouse Cost	6	\$ 72.21	\$ 433.26
Dental	US & Mexico - Emp & Child(ren) Cost	27	\$ 72.21	\$ 1,949.67
Dental	US & Mexico - Emp, Spouse & Child(ren) Cost	35	\$ 72.21	\$ 2,527.35
Dental Only	US & Mexico - Dependent Cost	0	\$ 40.29	\$ -
Monthly Premium -				\$ 134,246.45
Annual Premium -				\$ 1,610,957.40

Commissions based on Expected Liability:	
Commission Percent	6%
Annual Commission	\$ 80,647.87
Monthly Commission	\$ 6,712.32
PEPM Commission	\$ 34.07

Exhibit 2
Business Associate Contract

This Business Associate Contract (Agreement) is entered into by and between the **City of San Luis, and Susan Posada Agency Inc.**, (Business Associate) effective as of July 1, 2013.

WHEREAS, the Covered Entity is a group health plan as defined in the privacy rules adopted pursuant to the Health Insurance Portability and Accountability Act of 1996 (HIPAA);

WHEREAS, the Business Associate wishes to perform on behalf of the Covered Entity treatment, payment, or health care operations as defined by HIPAA;

WHEREAS, the parties wish to set forth their understandings with regard to the use and disclosure of Protected Health Information (PHI) by the Business Associate in performance of its obligations;

In consideration of the mutual promises set forth below, the parties hereby agree as follows:

A. OBLIGATIONS AND ACTIVITIES OF BUSINESS ASSOCIATE

1. Use of Protected Health Information (PHI). Business Associate shall not use or further disclose PHI other than as permitted or required by this Agreement or as required by law. To the extent practicable, Business Associate shall limit its use or disclosure of PHI or requests for PHI to a limited data set, or if necessary, to the minimum necessary to accomplish the intended purpose of such use, disclosure or request.
2. Safeguards. Business Associate shall use appropriate safeguards to prevent the use or disclosure of PHI other than pursuant to the terms and conditions of this Agreement, including establishing procedures that limit access to PHI within its organization to those employees with a need to know the information. Business Associate agrees that it will implement appropriate administrative, physical, and technical safeguards to protect the confidentiality, integrity and availability of electronic PHI that it creates, receives, maintains or transmits on behalf of the Covered Entity, as required by the HIPAA Security Rules.
Business Associate acknowledges that the requirements of 45 C.F.R. Sections 164.308, 164.310 and 164.312 applicable to such administrative, physical and technical safeguards apply to Business Associate in the same manner that such sections apply to Covered Entity. Further, Business Associate shall implement, and maintain in written form, reasonable and appropriate policies and procedures to comply with the standards, implementation specifications or other requirements of the HIPAA Security Rule, in accordance with 45 C.F.R. Section 164.316, which applies to Business Associate in the same manner that such sections apply to Covered Entity.
3. Unauthorized Disclosures of PHI. Business Associate shall, within ten (10) business days of becoming aware of a disclosure of PHI in violation of this Agreement by Business Associate, its officers, directors, employees, contractors, or agents or by a third party to which Business Associate disclosed PHI (including a subcontractor), report to Covered Entity any such disclosure. Business Associate agrees to mitigate, to the extent practicable, any harmful effect of the unauthorized disclosure or misuse of PHI.
4. Security Incidents. Business Associate shall promptly report to Covered Entity any Security Incident of which it becomes aware, in accordance with the HIPAA Security Rule.
5. Agreements With Third Parties. Business Associate agrees to ensure that any agents and subcontractors that create, receive, maintain or transmit PHI on behalf of Business Associate with

respect to Business Associate's relationship with Covered Entity, agrees to the same restrictions and conditions that apply to Business Associate with respect to such information.

6. Access to Information. Within ten (10) days of a request by the Covered Entity for access to PHI about an individual contained in a Designated Record Set, Business Associate shall make available to the Covered Entity such PHI for so long as such information is maintained in a Designated Record Set and in accordance with the requirements of 45 C.F.R. Section 164.524. In the event any individual requests access to PHI directly from the Business Associate, Business Associate shall respond to the request for PHI within ten (10) days. Any denials of access to the PHI requested shall be the responsibility of the Business Associate.
7. Availability of PHI for Amendment. Business Associate agrees to make any amendments to PHI in a Designated Record Set that the Covered Entity directs or agrees to pursuant to 45 CFR Section 164.526 at the request of the Covered Entity or an individual, and in the time and manner designated by Covered Entity.
8. Inspection of Books and Records. Business Associate agrees to make its internal practices, books, and records relating to the use and disclosure of PHI received from, or created or received by Business Associate on behalf of Covered Entity available to the Covered Entity, or at the request of the Covered Entity to the Secretary of the U.S. Department of Health and Human Services or its designee (the "Secretary"), in a time and manner designated by the Covered Entity or the Secretary, for purposes of the Secretary determining Covered Entity's compliance with HIPAA.
9. Accounting of Disclosures. Business Associate agrees to maintain and make available to the Covered Entity an accounting of disclosures of PHI as would be required for Covered Entity to respond to a request by an individual made in accordance with 45 CFR Section 164.528. Business Associate shall provide an accounting of disclosures made during the six (6) years prior to the date on which the accounting is requested (or during the three (3) years prior to the date the accounting is requested for PHI maintained in an electronic health record, beginning on the applicable effective date pursuant to the American Recovery and Reinvestment Act of 2009). At a minimum, the accounting of disclosures shall include the following information:
 - a. Date of disclosure,
 - b. The name of the person or entity who received the PHI, and if known, the address of such entity or person,
 - c. A brief description of the PHI disclosed, and
 - d. A brief statement of the purpose of such disclosure, which includes an explanation of the basis of such disclosure.

In the event the request for an accounting is delivered directly to the Business Associate, the Business Associate shall respond to the request within ten (10) days. Any denials of a request for an accounting shall be the responsibility of the Business Associate.

Business Associate agrees to implement an appropriate record keeping process to enable it to comply with the requirements of this Section.

10. Remuneration in Exchange for PHI. Effective Sept. 23, 2013, the effective date of the final HIPAA regulations pursuant to the American Recovery and Reinvestment Act of 2009 and subject to the transition provision of 45 CFR Section 164.532 regarding prior data use agreements, Business Associate shall not directly or indirectly receive remuneration in exchange for any PHI without a valid authorization permitting such remuneration, except as permitted by law.

B. PERMITTED USES AND DISCLOSURES BY BUSINESS ASSOCIATE

1. Business Associate shall not use or disclose any PHI for any purpose other than performance of services for Covered Entity as provided for in the Consulting Agreement dated July 1, 2013. Except as otherwise limited by this Agreement, Business Associate may use or disclose PHI to perform functions, activities, or services for, or on behalf of, Covered Entity as specified above, provided that such use or disclosure would not violate HIPAA if done by the Covered Entity.

C. OBLIGATIONS OF COVERED ENTITY

1. Covered Entity shall comply with each applicable requirement of the HIPAA Privacy and Security Rules
2. Covered Entity shall provide Business Associate with the notice of privacy practices that Covered Entity produces in accordance with 45 CFR Section 164.520, as well as any changes to such notice.
3. Covered Entity shall provide Business Associate with any changes in, or revocation of, permission by individual to use or disclose PHI, if such changes affect Business Associate's permitted or required uses and disclosures.
4. Covered Entity shall notify Business Associate of any restriction to the use or disclosure of PHI that Covered Entity has agreed to in accordance with 45 CFR Section 164.522.

D. PERMISSIBLE REQUESTS BY COVERED ENTITY

Covered Entity shall not request Business Associate to use or disclose PHI in any manner that would not be permissible under HIPAA if done by the Covered Entity.

E. TERMINATION

1. Term. The term of this Agreement shall begin on the Effective Date and shall remain in effect until terminated under Section E(2) of this Agreement.
2. Termination. This Agreement shall be terminated only as follows:
 - a. Termination For Cause by Covered Entity

This Agreement may be terminated by the Covered Entity upon fifteen (15) days written notice to the Business Associate in the event that the Business Associate breaches any provision contained in Paragraphs A or B of this Agreement and such breach is not cured within such fifteen (15) day period.
 - b. Termination for Cause by Business Associate

Effective February 17, 2010, this Agreement may be terminated by the Business Associate upon fifteen (15) days written notice to the Covered Entity in the event that the Covered Entity breaches any provision contained in Paragraphs C or D of this Agreement and such breach is not cured within such fifteen (15) day period.
 - c. Termination Due To Change in Law

Either party may terminate this Agreement effective upon thirty (30) days advance written notice to the other party in the event that the terminating party has sought amendment of this Agreement pursuant to Paragraph G(1) and no amendment has been agreed upon.
 - d. Termination Without Cause

Either may terminate this Agreement effective upon ninety (90) days advance written notice to the other party given with or without any reason.

3. Return or Destruction of PHI

Upon termination of this Agreement, Business Associate shall return or destroy all PHI received from Covered Entity, or created maintained or received by Business Associate on behalf of Covered Entity that the Business Associate maintains in any form. Business Associate shall retain no copies of the PHI.

Notwithstanding the above, to the extent that it is not feasible to return or destroy such PHI, the terms and provisions of Sections A, B and C shall survive termination of this Agreement and such PHI shall be used or disclosed solely for such purpose or purposes that prevented the return or destruction of such PHI. When the PHI is no longer needed by the Business Associate, the Business associate shall return the PHI to Covered Entity or shall destroy it

F. DEFINITIONS

Terms used, but not otherwise defined, in this Agreement shall have the same meaning as those terms in the HIPAA Privacy, Security, Breach Notification and Enforcement Rules at 45 CFR Part 160 and 164.

G. GENERAL PROVISIONS

1. Amendment. This Agreement may be amended only by the mutual written agreement of the parties. The parties agree to take such action to amend this Agreement from time to time as is necessary for the Covered Entity or Business Associate to comply with the requirements of HIPAA.
2. Indemnification. Each party shall release, indemnify and hold the other harmless from and against any claims, fees, and costs, including, without limitation, reasonable attorneys' fees and costs, which may be incurred by the acts of that party as a result of or related to the other party's activities pursuant to this Agreement.
3. Remedies. The parties acknowledge that breach of Paragraphs A or B of this Agreement may cause irreparable harm for which there is no adequate remedy at law. In the event of a breach, or if either party has actual notice of an intended breach, such party shall be entitled to a remedy of specific performance and/or injunction enjoining the other party from violating or further violating this Agreement. The parties agree the election of the party to seek injunctive relief and or specific performance of this Agreement does not foreclose or have any effect on any right such party may have to recover damages.
4. Survival. Business Associate's obligation to limit its use and disclosure of Protection Information as set out in Paragraphs A and B survive the termination of this Agreement so long as Business Associate has PHI received during the performance of its services as described in this Agreement.
5. Governing Law. This Agreement shall be construed and enforced in accordance with the laws of the State of Arizona.
6. Assigns. Neither this Agreement nor any of the rights, benefits, duties, or obligations provided herein may be assigned by any party to this Agreement without the prior written consent of the other party.
7. Third-party Beneficiaries. Nothing in this Agreement shall be deemed to create any rights or remedies in any third party.
8. Interpretation. Any ambiguity in this Agreement shall be resolved in favor of a meaning that permits the Covered Entity and/or Business Associate, as applicable, to comply with HIPAA.

9. Notices. Any notice given under this Agreement must be in writing and delivered via first class mail, via reputable overnight courier service, or in person to the following addresses, or to such addresses or facsimile numbers as the parties may specify by like notice:

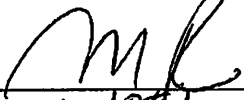
If to Covered Entity:

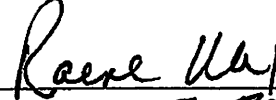
If to Business Associate:

Susan Posada

IN WITNESS WHEREOF, the undersigned have executed this Agreement.

Susan Posada Agency Inc.

Signed: 
Date: 6/24/2013
Name (Print): SUSAN POSADA
Title: broker / pres

Signed: 
Date: 6-05-2013
Name (Print): Renee May
Title: CITR Mgr

AMENDMENT TO BROKER/CONSULTANT AGREEMENT DATED MAY 22, 2013

Comes now the San Luis Employee Benefit Trust, hereinafter referred to as "Client" and Susan Posada Agency, Inc., hereinafter referred to as "Broker/Consultant", and in consideration of the mutual covenants contained herein, hereby agree as follows:

- 1. Client is the successor to the Broker/Consultant agreement between the City of San Luis and Susan Posada Agency dated May 22, 2013 (hereinafter referred to as the "Agreement"). Said Agreement has been extended twice by previous amendment. Said Agreement is scheduled to expire on July 1, 2019.**
- 2. All provisions of the Agreement, as previously amended, unless amended by the terms of this amendment shall remain unchanged and in full force and effect.**
- 3. The parties hereto agree to extend the Agreement for a two year period ending on July 1, 2021. Renewal thereafter for two year periods shall be automatic, provided that either party to this Agreement may terminate it at the end of any period of extension by giving the other party 60 or more days' notice in writing of the intention to terminate.**
- 4. For the period of July 1, 2019 to June 30, 2020 the agreed commission is a rate of \$35.00 per employee per month ("PEPM"), with no change from 2018/2019. This rate shall remain in effect during the term of this Agreement unless changed by written amendment executed by the parties hereto.**
- 5. Any other ancillary fees as paid by the carrier are standard fees paid by the carrier such as for coverage for vision, disability, and life coverage. Such payment shall be paid directly by such carrier and not by the Client.**
- 6. This agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. The signature pages from one or more counterparts may be removed from such counterparts and such signature pages all attached to a single instrument so that the signature of all parties may be physically attached to a single document.**
- 7. Time is of the essence of this contract.**
- 8. It is not intended by this agreement to, and nothing contained in this agreement shall, create any partnership, joint venture or other similar arrangement between Client and Broker/Consultant. No term or provision of this agreement is intended to, or shall, be for the benefit of any person, firm, organization or corporation not a party hereto, and no such other person, firm, organization or corporation shall have any right or cause of action hereunder.**
- 9. This agreement constitutes the entire agreement between the parties hereto pertaining to the subject matter hereof. All prior and contemporaneous agreements,**

representations and understandings of the parties, oral or written, are hereby superseded and merged herein.

10. No change or additions are to be made to this agreement except by a written amendment executed by the parties hereto.

11 This agreement is entered into in Arizona and shall be construed and interpreted under the laws of the State of Arizona. In particular, this agreement is subject to the provisions of A.R.S. § 38-511.

12. Any legal action relating to this agreement shall be brought in either the Yuma County Superior Court or in the United States District Court for the District of Arizona at the election of the plaintiff in such legal action, provided, however, that nothing in this paragraph will be deemed to have authorized the bringing of any legal action in a court which does not otherwise have jurisdiction to adjudicate the legal action.

13. Every provision of this agreement is, and will be construed to be, a separate and independent covenant. If any provision of this agreement or the application of the same is, to any extent, found to be invalid or unenforceable, then the remainder of this agreement or the application of that provision to circumstances other than those to which it is invalid or unenforceable, will not be affected by that invalidity or unenforceability, and each provision of this agreement will be valid and will be enforced to the extent permitted by the law, and the parties will negotiate in good faith for such amendments of this agreement which may be necessary to achieve its intent, notwithstanding such invalidity or unenforceability.

14. Broker/Consultant hereby represents that it does not boycott Israel.

The parties have executed this agreement on the 12th day of June, 2019.

Susan Posada Agency, Inc.

San Luis Employee Benefit Trust

By: _____

By: _____

Approved as to form:

Kay Marion Maciel
City Attorney – Attorney for San Luis
Employee Benefit Trust

AMENDMENT TO BROKER/CONSULTANT AGREEMENT DATED MAY 22, 2013

The San Luis Employee Benefit Trust, hereinafter referred to as "Client" and Susan Posada Agency, Inc., hereinafter referred to as "Broker/Consultant," and in consideration of the mutual covenants contained herein, agree as follows:

1. The Client is the successor to the Broker/Consultant agreement between the City of San Luis and Susan Posada Agency dated May 22, 2013 (hereinafter referred to as the "Agreement"). The Client extended the Agreement to July 1, 2021, in the amendment dated June 12, 2019. Under the terms of said 2019 amendment, the Agreement renews automatically for two-year periods, unless at the end of any period of extension, a party gives the other party at least 60 days' notice in writing of the intention to terminate. For the Client's March 10, 2021, meeting, the Broker proposed a 3-year renewal. The item was continued to the May 5, 2021, meeting and was discussed in executive session. An open session vote was not possible because the executive session ran up to the City Council Work Session time.

2. All provisions of the Agreement, as previously amended, unless amended by the terms of this amendment shall remain unchanged and in full force and effect.

3. Paragraph number three (3) of the amendment dated June 12, 2019, is hereby amended as follows:

a. The parties hereto agree to extend the Agreement to July 1, 2024.

b. On or before June 30, 2023, the Client may give written notice to Broker of its intent to put out the Agreement for a request for qualifications and proposals or take such other action in its fiduciary responsibility. The selected broker firm will commence creating a benefits plan for the July 1, 2024, through June 30, 2025, fiscal year on October 1, 2023. If the selected broker firm is not the current Broker, then as a transition, the current Broker shall continue all aspects of this Agreement, including working with the selected broker in creating a benefits plan to the extent that proprietary property is protected and not infringed. The Client will compensate the current Broker through June 30, 2024, according to sections 4 and 5 below.

4. For the period of July 1, 2021, through June 30, 2024, the Broker/Consultant commission shall not exceed 5% of the fully insured equivalent as determined by the Third-Party Administrator ("TPA") each year. This amount is calculated by the TPA and provided as a Per Employee Per Month ("PEPM") format. The commission for the duration of the term of the Agreement will not exceed \$35 PEPM unless changed by written amendment executed by the parties hereto.

5. Any other ancillary fees as paid by the carrier are standard fees paid by the carrier, such as for coverage for vision, disability, and life coverage. Such payment shall be paid directly by such carrier and not by the Client.

6. This amendment may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. The signature pages from one or more counterparts may be removed from such counterparts, and such signature pages all attached to a single instrument so that the signature of all parties may be physically attached to a single document.

7. Time is of the essence of the Agreement as amended.

8. It is not intended by this amendment to the Agreement to, and nothing contained in the Agreement as amended shall create any partnership, joint venture or other similar arrangements between Client and Broker/Consultant. No term or provision of this Agreement as amended is intended to, or shall, be for the benefit of any person, firm, organization or corporation, not a party hereto, and no such other person, firm, organization or corporation shall have any right or cause of action hereunder.

9. This amendment to the Agreement constitutes the entire agreement between the parties hereto pertaining to the subject matter hereof. All prior and contemporaneous agreements, representations and understandings of the parties, oral or written, are hereby superseded and merged herein.

10. No change or additions are to be made to the Agreement as amended except by a written amendment executed by the parties hereto.

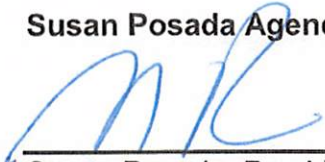
11. This amendment to the Agreement is entered into in Arizona and shall be construed and interpreted under the laws of the State of Arizona. In particular, the Agreement as amended is subject to the provisions of A.R.S. § 38-511.

12. Any legal action relating to the Agreement as amended shall be brought in either the Yuma County Superior Court or in the United States District Court for the District of Arizona at the election of the plaintiff in such legal action, provided, however, that nothing in this paragraph will be deemed to have authorized the bringing of any legal action in a court which does not otherwise have jurisdiction to adjudicate the legal action.

13. Every provision of this Agreement as amended is, and will be construed to be, a separate and independent covenant. If any provision of the Agreement as amended or the application of the same is, to any extent, found to be invalid or unenforceable, then the remainder of the Agreement as amended or the application of that provision to circumstances other than those to which it is invalid or unenforceable, will not be affected by that invalidity or unenforceability, and each provision of this Agreement as amended will be valid and will be enforced to the extent permitted by the law, and the parties will negotiate in good faith for such amendments of this Agreement which may be necessary to achieve its intent, notwithstanding such invalidity or unenforceability.

The parties have executed this amendment to the Agreement.

Susan Posada Agency Inc.



Susan Posada, President & Owner

Date: 7/12/2021

San Luis Employee Benefit Trust



Gerardo Sanchez, Chair

Date: 6/24/21

APPROVED AS TO FORM:



Kay Marion Macuil
City Attorney-Attorney for
San Luis Employee Benefit Trust