

MINUTES
Special Meeting
Employee Benefit Trust
Council Chambers
1090 E. Union Street
San Luis, AZ 85349
June 24, 2025
11:30 a.m.

1. CALL TO ORDER/ROLL CALL

Chairman Javier Vargas called the meeting to order at approximately 11:30 a.m.

PRESENT: Javier Vargas, Chairman
Emma Torres, Vice Chairwoman – arrived at 11:38 a.m.
Maria Sabori, Secretary
Maria Gonzalez, Board Member

ABSENT: Gustavo McGrew, Board Member

OTHERS PRESENT: Adela Cortez, Director of Human Resources
Kay Marion Macuil, City Attorney
Sonia Cornelio, City Clerk
Israel Lara, IT Technician
Jenny Torres, Acting City Manager
Jose Antonio Maldonado, Multimedia Production & Operations Specialist
Mario Rodriguez, Finance Operations Manager
Mary Barajas, Acting Human Resources Manager
Olivia Jenkins, Administrative Services Manager
Priscila Campa, Human Resources Coordinator

2. CONSENT AGENDA

2. A. MINUTES OF
-Special meeting held on April 23, 2025

MOTION: Chairman Javier Vargas/Secretary Maria Sabori to approve the Consent Agenda.
The motion passed unanimously.

The vote was as follows:

Javier Vargas, Chairman	Aye
Emma Torres, Vice Chairwoman	Aye
Maria Sabori, Secretary	Aye
Maria Gonzalez, Board Member	Aye

3. DISCUSSION AND POSSIBLE ACTION ITEMS:

3. A. Discussion and action on any and all matters regarding a Request for Proposals for a Third-Party Administrator and Medical Provider Administrator for the Mexico Network. (Adela Cortez, Director of Human Resources)

Ms. Adela Cortez, Director of Human Resources, stated that staff is requesting approval to ask for a Request for Proposals (RFP) for a Third-Party Administrator and a Medical Provider Administrator for the Mexico Network. She informed that SIARMED, the Mexico Provider, has been providing its services to the city for over 15 years. She added that it is standard practice that when a company receives certain services, it is a good idea to have an RFP every five (5) years to ensure that the best services are provided. She stated that if this is approved, staff will put out the RFPs in January 2026, as the two (2) current agencies have a contract that expires on June 30, 2026.

Secretary Maria Sabori asked if staff are approved to conduct the RFPs, would SIARMED be allowed to submit its proposal, and inquired if the Third-Party Administrator would be for US and Mexico Coverage.

Ms. Cortez replied that SIARMED will be allowed to submit its RFP and informed that the Third-Party Administrator would be for both plans.

Chairman Javier Vargas asked if there have been any issues or complaints with SIARMED.

Ms. Cortez replied that a survey was conducted, but since the company has been providing the services for so long, staff want to ensure that employees are receiving the best services. She stated that SIARMED can submit a proposal, and it will be evaluated just like any other company that submits a proposal.

MOTION: Chairman Javier Vargas/Secretary Maria Sabori to approve the staff's recommendation and initiate the development of the Request for Proposals for a Third-Party Administrator and Medical Provider Administrator as presented. The motion passed unanimously.

The vote was as follows:

Javier Vargas, Chairman	Aye
Emma Torres, Vice Chairwoman	Aye
Maria Sabori, Secretary	Aye
Maria Gonzalez, Board Member	Aye

3. B. Discussion and possible action on any and all matters regarding a Request for Proposals for a Third-Party Administrator and Medical Provider Administrator for the Mexico Network. (Maria Barajas, Acting Human Resources Manager)

Ms. Maria Barajas, Acting Human Resources Manager, presented the two (2) new contracts that will take effect July 1, 2025. She informed that this is part of the renewal process, one contract will expire on June 30, 2025, which is the network contract. She presented three (3) different options; option #1 is for one (1) year and the fee per employee per month will be \$22.50; option #2 a two (2) year agreement, the fee will be \$22.50 for the first year and will increase to \$23.00 the 2nd year; and option #3 is a two (2) year contract with access fee of \$22.75 for two (2) years. Furthermore, she mentioned that since staff is requesting authorization from the board to go through the Request for Proposal Process, the benefits consultant is recommending a one-year contract, with option #1 providing flexibility to search for other networks available in the area. If not, staff can go back and renegotiate the fee for another year. She added that the other contract that is renewing is the Employee Assistance Program (EAP), which is with Uprise Health, and it is for a three-year term. The administrative service fee is \$1.91 per employee per month, which decreased from last year's agreement of \$2.39. The last contract is the Stop Loss Carrier Contract, which is renewed annually. This agreement includes a 16% increase in the individual Stop Loss premium, with a potential laser for \$200,000. A copy of all contracts is attached to the agenda item for reference.

Chairman Javier Vargas asked if the contract would be for 12 months.

Mr. Barajas replied that indeed the contract will be for 12 months, as it will be revised.

Ms. Adel Cortez, Director of Human Resources, explained that the insurance broker is recommending option #1 is because if the trust makes requests for proposals from other and decides to go with a different Third-Party Administrator (TPA) and the TPA may work with various networks, then Blue Cross Blue Shield will have to be changed. This is the reason staff do not want to get into a two (2) year contract, but once the TPA is selected and if they have no better networks that they work with, then a new agreement can be negotiated with Blue Cross Blue Shield.

MOTION: Secretary Maria Sabori/Board Member Maria Gonzalez to approve the new contract with Blue Cross Blue Shield of Arizona and select option #1 as presented; approve the new agreement with Uprise Health as presented; and approve the new contract with Ryan Specialty Benefits, as our Stop Loss Insurance Carrier, as presented. The motion passed unanimously.

The vote was as follows:

Javier Vargas, Chairman	Aye
Emma Torres, Vice Chairwoman	Aye
Maria Sabori, Secretary	Aye
Maria Gonzalez, Board Member	Aye

4. EXECUTIVE SESSION

(Vote to hold and Executive Session pursuant to A.R.S. § 38-431.03(A)(2), (3), and (4)).

4. A. Discussion and possible action to hold an executive session pursuant to A.R.S. § 38-431.03(A)(2), (3), and (4) on any and all matters regarding certain claims under the Employee Benefits Plans and discussion or consultation for legal advice with the City Attorney. **(Kay Marion Macuil, City Attorney)**

5. ADJOURNMENT

MOTION: Chairman Javier Vargas/Vice Chairwoman Emma Torres to adjourn the meeting at approximately 12:49 p.m. The motion passed unanimously.

The vote was as follows:

Javier Vargas, Chairman	Aye
Emma Torres, Vice Chairwoman	Aye
Maria Sabori, Secretary	Aye
Maria Gonzalez, Board Member	Aye

APPROVED:

Javier Vargas, Chairman

ATTEST:

Sonia Cornelio, City Clerk

Certification

I hereby certify that the foregoing minutes are a true and correct copy of the Special meeting for the Employee Benefit Trust Board of the City of San Luis, Arizona, held on June 24, 2025. I further certify that the meeting was duly called and held and that a quorum was present.

Sonia Cornelio, City Clerk