



**FINAL**  
**Minutes of Board of Trustees Annual Organizational Meeting**  
**Teleconference**  
**Thursday, August 20, 2020, 8:30 AM**

**The following Trustees were present and a quorum was met:**

<b>Pat Nichols, Vice-Chairperson</b>	<b>City of Holbrook</b>
<b>David Coolidge, Treasurer</b>	<b>City of Winslow</b>
<b>Gary Neiss</b>	<b>Town of Carefree</b>
<b>Ryan Hackmann</b>	<b>Desert View Schools</b>
<b>Kate Brady</b>	<b>Town of Eagar</b>
<b>Mark Wade</b>	<b>Greer Fire District</b>
<b>Eric Lillis</b>	<b>Kingman Academy of Learning</b>
<b>Linda Watson</b>	<b>City of Page</b>
<b>Lori Wedemeyer</b>	<b>Town of Parker</b>
<b>Lydia Newkirk</b>	<b>City of Safford</b>
<b>Katie Melser</b>	<b>Town of Snowflake</b>
<b>Kelsi Miller</b>	<b>Town of Springerville</b>
<b>Pamela Galvan</b>	<b>City of Williams</b>

**The following Alternate Trustees were present:**

<b>Kandace French-Contreras</b>	<b>Town of Carefree</b>
<b>Rick Ogston</b>	<b>Desert View Schools</b>
<b>Robert Irons</b>	<b>Greer Fire District</b>
<b>Stacey Matthews</b>	<b>Kingman Academy of Learning</b>
<b>Karen Norris</b>	<b>Town of Miami</b>
<b>Rachell French</b>	<b>City of Page</b>
<b>Jodee Smith</b>	<b>Pine-Strawberry Water Improvement District</b>
<b>John Cassella</b>	<b>City of Safford</b>
<b>Cindy Lee</b>	<b>City of St. Johns</b>
<b>Heidi Wink</b>	<b>Town of Springerville</b>
<b>Sandy Jones</b>	<b>Town of Wellton</b>
<b>Sue Bennett</b>	<b>City of Williams</b>

**The following Vendors were present:**

<b>Rachele Martin</b>	<b>Blue Cross Blue Shield of Arizona</b>
<b>Scott Gregory</b>	<b>Gallagher</b>
<b>Mike Hensley</b>	<b>Jones, Skelton, &amp; Hochuli, P.L.C.</b>
<b>Shay Bierly</b>	<b>Meritain Health</b>
<b>Rick Cajthaml</b>	<b>Meritain Health</b>

Marina Waddle  
Karla Anderson  
Nikita Pereira  
Erin Collins  
Missy Jenson  
Amanda Weaver

Meritain Health  
Navitus  
Navitus  
ECA, Inc.  
ECA, Inc.  
ECA, Inc.

The following Guests were present:

Yvonne Gearing

Kingman Academy of Learning

**1. Call to Order**

The meeting was called to order at 8:30 a.m. by Vice-Chairperson, Pat Nichols.

**2. Roll Call**

Roll Call was taken by Amanda Weaver.

**Consent Agenda**

**3. Discussion, Consideration of and Possible Action Regarding Approval of the May 28, 2020 Trust Meeting Minutes**

**4. Meritain Reports through June 30, 2020**

**5. COVID – 19 Report through June 30, 2020**

**6. Blue Cross Blue Shield of Arizona Reports through June 30, 2020**

**7. Navitus Reports through June 30, 2020**

Pat Nichols asked if Trustees or Alternate Trustees would like any item(s) removed from the Consent Agenda for discussion and if not then a standard vote would be required to approve items 3 - 7.

Pat Nichols also thanked Rick Cajthaml with Meritain for his service to the Trust and wished him well with his promotion. Rick then introduced Shay Bierly, who would be the new Account Director with Meritain.

Ryan Hackmann made a motion to approve items 3-7 on the Consent Agenda. Linda Watson seconded the motion. **The motion was approved 16-0.**

Kandace French-Contreras joined the meeting.

## **8. Discussion, Consideration of and Possible Action Regarding ECA, Inc. Acquisition by Gallagher**

Pat Nichols stated that this meeting item could be moved to Executive Session as noted on the agenda to receive guidance from Trust Legal Counsel. Trustees did not request for the item to move into Executive Session.

Erin Collins discussed with Trustees that he was pleased to announce that ECA, Inc. would be acquired by Gallagher effective September 01, 2020. Erin let Trustees know that the roles at ECA, Inc. and the team would stay the same, along with ECA's operating philosophy. Erin also informed Trustees that Gallagher brings additional resources to the table that ECA as a small company is not able to provide. Erin and Scott Gregory with Gallagher provided an overview of Gallagher and their philosophy and values. Erin and Scott answered Trustee questions.

Pat Nichols asked for a motion to approve assignment of the ECA, Inc. contracts for Pool Administration and Wellness to Gallagher effective September 01, 2020. Lori Wedemeyer made a motion to do so. Ryan Hackmann seconded the motion.

**The motion passed 17-0.**

Pat Nichols asked for a motion to authorize the Chairperson to execute documents needed to complete the assignment, subject to approval as to form by the Trust Attorney. Katie Melser made a motion to authorize the Chairperson to execute the necessary documents. Linda Watson seconded the motion.

**The motion passed 17-0.**

## **9. Discussion, Consideration and Possible Action Approval of Financial Results Through June 30, 2020**

Amanda Weaver provided Trustees with an overview of the Trust financials ending June 30, 2020, letting Trustees know that the cash position was at \$8.5M, taking into account the Actuary's Incurred But Not Reported estimate of \$8.5M, the Trust reported an estimated surplus position of \$7.1M

Amanda also provided an overview of the large cases informing Trustees that as of the end of June there were thirty (30) large case over \$75,000 totalling \$4,509,556. Seven (7) of the large claimants have exceeded the \$150,000 Specific Deductible and the \$100,000 Aggregating Specific Deductible by a combined total of \$777,731. Meritain had obtained \$521,043 from the Stop Loss Carrier as of June 30, SunLife, and will continue to seek reimbursement for the remaining \$256,688. ***The large claims make up 48.86% of the total Medical/Rx spend.***

Amanda Weaver noted that a motion to approve the financials as presented was needed. Ryan Hackmann made a motion to approve the financials through June 30, 2020 as presented. Katie Melser seconded the motion.

**The motion passed 17-0.**

## **10. Wellness Update**

Missy Jenson provided an overview to Trustees of the following Wellness Screenings:

- Skin Cancer Screenings
- Cardiac and Organ Screenings
- Prostate Cancer Screenings
- Mammograms
- Flu Vaccinations

Missy also provided an overview of the Omada Health Program and informed Trustees that she would be providing information for an upcoming Member campaign for Prevention, Hypertension, and Type 2 Diabetes. No action was needed on this item.

## **11. Discussion and Possible Action Regarding Ratification of the 2020-2021 Reinsurance Coverage**

Erin Collins informed Trustees that RAGHT's current carrier (Sun Life) came back with a firm quote offering an overall increase of 18.97%, which was under the 25% estimated during the budget building process, also noting that the resulting \$44,000 excess from the Stop Loss line item was moved to General Administration.

Erin discussed with Trustees that due to the current large cases and combined with COVID-19 that renewing with Sun Life was the best choice as they came in under budget and none of the other carriers offered a firm quote or without lasers.

Erin requested that Trustees ratify the proposal with Sun Life effective July 01, 2020.

Kate Brady made a motion to ratify the renewal contract with Sun Life as presented. Ryan Hackmann seconded the motion. **The motion was approved 17-0.**

## **12. Discussion and Possible Action Regarding Approval of the 2020-2021 RAGHT Budget**

Erin Collins informed Trustees that the packet included RAGHT's annual budget, as well as each individual entity's budgets (in alphabetical order) including premium rate equivalents, claim funding factors and plan administrative charges. Erin reviewed the specific details included in the transmittal memo.

Linda Watson made a motion to approve the 2020-2021 RAGHT Budget as presented. David Coolidge seconded the motion. **The motion was approved 17-0.**

**13. Discussion, Consideration of, and Possible Action Regarding Approval of the 2019-2020 Incurred but Not Paid (IBNP)**

Erin Collins began by letting Trustees know that the Incurred but Not Paid (IBNP) claim reserves report created by Cheiron was included in their meeting packet. He explained that the IBNP calculation is provided every year and provides an estimate of RAGHT's outstanding claim payments for services that have already been delivered to Plan Members but have not yet been paid by the Trust. The Trust's liability for the 2019-2020 Plan Year is estimated at \$1,412,000 which is a \$77,000 increase from the prior year, which was estimated at \$1,335,000. Erin reported that the increase includes a \$13,000 increase in administration costs and \$65,000 in claims costs.

Pat Nichols asked for a motion to approve the IBNP report as presented by Cheiron. Kelsi Miller moved to approve to the IBNP report and Kandace French-Contreras seconded. The motion was approved **17-0.**

**14. Discussion, Consideration of and Possible Action Regarding Approval Renewal Meeting**

Erin Collins discussed that given the uncertainty of COVID-19, that ECA staff was looking for direction from Trustees on how to move forward with planning the Annual Trustee Conference. Erin stated that he did not feel that a virtual meeting would work given the importance of the meeting; however, finding a hotel large enough to accommodate the group and social distance might be difficult. It was discussed that ECA would reach out to the Renaissance for availability and that accommodations may need to be made such as fewer attendees per entity, vendors presenting and not staying for the duration of the meeting, etc. Pamela Galvan made a motion directing ECA to research options and to bring them back to Trustees at the November meeting. Lori Wedemeyer seconded the motion. The motion was approved **17-0.**

**15. Discussion, Consideration of, and Possible Action Regarding RAGHT Premium Payments Move to Direct Deposit**

Amanda Weaver discussed with Trustees that, due to the impacts of COVID, with key people working from home and issues with mail delivery, several payments have been late over the past several months. It was explained that ECA does not know each entities internal process with paying the monthly premium or if entities are able to change to direct deposit but noted that doing so would be a better option for payment. Amanda let Trustees know that if their entity would like to make the change they can contact her for the banking information. No action was needed.

## **16. Discussion, Consideration of, and Possible Action Regarding Benefit Coverage for Rabies Vaccination**

Erin Collins updated Trustees that the question on whether preventative vaccines for rabies were covered has been posed. Erin discussed that work-related vaccines and other services have not been a covered benefit in the past; however if Trustees would like to add any work related services to be covered ECA will work with the Actuary to get pricing and Trustees can then make a decision on whether to add them effective July 01, 2021. Trustees discussed and did not feel a need for these types of services to be added. No action was needed.

## **17. Discussion, Consideration of, and Possible Action Regarding Election of Officers**

Pat Nichols announced the election of Trust Chairperson and requested nominations. Pat Nichols nominated Ryan Hackmann. Jodee Smith seconded the motion. No other nominations were made. The motion was approved **17-0**.

Ryan Hackmann took over the meeting as Chairperson.

Ryan Hackmann announced the election of Trust Vice-Chairperson and requested nominations. Ryan Hackmann made a motion for Pat Nichols to continue as Vice-Chairperson and Kelsi Miller seconded the motion. No other nominations were made. The motion was approved **17-0**.

Ryan Hackmann announced the election of Trust Treasurer. Pat Nichols nominated David Coolidge to continue as Treasurer. Kandace French-Contreras seconded the motion. No other nominations were made. The motion was approved **17-0**.

Ryan Hackmann asked that ECA continue as RAGHT's Recording Secretary. David Coolidge made a motion for ECA as Recording Secretary and Eric Lillis seconded. The motion was approved **17-0**.

## **18. Administrative Update**

Erin Collins and Amanda Weaver gave a brief overview of the following items with Trustees:

- Review Meritain Billings
  - The group was reminded to review and reconcile the billings each month to verify all Member coverages are correct.
- Extension of COVID Cost Shares
  - Trustees were notified that the cost shares waivers for Teladoc/Telemedicine and testing were extended through 12/31/2020 and would be reconsidered every 90 days.
- Employee Enrollment Portal Request for Proposal (RFP)

- Erin discussed with Trustees that although this has been postponed, ECA feels it is the best interest to postpone another year as it would be difficult to hold vendor presentations and trainings virtual due to the disruptive impacts of the current COVID situation. Trustees had no objections to postponing.
- SmartBen Voluntary Term Life (VTL) Issue
  - Trustees were informed that there were some limits to what the SmartBen portal could accommodate with building in the parameters for Guaranteed Issue amounts. 37 Members elected over the approved amounts. ECA corrected during an internal audit and notified the entities during the month of June.
- RAGHT's Seventh (7<sup>th</sup>) and PCORI Fee Payment
  - The PCORI fee was paid in the amount of \$3,731 and mailed on July 22<sup>nd</sup>.
- Local Government Investment Pool (LGIP) Performance
  - Trustees were provided an overview of the funds in Pool 5 and Pool 700

#### **19. Next Meeting Date**

The next Trust meeting is scheduled for November 19, 2020 at 8:30 a.m. via teleconference.

#### **20. Call to the Public**

No public was present.

#### **21. Adjourn**

Ryan Hackmann asked for a motion to adjourn. David Coolidge made a motion to adjourn the meeting at 9:48 a.m. Pat Nichols seconded the motion.