



**Rural Arizona Group Health Trust
FINAL
Minutes of Board of Trustees Meeting
Teleconference
Thursday, June 06, 2024 8:30 a.m.**

The following Trustees were present and a quorum was met:

David Coolidge, Vice-Chairperson	City of Winslow
Linda Watson, Treasurer	City of Page
Gary Neiss	Town of Carefree
Jessica Vaughan	Town of Eagar
Pat Nichols	City of Holbrook
Karen Norris	Town of Miami
Danielle Nelson	City of Safford
Katie Melser	Town of Snowflake
Kelsi Miller	Town of Springerville

The following Alternate Trustees were present:

Rick Ogston	Desert View Schools
Kara Solis	Town of Eagar
Amy Hunt	Kingman Academy of Learning
Rachell French	City of Page
Megan Poe	Town of Parker
Troy Bingham	City of Safford
Geri Judd	Town of Taylor
Sandra Jones	Town of Wellton
Sue Bennett	City of Williams
Kelley Pugh	City of Winslow

The following Vendors were present:

John Hatz	Gallagher
Tori Hudson	Gallagher
Amanda Weaver	Gallagher
Michael Hensley	Jones, Skelton & Hochuli
Rick Cajthaml	Meritain
Marina Phillips-Waddle	Meritain

The following Guests were present:

Misty Hatch	City of Holbrook
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1. Call to Order

The meeting was called to order at 8:31 a.m. by David Coolidge, RAGHT Vice-Chairperson.

2. Roll Call

Roll call was taken by Amanda Weaver.

3. Discussion, Consideration of and Possible Action Regarding Approval of the of the March 20, 2024 Special Trust Meeting Minutes

David Coolidge asked if there were any changes requested or any questions. No changes were needed and no questions asked. Gary Neiss made a motion to approve the minutes as presented. Sue Bennett seconded.

The motion was approved **15-0**.

4. Discussion, Consideration of and Possible Action Regarding Approval of the Financial Results Through April 30, 2024

Amanda Weaver discussed with Trustees that in reviewing the April 2024 financials the Trust is showing a gain of \$1.2M. Medical is running over budget at 112% YTD due to Large Claimants, Prescription is running over budget YTD at 103% due to Specialty Medications and Dental is running under budget YTD at 69%. In regard to Stop Loss, there are 21 Large Claimants and nine have exceeded the Specific Deductible and Aggregating Specific Deductible by \$642,866.

David Coolidge asked for a motion. Gary Neiss made a motion to approve the financials through April 30, 2024, as presented and Katie Melser seconded.

The motion was approved **15-0**.

5. Discussion, Consideration of and Possible Action Regarding Biosimilar Rebate Substitution

Mike Hensley, Trust Legal Counsel, discussed with Trustees that Navitus has informed Gallagher that effective January 1, 2024, that the rebate guarantee calculations under the current agreement will no longer apply as they relate to Humira biosimilars and insulin covered products, and the rebate substitution methodology outlined in the attached letter will be used instead. It was confirmed that this would not change the rebate guarantees currently in the contract and Navitus is adjusting the way they reconcile the rebate guarantees to account for biosimilar utilization. It is estimated that the Trust should realize cost savings as a result of biosimilar utilization that offset any rebates that would have been received associated with Humira and insulin.

Dustin Welker joined the meeting.

No motion was needed.

6. 7. Discussion, Consideration of and Possible Action Regarding Authority for Consultants to Resolve Subrogation Matters

Mike Hensley, Trust Legal Counsel, noted that this item was tabled from the April 25, 2024 meeting. This item is to determine with Trustees whether there was a level of Subrogation resolution Trustees may want to authorize Gallagher to review with Legal Counsel and work to approve with RAGHT Chairperson in these types of situations whereas the amount is the most than can be offered and must be approved within a short timeframe as it may be difficult to get a Trust Meeting scheduled timely.

Trustees discussed that it would be best to have the Chairperson and all entities on the call. It was requested a policy be drafted outlining specific language, guidelines and thresholds and brought back to the next Trust Meeting.

7. Wellness Program Update

Tori Hudson provided an overview of entity participation for the Health Risk Assessment Screening and reminded Trustees of the upcoming screenings:

Skin Cancer

Prostate Exams

Flu Vaccinations

Mammograms

Tori also provided an overview of the following:

Omada Program - noting that participation is still increasing and that participating Member have lost a grand total of 1,170 lbs. since the program was implemented in 2018.

Wellness Interest Survey was administered in February 2024

Wellness Committee Meeting – Scheduled for April 30th

Entity Budget – A reminder of how to utilize the dollars and also when reimbursements must be submitted

8. Discussion, Consideration of and Possible Action Regarding Ratification of the 2024-2025 Stop-Loss Coverage

John Hatz informed Trustees that stop loss was secured with the current carrier as they came in with a firm offer that was under what was budgeted. Wellpoint came in at a 9% increase and no lasers. which was a \$187,000 savings versus budget. Gallagher worked with the Trust Chairperson to bind coverage with Wellpoint. The savings was added into the General Admin.

John requested that Trustees ratify the already bound coverage with Wellpoint effective July 01, 2024.

Linda Watson made a motion to ratify the contract with Wellpoint as presented. Gary Neiss seconded the motion.

The motion was approved **15-0**.

9. Discussion, Consideration of and Possible Action Regarding 2024-2025 Risk Management Plan Work Goals

John Hatz reminded Trustees of the importance of the Risk Management Plan and that it was the history and an ongoing working document for the Trust. Each year Work Goals are outlined on what will be worked on throughout the year. Gallagher outlined the following items:

1. Preliminary budget estimate in December
2. Plan/Benefit Analysis
3. Possible Dental and Vision Request for Proposal
4. Monitor and Evaluate the new Enrollment Platform through PlanSource
5. Assist with the implementation of the ACA Reporting through PlanSource
6. Wellness Conference
7. Monitor Omada Health programs ongoing engagement
8. Continue to work with the Wellness Steering Committee to address participation and research programs to address risks.
9. Conduct the RAGHT membership renewal process for Desert View Schools, City of St. Johns, Town of Springerville, Town of Taylor, and City of Williams effective July 01, 2025.
10. Stop Loss shopping, if applicable; and
11. Coordination of the Trust's Annual Renewal Meeting.

Trustees were reminded to reach out to Gallagher with any additional Work Goals they would like added.

No action was needed

10. Discussion, Consideration of and Possible Action Regarding Approval of the 2024-2025 RAGHT Meeting Schedule

John Hatz reminded Trustees that Gallagher provides a proposed meeting schedule for the upcoming Plan Year and asked if Trustees had any conflicts.

- Annual Organizational Meeting - Teleconference
 - Thursday, September 26, 2024 @ 8:30 a.m.
- Quarterly Trust Meeting - Teleconference
 - Thursday, December 12, 2024 @ 8:30 a.m.

- Annual Conference – TBD
 - Wednesday, February 26 – February 28, 2025
- Quarterly Trust Meeting
 - Thursday, June 12, 2025 @ 8:30 a.m. – Quarterly Trust Meeting – Teleconference

David Coolidge asked for a motion to approve the 2024-2025 RAGHT Trust Meeting Schedule as presented. Gary Neiss made a motion to approve. Linda Watson seconded the motion.

The motion was approved **15-0**.

11. Administrative Update

Amanda Weaver summarized the following items:

Change in Trustees/Alternate Trustees – The following entities had a change in Trustees/Alternate Trustees:

Safford – Alternate Trustee – Troy Bingham

Pat Nichols with City of Holbrook and Geri Judd with Town of Taylor will both be retiring this year

Membership Renewals Update – Gallagher provided an overview for those Members that were up for renewal with RAGHT effective June 30, 2024:

- City of Holbrook – Renewed through June 30, 2029 (5 years)
- Kingman Academy of Learning – Renewed through June 30, 2029 (5 years)
- City of Safford – Renewed through June 30, 2027 (3 years)
- Town of Wellton – Renewed through June 30, 2027 (3 years)

Open Enrollment - A few reminders:

- a. **Open Enrollment closed May 31st**
 - a. If an Employee did not go through Open Enrollment, effective July 1st, the Employee will only be covered under the Employer Paid Benefits and the Employee VTL (if applicable and currently enrolled).
 - b. If the Employee added dependents to be covered and did not provide the appropriate documentation required for dependent eligibility, effective July 1st, the dependents will not have coverage.
- b. **Through June 5th** – Human Resources will need to work to clear everything out of Pending Management. We ask that this process is handled as quickly as possible as the file feed cannot be sent to the appropriate vendors with

Open Enrollment information until Pending Management is cleared out. Thus, failure of every entity to clean out Pending Management will hold up the process for all RAGHT entities.

- c. **June 6th to June 30th** – All vendors have to be made aware of any New Hire Enrollments, Qualifying Events, Terminations or changes made in the PlanSource portal as this is the blackout period. Files will not be sent during this timeframe. Please add the information in PlanSource and send the Confirmation to Amanda Weaver and I will send to the appropriate vendors.

Dependent Verification – Employees must provide the proper documentation to cover eligible dependents within the appropriate timeframes. A question did come up regarding Guardianship Documents. Although Biological, step, adopted children can be covered up to age 26, that is not the case with most Guardianship cases. Guardianship terms may vary depending on if the order is permanent or temporary. PlanSource does not have the capability to build Guardianship terms in their system as it varies. Although it is the Employees responsibility to notify their Employer of changes, it is also the responsibility of the entity to not enroll or allow continued coverage for Employees and dependents that are not eligible. Entities will need to term the dependent as per the date outlined in the document or request updated documents to determine if the guardianship has been extended.

Basic Life & Voluntary Term Life & Medical/Dental & Vision - A few reminders:

- a. All Benefit Eligible Employees **MUST** be enrolled in the Basic Employer Paid Life even if waiving additional coverages,
- b. Employer Paid Dependent Life – if an Employee is covering their spouse/dependents on the medical, the Dependent Paid Life must be elected. If an Employee is not covering their spouse/dependents, this benefit is optional.
- c. Dual Employees – Please remember that if your entity employs spouses and/or dependents who are covered under their spouse's/parent's dependent coverage, they can only be covered under the Employee coverages for Basic and Voluntary Term Life. They may not also be covered under the Spouse or Child Life coverages. This is prohibited under the terms of the Life policies as duplicate coverage. This also includes married Employees that both work at an RAGHT entity.
- d. Married Employees and Parent/Child both employed by an entity of RAGHT cannot be covered as an Employee and Dependent under Medical, Dental, and Vision.

Voluntary Term Life (VTL) – Age Band Report – Since this was an Active Open Enrollment an Age Band Report will not be provided this year as all correct premiums are outlined on the confirmation sheets.

Voluntary Term Life (VTL) – Evidence of Insurability – Gallagher worked with Ochs/Securian to provide a spreadsheet showing current coverages vs. requested amounts for underwriting. Members will begin to receive approvals/denials in late June/early July. The notifications will outline an effective date of when the coverage/premiums will go into effect.

PlanSource ACA Reporting – Once Open Enrollment closes, PlanSource will be reaching out to begin the ACA Reporting process which includes integration of payroll systems, tracking of hours for measurement period, file uploads, etc

Trustee & Entity Documents – With a new Plan Year approaching, we will be updating Trustee/Alternate Trustee and Entity Documents:

- Conflict of Interest – Trustees and Alternate Trustees must complete each year
- HIPAA – Trustees, Alternate Trustees and HR Contacts must complete each year
- Meritain PHI Forms – Gallagher will be working to clean up who should be receiving reports, billings, and have access to the Meritain Portal

Personal Health Information (PHI) - As a reminder, when sending claims issues or any information that includes PHI, this must be sent in a secure fashion. If you are unable to send secure, please fax the information or reach out to Gallagher and we can send you a secure email to respond to and include the information.

12. Next Meeting Date

Next meeting is scheduled for Thursday, September 26, 2024 at 8:30 a.m. (Annual Organizational Meeting) and will be held via teleconference call.

13. Call to Public

There was no response to the call to the public.

14. Adjourn

David Coolidge asked for a motion to adjourn the meeting at 9:19 a.m. Katie Melser made a motion. Linda Watson seconded.