Scottsdale Unified

Engage, Educate and Empower
Every Student, Every Day.

SUSD SELF-INSURANCE TRUST BOARD MEETING

MARCH 25, 2021

SHANNON CROSIER, ADMINISTRATOR
SCOTTSDALE UNIFIED DISTRICT
7575 E. Main Street

Thursday, March 25, 2021
Scottsdale USD Self-Insurance Trust Board

SELF-INSURANCE TRUST BOARD MEETING
SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
Ed. Center 7575 E. Main Street, Room Old Main, Scottsdale, Arizona 85251
3:00 PM

PURSUANT TO A.R.S. Section 38-431.02, notice is hereby given to the general public that the Self Insurance Trust Board will hold a Special Meeting at 3:00 pm, Ed Center, 7575 E. Main Street, Room Old Main, Scottsdale, AZ 85251.

One or more members of the SUSD Self-Insurance Trust Board may participate in the meeting by telephonic communication. Persons with a disability may request reasonable accommodations by contacting Ms. Jill Olivas, Senior Executive Assistant to the Chief Financial Officer, at 480-484-6147. Accommodations should be requested two working days prior to the meeting to allow time for the District to arrange for the accommodation.

Due to the COVID-19 (aka Coronavirus) emergency, Center for Disease Control guidelines, and pursuant to guidance from the Arizona Attorney General regarding compliance with the Open Meeting Law during this national emergency (see opinion at: https://www.azag.gov/sites/default/files/2020-03/Covid-OML_202003131526.pdf): THIS MEETING WILL BE CONDUCTED ONLINE AND BY TELEPHONE ONLY.

1. MEETING NOTICES

A. Please Note: PURSUANT TO A.R.S. §38-431.03(A)(3), THE SELF INSURANCE TRUST BOARD MAY VOTE TO CONVENE IN EXECUTIVE SESSION, WHICH WILL NOT BE OPEN TO THE PUBLIC, FOR DISCUSSION OR CONSULTATION FOR LEGAL ADVICE WITH THE GOVERNING BOARD'S ATTORNEY ON AN ITEM THAT IS LISTED ON THIS AGENDA.

B. BOARD PACKET MATERIAL AVAILABLE TWENTY-FOUR (24) HOURS IN ADVANCE OF THE MEETING, AT THE SCOTTSDALE UNIFIED SCHOOL DISTRICT, ED CENTER, 7575 E. MAIN STREET, SCOTTSDALE, AZ 85251.

2. OPENING OF MEETING

A. Call to Order

B. Roll Call

3. BUSINESS OF THE MEETING

A. Approval of Minutes from January 21, 2021 Meeting - ACTION

B. Approval of Payment for Flu Shots for Staff not covered by District Insurance - ACTION

C. Approval of Insurance Recommendations for the 21/22 School Year - ACTION

D. Property/Casualty/Workers Comp Claims Report (ARRT) - INFORMATION

E. Medical Claims/Financial Reports - INFORMATION

F. Trust Financial Update - INFORMATION

G. Future Agenda Items

H. Adjournment

NOTICE AND AGENDA:

SELF-INSURANCE TRUST BOARD MEETING
SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48

Ed Center, Room - Old Main, 7575 E. Main, Scottsdale, AZ 85251
March 25, 2021 at 3:00 PM

PURSUANT TO A.R.S. §38-431.02, notice is hereby given to the general public that the Self Insurance Retention Trust Board will hold a Special Meeting on **Thursday, March 25, 2021, at 3:00 pm, Ed Center, 7575 E. Main Street, Room Old Main, Scottsdale, AZ 85251.** One or more members of the SUSD Self-Insurance Trust Board may participate in the meeting by telephonic communication. Persons with a disability may request reasonable accommodations by contacting Ms. Jill Olivas, Senior Executive Assistant to the Chief Financial Officer, at 480-484-6147. Accommodations should be requested two working days prior to the meeting to allow time for the District to arrange for the accommodation.

Due to the COVID-19 (aka Coronavirus) emergency, Center for Disease Control guidelines, and pursuant to guidance from the Arizona Attorney General regarding compliance with the Open Meeting Law during this national emergency (see opinion at: https://www.azag.gov/sites/default/files/2020-03/Covid-OML_202003131526.pdf): THIS MEETING WILL BE CONDUCTED ONLINE AND VIA TELEPHONE ONLY.

A. Call to Order

B. Roll Call

INFORMATION/DISCUSSION AND POSSIBLE ACTION

A. Approval of Minutes from January 21, 2021 Meeting – Action

B. Approval of Payment for Flu Shots for Staff – Action

C. Approval of Insurance Recommendations for the 2021-2022 School Year - Action

D. Property/Casualty/Workers Comp Claims Report (ARRT) – Information

E. Medical Claims/Financial Reports – Information

F. Trust Financial Update – Information

G. Future Agenda Items

H. Adjournment

PURSUANT TO A.R.S. §38-431.03(A)(3), THE SELF INSURANCE TRUST BOARD MAY VOTE TO CONVENE IN EXECUTIVE SESSION, WHICH WILL NOT BE OPEN TO THE PUBLIC, FOR DISCUSSION OR CONSULTATION FOR LEGAL ADVICE WITH THE GOVERNING BOARD'S ATTORNEY ON AN ITEM THAT IS LISTED ON THIS AGENDA.

BOARD PACKET MATERIAL AVAILABLE TWENTY-FOUR (24) HOURS IN ADVANCE OF THE MEETING, AT THE SCOTTSDALE UNIFIED SCHOOL DISTRICT, ED CENTER, 7575 E. MAIN STREET, SCOTTSDALE, AZ 85251.

Date Posted March 19, 2021

Action:

Approval of Self-Insurance Trust Meeting Minutes January 21, 2021

Submitted by:

Shannon Crosier, Administrator

RECOMMENDATION:

It is recommended that the Self-Insurance Trust Board approve the Self-Insurance Trust Meeting Minutes of January 21, 2021.

BACKGROUND:

Minutes were taken at the January 21, 2021 Self-Insurance Trust Board meeting.

MINUTES OF THE SELF-INSURANCE TRUST BOARD MEETING
SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
Ed Center, Room - Old Main, 7575 E. Main, Scottsdale, AZ 85251
January 21, 2021 at 3:00 PM

The meeting was called to order at **3:05** pm on January 21, 2021.

I. Call to Order – Ms. Erika Coombs, Chairperson called the meeting to order.

Due to the COVID-19 (aka Coronavirus) emergency, Centers for Disease Control and Prevention guidelines, and pursuant to guidelines from the Arizona Attorney General regarding compliance with the Open Meeting Law during this national emergency, this meeting was conducted in person, online, or via phone.

II. Roll Call-
Board Trustees in attendance were telephonically and via Teams video, Patty Beckman, Governing Board Member, Shannon Crosier, Trust Board Administrator, Erika Coombs, Chairperson, Megan Burke, and Wally Graham Trustees.

INFORMATION/DISCUSSION AND POSSIBLE ACTION

A. Introduction of Trustees, Staff, and Visitors

B. Approval of SUSD Self-Insurance Trust Minutes from October 29, 2020 meeting. - Action
No discussion of the Minutes.

Shannon Crosier Moved to Approve the Scottsdale USD Self-Insurance Trust Meeting Minutes of October 29, 2020. Megan Burke Seconded the motion. The motion was approved with a vote of 5 – 0.

C. Property/Casualty/Workers Comp Claims Report (ARRT) – Information

Ryan Cole, from the Trust, presented Financial reports concerning Property/Casualty and Worker's Compensation. In 2019-2020 the District contributed much more than total incurred so we have a surplus. The District incurred low losses resulting in a contribution adjustment of $411,595 which was returned to the District for 2019/2020.

2020/2021 Adjusted Elements as of 12/31/2020 - Alliance Rating Retrospective Plan
- Incurred Losses $281,901 (Budgeted $630,519)
- ULAE $ 39,959 (Budgeted $ 89,376)

A final adjustment based on actual losses and payroll will be conducted in July 2021.

Prepaid Account/TIP Balances for the District as of 12/31/2020:
- Trust Prepaid Account Balance as of 10/19/2020 = $158,151
- Trust Investment Pool Balance as of 10/19/2020 = $40,623
- Highest Claim Deductible is: $10,000.

D. Medical Claims/Financial Reports – Information – Chris Marler presented

COVID-19 Risk Modeling and Tracking 3/8/2020 – 1/10/2021.
- 1,108 Total members Tested
- 2,192 Total Claims Tested

DRAFT

- $129,254 Total Allowed or Paid
- 227 Total members Confirmed (People confirmed with COVID-19)
- 379 Total Claims Confirmed
- $41,619 Confirmed Allowed or Paid (Treatment excluding testing)

Kairos announcement: July 1, 2021 we are moving from BCBS to United Health Care

Medical Claims/Financial Reports - Information

Jeremy Larson presented financial and health reports from Kairos Health Arizona – High-Cost claimants Overview paid through August 2020.

- High-Cost Claims Total $1-50K = $1,877,952
- High-Cost Claims Total $50K – 100K = $297,543
- High-Cost Claims Total 100K – 150K = $ 352,429
- High-Cost Claims Total ≥ 150K = $319,833

Plan Participation:

- PPO = 27% Participants
- HDHP 1500 = 29% Participants
- HDHP 2800 = 37% Participants
- HDHP 5000 = 07% Participants

E. Trust Financial Update – Information

Tyler Tayrien and Tom Hedges from Wells Fargo is presenting the Financial Update.
Three investment accounts as of 12/31/2020:

- Property and Casualty – 9.3 Million Portfolio Size (.95% yield within portfolio)
  - Unrealized Gains $86,000 without accrued Interest.
  - Interest Earnings $124,355. Over 2020
- Worker's Compensation- 6.6 million (1.04% yield within portfolio)
  - Unrealized Gains $57,000 without accrued Interest.
  - Interest Earnings $104,108
- Medical- 32.6 Million (.93% yield)
  - Unrealized Gains $404,000 without accrued Interest.
  - Interest Earnings $386,495
- **Total Interest Earning for all 3 accounts for 2020: $615,651.**

Questions:

a. Patty Beckman – I would like to see the statements per account, Investment policy, and would like to see the duration per account.
b. Send out the current financials for December.
c. Wells Fargo is our Broker and not the manager of our accounts.

III. Future Agenda Items – No agenda items added.

IV. Adjournment

At **4:21** PM, Wally Graham moved to adjourn the meeting. Megan Burke seconded the motion. The motion was approved with a vote of 5 – 0.
Dated this 21st day of January 2021.

DRAFT

Action:

Approval of Payment for Flu Shots for Staff members not covered by District insurance.

Submitted by:

Shannon Crosier, Administrator

RECOMMENDATION:

It is recommended that the Self-Insurance Trust Board approve the payment of the flu shots given to employees not covered on the district medical insurance at the cost of $50 per person.

BACKGROUND:

Flu Shots were given September 2020 – October 2020. Employees who were given flu shots not covered by the district medical insurance were charged $50/person. There were 14 employees times $50.00/each = $700.00.

Date: 2/24/21

Flu Shots given September 2020-October 2020. Employees given shots that are not covered on the district medical insurance were charged $50 each.

14 Employees x $50.00=$700.00

Remit to:

Diversified Solutions Inc

1107 S Beeline Hwy Ste 4

Payson, AZ 85541

Action:

Approval of Insurance Recommendations for the 2021-2022 School Year

Submitted by:

Shannon Crosier, Administrator

RECOMMENDATION:

It is recommended that the Self-Insurance Trust Board approve the Insurance Recommendations for the 2021-2022 School Year.

BACKGROUND:

Scottsdale Unified School District's Insurance Committee met on 11/4/2020, 12/2/2020, 1/20/2021, 2/17/2021, and 3/22/2021 to discuss and vote on insurance recommendations for the 2021-2022 school year.

Insurance Committee Recommendations for 2021 – 2022 School Year

- Narrow Pharmacy Network to exclude Walgreens.
  - Walgreens pharmacy costs are the highest.
  - Savings is based on participants moving to a preferred pharmacy.
  - Allows Maxor Plus to maximize pharmacy contract rates.

Cost impact: Savings estimated at $115,842. Impacts 900 covered members.
Insurance Committee response: Approved for recommendation.

- Exclusion of 90-day retail prescription option in favor of mail order
  - Allow only up to 31 day supply at retail pharmacy.
  - 90 day supply will only be done by mail.
  - Maintenance medication required to be filled at Maxor Plus mail order pharmacy.

Cost impact: Savings estimated to be $98,293 and impacts an estimated 1000 members.
Insurance Committee response: Approved for recommendation.

- Chiropractic visits/speech therapy
  - Currently plan is capped at 20 visits total for year, even if visits are for different reasons.
  - Increase visits to 25, then require a medical necessity check for more.
  - Allows covered individuals to be seen for more than one issue if visits exceed the current 20 visit limit.

Cost impact: UMR/KAIROS state it should minimal as it is tied to medical necessity
Insurance Committee response: Approved for recommendation.

- Bring co-pay for the 1500High Deductible Health Plan (HDHP) preventive mediation to match SUSD's other 2 HDHPs.
  - Co-pays for the treatment of chronic conditions, such as: high blood pressure cholesterol, etc. should be charged a co-pay on the 1500 HDHP and currently does not
  - Affordable Care ACT (ACA) preventive medications, such as: birth control, smoking cessation, vaccines, etc. will continue to have a 0 co-pay.

This is a recommendation from Kairos to bring the 1500 HDHP in-line with other plans.
Insurance Committee response: Approved for recommendation.

- Real Appeal
  - Weight loss program with virtual coach
  - Assumes 322 members, including dependents.

Cost impact: Estimated cost to District is $124,249 in first year. Estimated savings for District over 2 years is $253,934.
Insurance Committee response: Approved for recommendation.

Benefit Rate Changes

- 2021-22 H.S.A. Changes
  - Contribution Limit Changes
    - $3,600 individual/$7,200 family
    - Mandatory increase. Previous amount was $3,550 individual/ $7,100 family.

Cost impact: This is an employee paid deduction, no cost impact to District.

- Medical Plans
  - The Trust has agreed to no increase in medical premiums for employees for the 2021-22 school year.

Cost impact: Unknown. The Trust will absorb all additional premiums costs for 2021-2022

- TDA Dental
  - Monthly premiums will be decreased by $1.00 for all coverage levels.
    - Employee only,
    - Employee + Spouse
    - Employee + Family
    - Employee + Child(ren)

Cost impact: This is an employee paid decrease, no cost impact to District.

- Voluntary Life Insurance Rates will decrease for 2020-21.

Age	2020-21 Monthly rate per $1,000	2021-22 Monthly rate per $1,000
<30	$0.056	$0.052
30-34	$0.076	$0.071
35-39	$0.086	$0.080
40-44	$0.096	$0.089
45-49	$0.146	$0.136
50-54	$0.226	$0.210
55-59	$0.426	$0.396
60-64	$0.656	$0.610
65-69	$1.266	$1.177
70+	$2.640	$2.455
Child	$0.170	$0.152

Cost impact: This is an employee paid decrease, no cost impact to District.

Information/Discussion:

Property/Casualty/Worker's Comp Claims Report (ARRT)

Submitted by:

Shannon Crosier, Administrator

BACKGROUND:

Financial reports and presentations concerning Property/Casualty and Worker's Compensation from The Trust – Ryan Cole

Scottsdale Unified School District Trust Board Meeting

Trust and Alliance

March 25, 2021

THE TRUST
ALLIANCE | SCIP

Note: Approval of membership in the three pools may be granted by the Scottsdale Governing Board.

Scottsdale USD Governing Board

Scottsdale USD Trust

THE TRUST

Property and liability coverage A.R.S. 11-952.01(A)

Coverages provided:

- General Liability
- Professional Liability
- Auto Liability
- Excess Liability
- Administrative Practices Liability
- Cyber Liability
- Auto Physical Damage
- All-Risk Property
- Commercial Crime
- Equipment Breakdown
- Storage Tank Liability
- Pre-Paid Legal Services
- Unemployment Insurance
- COVID-19 Liability Coverage

20/21 premium: $2,060,296

ALLIANCE

Workers' compensation coverage A.R.S. 11-952.01(B)

Coverages provided:

- Workers' Compensation
- Employer's Liability

20/21 premium: $860,358

KAIROS HEALTH ARIZONA, INC.

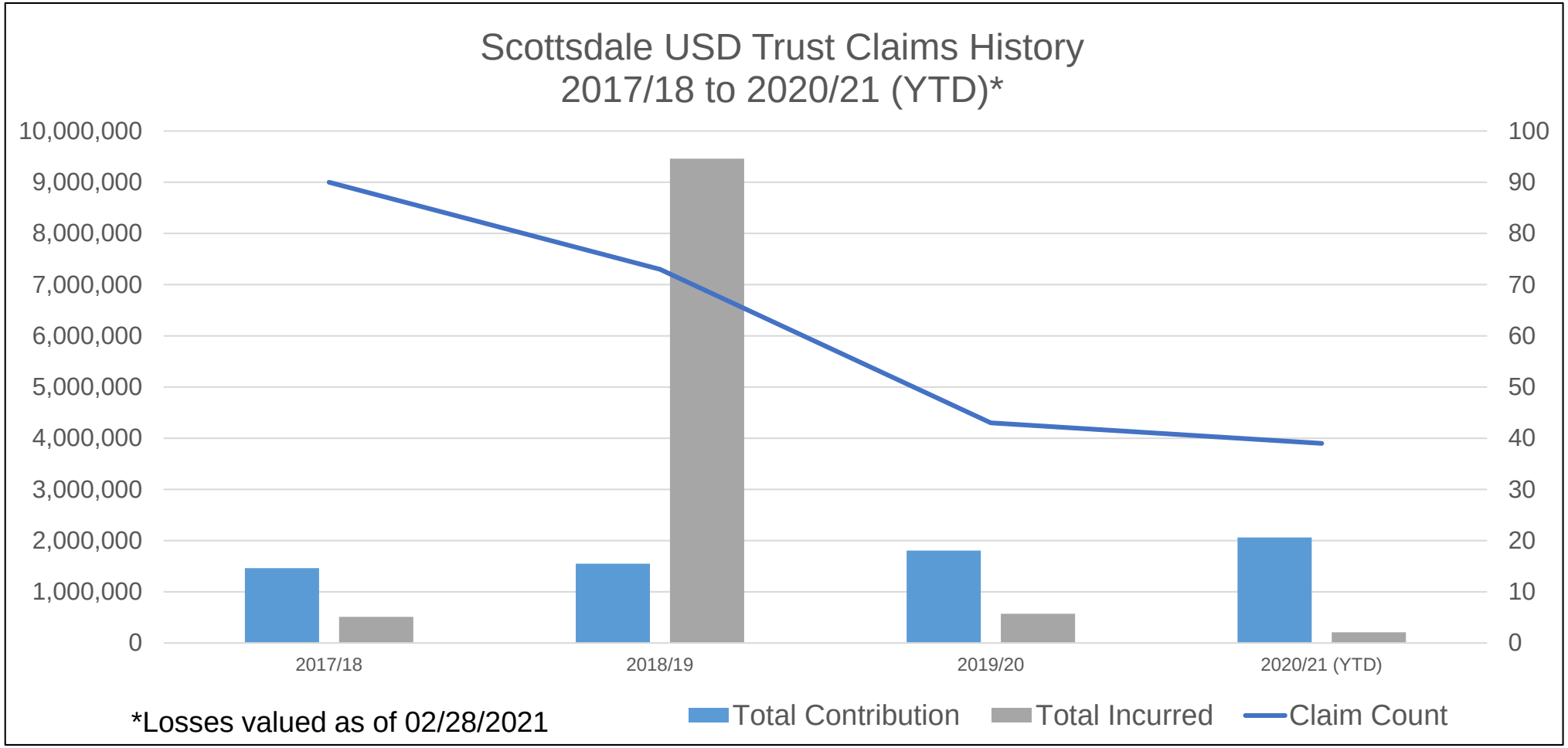
Health benefits coverage A.R.S. 11-952.01(C)

Coverages provided:

- Medical/Pharmacy
- Health Savings Account
- Dental
- Vision
- Basic Life Insurance
- Voluntary Life Insurance
- Accidental Death Insurance
- Short Term Disability
- Accident Insurance
- Hospital Indemnity
- Critical Illness
- Legal Assistance
- Pet Insurance
- Employee Assistance Program
- Cobra Administration
- Flexible Spending Account

20/21 premium: $16,681,718 (est)

Trust Claims



Trust Claims Summary for 2020/2021

- Total number of claims processed as of 2/28/2021: 39

- Total incurred as of 2/28/2021: $209,458

2020/2021 Trust Renewal Updates

- Trust Loyalty Credit (TLC)
  - Increased from 2% to 5%. The credit dollars will be available to members in June or July of this year.

- COVID-19 Liability Endorsement
  - We anticipate that contributions paid last year (less any claims expenses expressly incurred from that coverage) will be returned to members in June or July of this year.

- 2021/2022 Trust Rates
  - Approximately 6% increase; still subject to final board approval.

Alliance Rating Retrospective Plan

- New rating plan as of July 1, 2019
- Designed for members with a higher appetite for risk
- Member pays for losses and various expenses (admin, excess insurance, tax, contribution to surplus)

- Estimated 2020/2021 payroll: $131,093,703
- Estimated 2020/2021 contribution: $860,358

Alliance Rating Retrospective Plan

2020/2021 retrospective rating program contribution

• Incurred Losses*	$630,519
• Unallocated Loss Adjustment Expense*	$89,376
• Administrative Expense	$72,477
• Excess Insurance and Tax Expense	$51,599
• Contribution to Net Position	$16,387
• **Total**	**$860,358**

*Loss rated at 90%

Alliance Rating Retrospective Plan

2020/2021 adjusted elements as of 2/28/2021:

- Incurred Losses $282,347 (budgeted $630,519)
- ULAE $40,023 (budgeted $89,376)

Alliance staff will continue to provide quarterly updates on Scottsdale's performance.

A final adjustment based on actual losses and payroll will be conducted in July 2021.

Alliance 2021/2022 Renewal

- Estimated 2021/2022 Payroll:
  - $131,473,307 (1% increase)
- Estimated 2021/2022 Contribution:
  - 3% increase, subject to final underwriting

PPA/TIP Balances

- Trust Prepaid Account Balance as of 2/28/2021
  - $203,622

- Trust Investment Pool Balance as of 2/28/2021
  - $40,630

CONTACT INFO

Jessica Schuler

jschuler@the-trust.org
602-200-2405

Information/Discussion:

Kairos Health of Arizona Report

Submitted by:

Shannon Crosier, Administrator

BACKGROUND:

Presentation of financial and health reports from Kairos Health Arizona – Jeremy Larson and Chris Marler

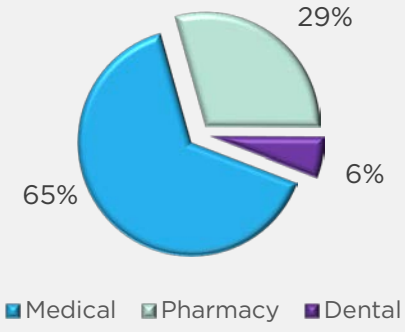
KAIROS HEALTH ARIZONA, INC.
In cooperation with the Trust

Scottsdale USD Management Dashboard
January 31, 2021

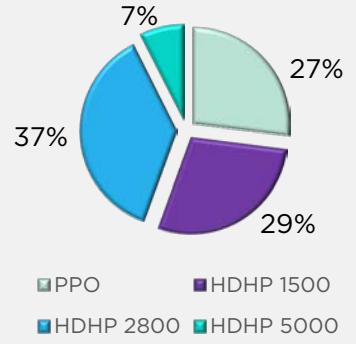
Financial Performance

	YTD Actual	YTD Budget	Favorable/ (Unfavorable)
Gross Contributions	$ 9,993,995	$ 9,731,003	3%
Less: Cost of Excess Insurance	(558,957)	$ (541,847)	(3%)
Less: Cost of Ancillary Insurance	(717,909)	(703,990)	(2%)
Less: Loss Expense	(8,162,708)	(7,640,623)	(7%)
Less: Administration & Other	(163,080)	(158,088)	(3%)
Non-Operating Revenue (Loss)[4]	(2,263)	-	(100%)
Net Income (Loss)	$ 389,078	$ 686,455	(43%)

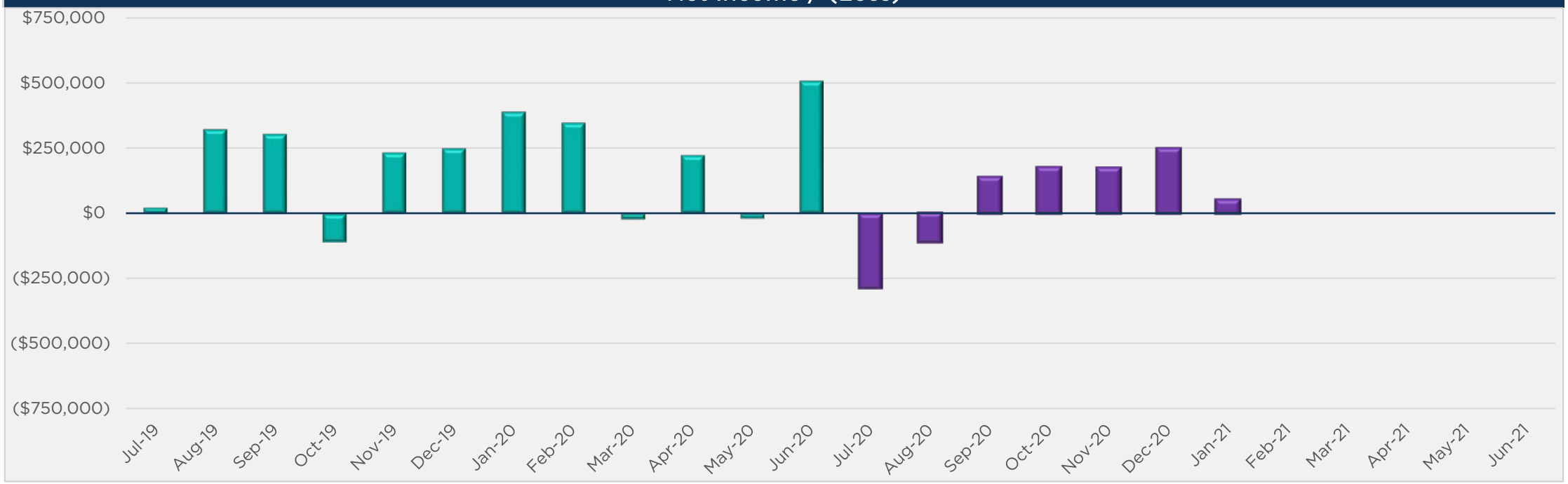
Cost by Program



Plan Participation



Net Income / (Loss)



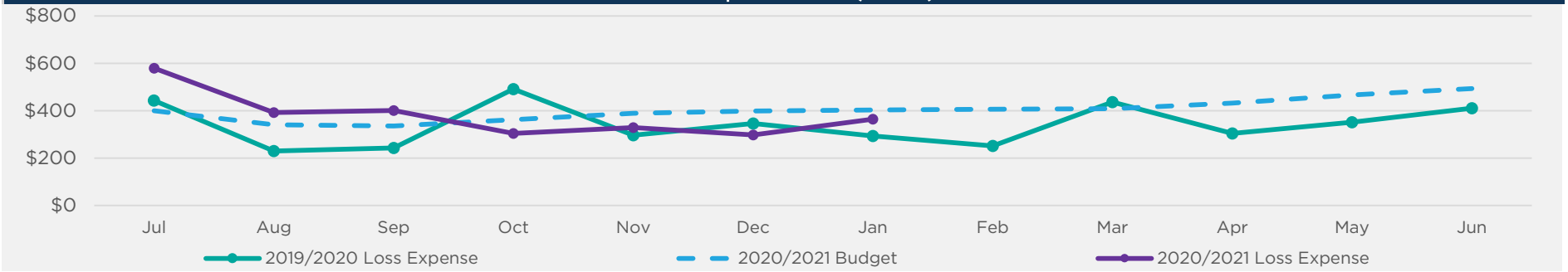
Loss Ratio[1]	Expense Ratio[2]	Combined Ratio[3]	YTD Increase in Net Position	Net Position	YTD Net Investment Income (Loss)	Employees	Lives
93.6%	1.9%	95.5%	$389,078	$1,881,444	($2,263)	1,941	2,694

[1] Calculated as (net incurred losses) + (loss adjusted expense) / (net contributions).
[2] Calculated as (non-loss expenses) / (net contributions). If loss adjusted expense is added to the expense ratio, it would represent a 7.6% increase to the ratio.
[3] Calculated as (loss ratio + expense ratio). Investment Income is not included in the calculation.
[4] Kairos does not budget for Self-Funded investment income.

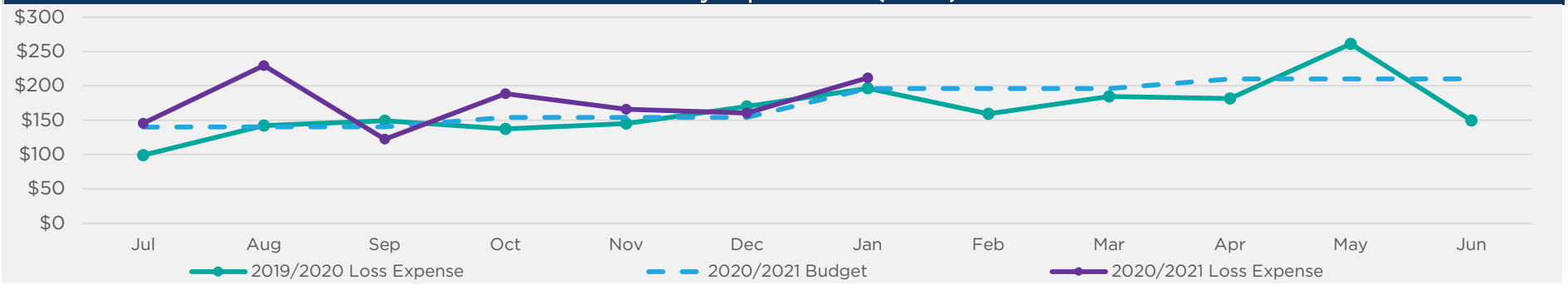
KAIROS HEALTH ARIZONA, INC.
In cooperation with the Trust

Scottsdale USD Management Dashboard
January 31, 2021

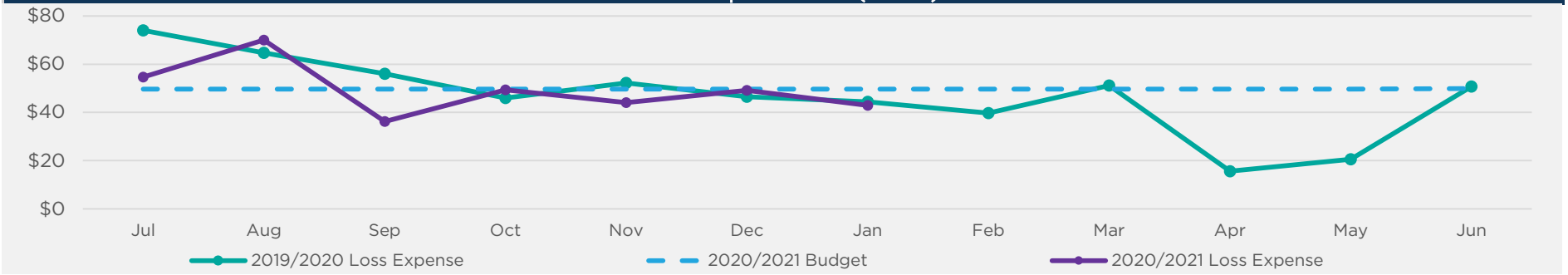
Medical Expense Paid (PEPM) [1,2]



Pharmacy Expense Paid (PEPM)[1]



Dental Expense Paid (PEPM)[1]



[1] Loss expense and budget excludes IBNR and Rx rebates.

[2] Figures do not include stop loss recoveries.

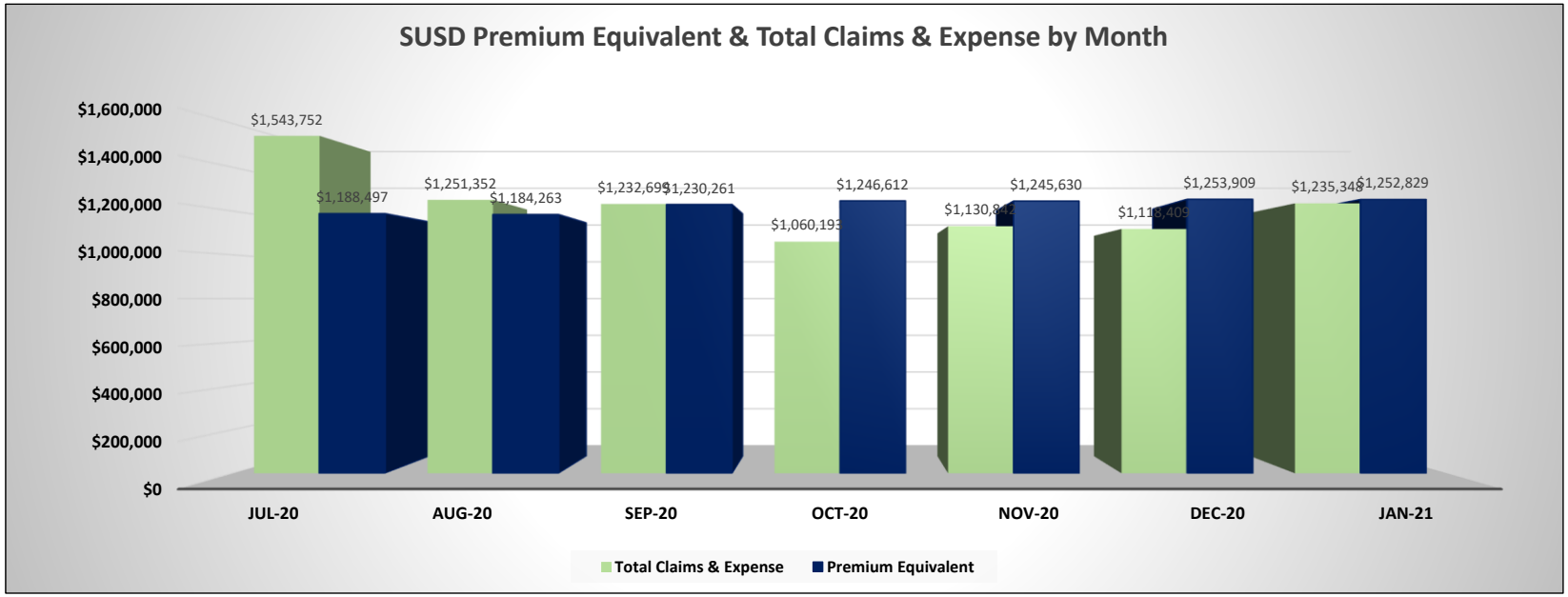
SCOTTSDALE UNIFIED SCHOOL DISTRICT

Paid Claims Report (July 2020 - January 2021)

Month	Employees	Members	Medical Claims	Pharmacy	Stop Loss Recovered 19-20	Stop Loss Recovered 20-21	Access Fee	Admin & Stop Loss Expense	Total Claims & Expense	Total Claims & Expenses PEPM	Premium Equivalent	Medical Expense Loss Ratio	Surplus / Loss
Jul-20	1,882	2,591	$2,549,499	$301,660	-$1,461,156	$0	$225	$153,524	$1,543,752	$820.27	$1,188,497	129.9%	-$355,255
Aug-20	1,872	2,590	$1,181,309	$365,920	-$450,068	$0	$278	$153,913	$1,251,352	$668.46	$1,184,263	105.7%	-$67,089
Sep-20	1,943	2,696	$776,654	$296,736	$0	$0	$627	$158,681	$1,232,699	$634.43	$1,230,261	100.2%	-$2,438
Oct-20	1,973	2,736	$598,227	$300,188	-$325	$0	$795	$161,308	$1,060,193	$537.35	$1,246,612	85.0%	$186,419
Nov-20	1,964	2,737	$643,017	$326,607	$0	$0	$418	$160,801	$1,130,842	$575.79	$1,245,630	90.8%	$114,788
Dec-20	1,979	2,756	$586,846	$369,858	$0	$0	$899	$160,806	$1,118,409	$565.14	$1,253,909	89.2%	$135,500
Jan-21	1,977	2,752	$717,077	$356,305	$0	$0	$1,061	$160,905	$1,235,348	$624.86	$1,252,829	98.6%	$17,481
Average/Total	**1,941**	**2,694**	**$7,052,629**	**$2,317,274**	**-$1,911,549**	**$0**	**$4,303**	**$1,109,938**	**$8,572,596**	**$630.80**	**$8,602,001**	**99.7%**	**$29,405**

SCOTTSDALE UNIFIED SCHOOL DISTRICT

Paid Claims Report (July 2020 - January 2021)



Large Claimant Report

Kairos Health AZ, Inc. - Scottsdale USD Claims Paid Through Month: January 2021

Large Claims Threshold: $50,000

Current Policy Period - Claims Incurred 7/1/2020 - 6/30/2021

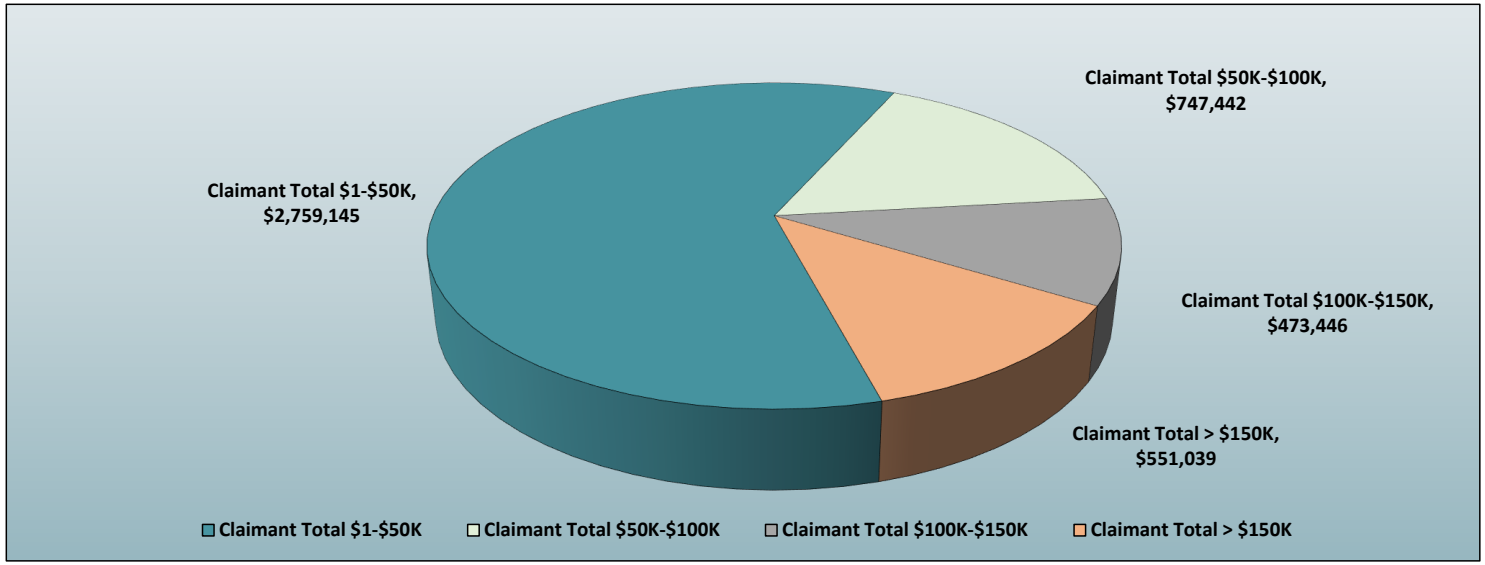
Status	Term Date	Plan Name	Care Management	Diagnosis Description	Medical Claims	Blue Card Fees	Rx Claims	Total Paid Amount
Active		PPO	Goals Met/Issues Addressed	Crohn'S Disease, Unspecified, With Rectal Bleeding	$168,940	$0	$100,484	$269,424
Active		PPO	Case Open	Malignant Neoplasm Of Upper-Outer Quadrant Of Right Female Breas	$206,904	$0	$140	$207,045
Active		HDHP Buy Up	Case Open	Fever, Unspecified	$9,269	$0	$176,401	$185,670
Active		HDHP Buy Up	No Mbr Response	Malignant Neoplasm Of Central Portion Of Left Female Breast	$175,195	$0	$128	$175,323
Active		HDHP Buy Up	Screened, No Issues At Time	Secondary Malignant Neoplasm Of Bone	$79,601	$0	$61,622	$141,223
Active		HDHP 5000	Case Open	Intervertebral Disc Disorders With Radiculopathy, Lumbar Region	$132,464	$0	$537	$133,001
Active		HDHP Base	No Mbr Response	Spinal Muscular Atrophy, Unspecified	$129,378	$0	$0	$129,378
Active		HDHP Buy Up	Goals Met/Issues Addressed	Other Mechanical Complication Of Cardiac Electrode, Initial Encounter	$107,327	$0	$0	$107,327
Active		HDHP Buy Up	Case Open	Malignant Neoplasm Of Upper-Outer Quadrant Of Right Female Breas	$99,297	$0	$258	$99,556
Active		HDHP Buy Up	Goals Met/Issues Addressed	Encounter For Antineoplastic Chemotherapy	$88,317	$0	$231	$88,548
Active		HDHP Buy Up	Screened, No Issues At Time	Other Hypertrophic Cardiomyopathy	$9,415	$0	$77,006	$86,421
Active		HDHP Buy Up	Case Open	Malignant Neoplasm Of Unspecified Site Of Right Female Breast	$1,176	$0	$75,135	$76,311
Active		PPO	Education	Non-St Elevation (Nstemi) Myocardial Infarction	$59,845	$0	$7,577	$67,423
Termed	12/1/2020	HDHP Base	Goals Met/Issues Addressed	Malignant Neoplasm Of Lower Third Of Esophagus	$66,013	$0	$44	$66,057
Active		PPO	No Mbr Response	Esophageal Varices With Bleeding	$36,900	$0	$24,543	$61,444
Active		PPO	Case Open	Crohn'S Disease Of Both Small And Large Intestine With Unspecified C	$56,918	$0	$3,598	$60,515
Active		PPO		Encounter For Aftercare Following Heart Transplant	$52,963	$725	$6,771	$60,459
Active		HDHP Buy Up	No Mbr Response	Beta Thalassemia	$24,384	$6	$31,486	$55,876
Active		HDHP Buy Up		Malignant Neoplasm Of Peritoneum, Unspecified	$54,516	$0	$50	$54,566
Termed	1/1/2021	HDHP Buy Up	Case Open	Behavioral Health Condition	$49,844	$89	$1,552	$51,485

SCOTTSDALE UNIFIED SCHOOL DISTRICT

High Cost Claimants Overview

Paid through January 2021

High Cost Claimant	Claimants	Claimants %	Paid	Paid %	Paid/Claimant
Claimant Total $1-$50K	2,197	99.2%	$2,759,145	60.9%	$1,255.87
Claimant Total $50K-$100K	10	0.5%	$747,442	16.5%	$74,744.18
Claimant Total $100K-$150K	4	0.2%	$473,446	10.4%	$118,361.61
Claimant Total > $150K	3	0.1%	$551,039	12.2%	$183,679.75
Summary	2,214	100.0%	$4,531,073	100.0%	$2,046.56

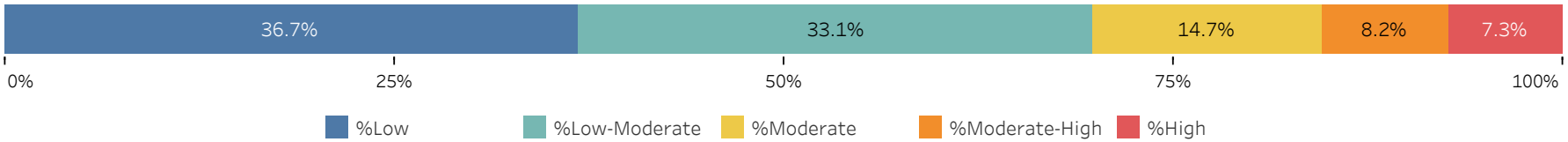


COVID-19 Risk Modeling and Tracking
Opportunities to Inspire Health

EMPLOYER 042129 - KAIROS HEALTH ARIZONA INC

Kairos Health Arizona Inc
(Based on Utilization thru 03/12/2021)

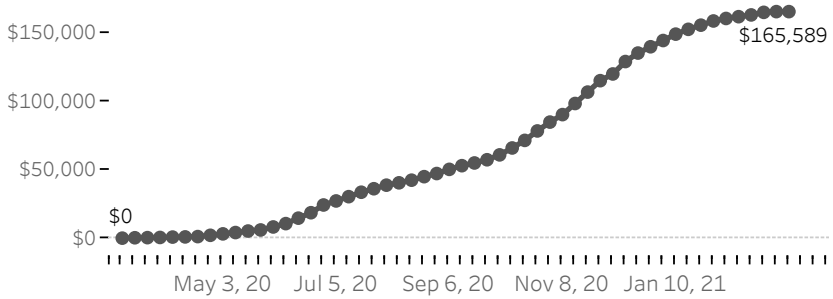
Certain factors, such as age, comorbid conditions, and recent utilization patterns can increase our risk for COVID-19 and its known complications. Early on, BCBSAZ identified these members through risk stratification methods. Your distribution of membership by risk category is as follows:



COVID-19 Live Virus Testing

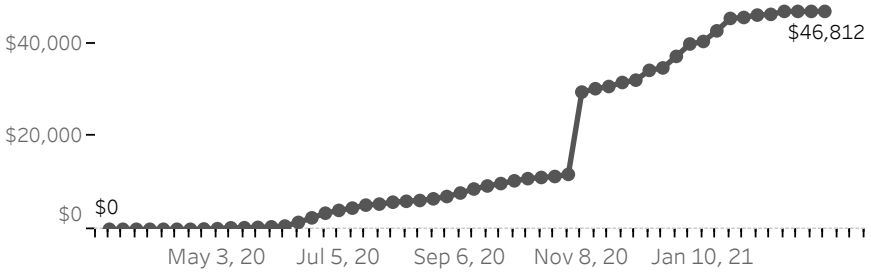
Allowed
Paid

1,322	3,053	$165,589
Total Members Tested	Total Claims Tested	Tested_AllowedOrPaid



COVID-19 Confirmed Diagnoses

283	501	$46,812
Total Members Confirmed	Total Claims Confirmed	Confirmed_AllowedOrPaid



NOTES:

1) This report summarizes claims and lab result experience received to date.
2) Industry available codes are used to identify and summarize COVID-19 specific claim lines, and are subject to change at any time:
   Lab: U0001, U0002, U0003, U0004, 87635, G2023, and G2024 (high throughput and antibody testing codes will be added when available)
   Diagnosis: U07.1
3) "COVID-19 Testing" represents total members and claims with a known test for COVID-19, based on lab and medical data. Total dollars for testing are based on medical claims specifically for the test and exclude other services, such as an office visit.
4) "COVID-19 Confirmed" represents total members and claims with either a positive lab test or confirmation of COVID-19 through medical claims. Total dollars for treatment are based on medical claims, and excluding testing.

Information:

Trust Financial Update

Submitted by:

Shannon Crosier, Administrator

RECOMMENDATION:

Shannon Crosier, Acting Chief Financial Officer, will present a review of the investment accounts for Fiscal Year 2021 (YTD). Wells Fargo will then follow up with a financial market forecast.

Self-Insurance Trust Balances
Fiscal Year 2020-2021
As of February 28, 2021

Checking

	Medical Insurance	Property/Casualty	Workmans Comp	Total
Beginning Balance (July 1, 2020)	$ 4,496,898.46	$ 250,806.90	$ 1,149,077.68	$ 5,896,783.04
Revenue YTD	$ 18,834,091.96	$ 2,111,044.30	$ 999,785.56	$ 21,944,921.82
Expenditures YTD	$ 20,438,595.21	$ 2,168,571.47	$ 925,412.52	$ 23,532,579.20
Ending Balance	$ 2,892,395.21	$ 193,279.73	$ 1,223,450.72	$ 4,309,125.66

Investment Accounts

	Medical Insurance	Property/Casualty	Workmans Comp	Total
Beginning Balance (July 1, 2020)	$ 22,994,377.15	$ 9,414,757.00	$ 6,692,658.61	$ 39,101,792.76
Deposits & Withdraws	$ 9,885,678.55	$ (47,558.51)	$ (37,417.35)	$ 9,800,702.69
Interest	$ 221,030.24	$ 87,295.22	$ 65,115.93	$ 373,441.39
Mutual Funds Dividends	$ 357.18	$ 286.18	$ 105.02	$ 748.38
Ending Balance	$ 33,101,443.12	$ 9,454,779.89	$ 6,720,462.21	$ 49,276,685.22

Total All Accounts	$ 35,993,838.33	$ 9,648,059.62	$ 7,943,912.93	$ 53,585,810.88

Note: At January meeting it was stated that interest as of December totaled $615,651. That number was based off Year to Date Interest. The interested listed above is fiscal year from July 1, 2020 - February 28, 2021.

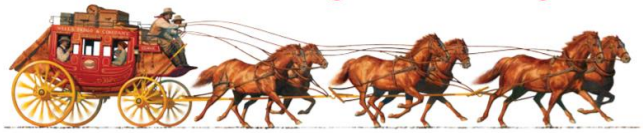
Scottsdale USD February Portfolios

Analysis Date:	3/3/2021
Portfolio as of:	2/26/2021
Market Data as of:	2/26/2021

Tom Hedges
602-378-4004
hedgestl@wellsfargo.com

Tyler Tayrien
602-378-4006
tyler.tayrien@wellsfargo.com

Together we'll go far



Confidential-For Discussion and General Information Purposes Only

Scottsdale USD Medical

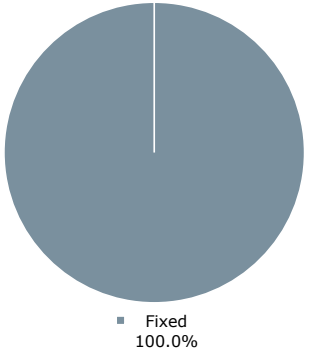
Portfolio Summary

Portfolio Snapshot	
Number of Positions	49
Par ($000)	32,726
Book Value ($000)	32,728
Mkt Value w/o Accrd ($000)	33,101
Unrlzed Gain / Loss ($000)	373
Coupon	0.85

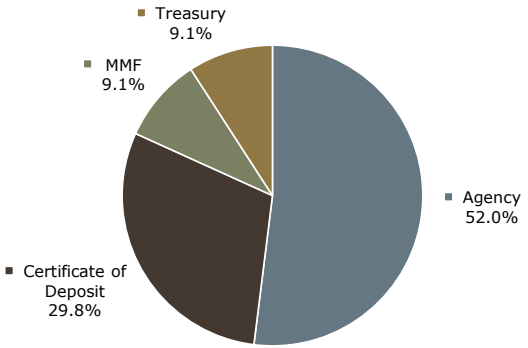
Characteristics	
Book Yield	0.87
Market Yield	0.19
Wgt Avg Maturity	1.7
Average Life	1.7
Effective Duration	1.4
Effective Convexity	(1.9)

12M Projected Cash Flow ($000)	
Overnight Funds Principal	2,976
Overnight Funds Interest	0
Term Securities Principal	6,000
Term Securities Interest	271
Total Cash Flow	9,247

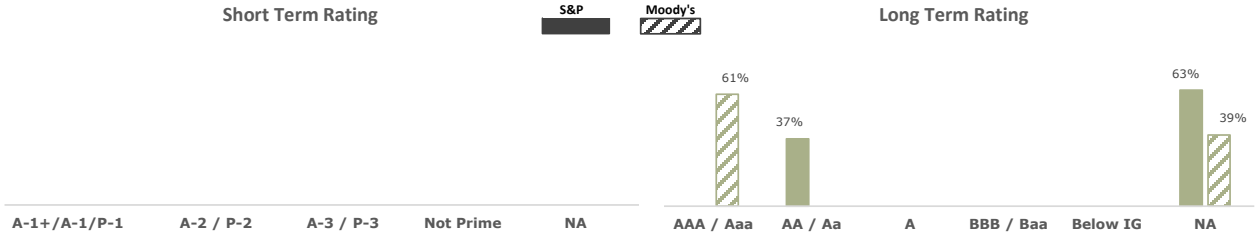
Coupon Structure



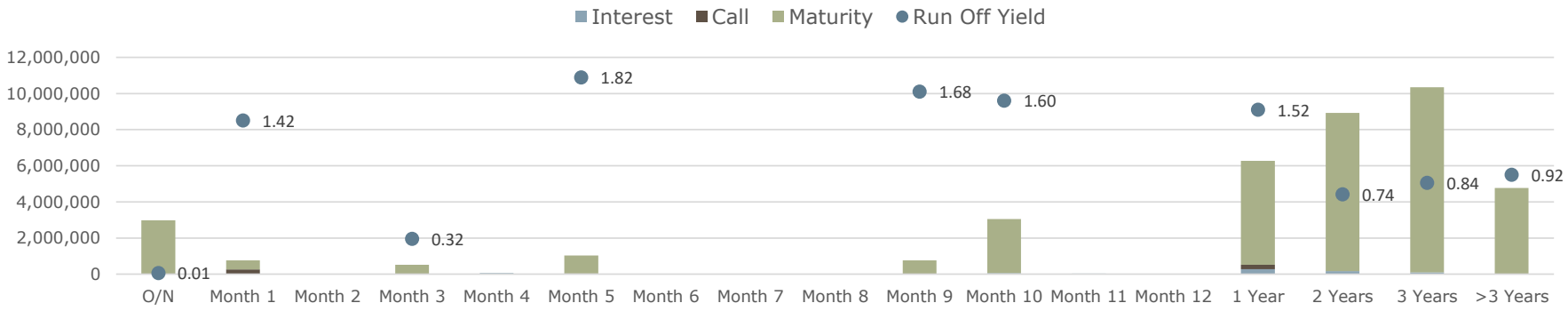
Portfolio Allocation



Credit Exposure



Cash Flow Projections*



*Cash Flow Projections Chart - 1 Year Cash flow does not include O/N Cash Flow or Run Off Yield

Cash Flow Projections

Time Period	Date	Interest ($)	Call ($)	Maturity ($)	Run Off Yield (%)	Monthly Total ($)	Cumulative Total ($)
O/N		1	0	2,976,177	0.01	2,976,178	2,976,178
	Mar-21	15,817	250,000	500,000	1.42	765,817	3,741,995
	Apr-21	20,823	0	0	0.00	20,823	3,762,818
	May-21	11,071	0	500,000	0.32	511,071	4,273,889
	Jun-21	51,950	0	0	0.00	51,950	4,325,839
	Jul-21	33,875	0	1,000,000	1.82	1,033,875	5,359,714
	Aug-21	10,563	0	0	0.00	10,563	5,370,276
	Sep-21	6,000	0	0	0.00	6,000	5,376,276
	Oct-21	20,750	0	0	0.00	20,750	5,397,026
	Nov-21	10,250	0	750,000	1.68	760,250	6,157,276
	Dec-21	51,606	0	3,000,000	1.60	3,051,606	9,208,883
	Jan-22	27,906	0	0	0.00	27,906	9,236,789
Year 1	Feb-22	10,219	0	0	0.00	10,219	9,247,008
	Mar-22	5,656	0	0	0.00	5,656	9,252,664
	Apr-22	20,406	0	5,000,000	0.14	5,020,406	14,273,070
	May-22	5,656	0	0	0.00	5,656	14,278,726
	Jun-22	27,906	0	250,000	0.25	277,906	14,556,633
	Jul-22	27,906	0	1,750,000	1.84	1,777,906	16,334,539
	Aug-22	10,219	0	0	0.00	10,219	16,344,758
	Sep-22	5,656	0	0	0.00	5,656	16,350,414
	Oct-22	16,906	0	0	0.00	16,906	16,367,320
	Nov-22	5,656	0	0	0.00	5,656	16,372,976
	Dec-22	27,594	0	1,750,000	1.32	1,777,594	18,150,571
	Jan-23	9,375	0	0	0.00	9,375	18,159,946
Year 2	Feb-23	8,063	0	0	0.00	8,063	18,168,008
	Mar-23	3,500	0	250,000	1.66	253,500	18,421,508
	Apr-23	14,406	0	0	0.00	14,406	18,435,915
	May-23	3,156	0	0	0.00	3,156	18,439,071
	Jun-23	24,969	0	2,000,000	1.87	2,024,969	20,464,040
	Jul-23	12,156	0	5,500,000	0.39	5,512,156	25,976,196
	Aug-23	7,719	0	500,000	0.85	507,719	26,483,915
	Sep-23	3,115	0	0	0.00	3,115	26,487,029
	Oct-23	8,115	0	0	0.00	8,115	26,495,144
	Nov-23	3,129	0	250,000	2.11	253,129	26,748,273
	Dec-23	3,240	0	750,000	0.20	753,240	27,501,512
	Jan-24	5,365	0	0	0.00	5,365	27,506,877
Year 3	Feb-24	5,365	0	1,000,000	0.91	1,005,365	28,512,242

Cash Flow Projections - Continued

Time Period	Date	Interest ($)	Call ($)	Maturity ($)	Run Off Yield (%)	Monthly Total ($)	Cumulative Total ($)
	Mar-24	2,250	0	0	0.00	2,250	28,514,492
	Apr-24	7,250	0	2,000,000	0.50	2,007,250	30,521,742
	May-24	2,250	0	0	0.00	2,250	30,523,992
	Jun-24	2,244	0	1,000,000	0.43	1,002,244	31,526,235
	Jul-24	4,646	0	500,000	2.13	504,646	32,030,881
	Aug-24	1,969	0	0	0.00	1,969	32,032,850
	Sep-24	1,469	0	1,000,000	1.77	1,001,469	33,034,319
	Oct-24	0	0	0	0.00	0	33,034,319
	Nov-24	0	0	0	0.00	0	33,034,319
	Dec-24	0	0	0	0.00	0	33,034,319
	Jan-25	0	0	0	0.00	0	33,034,319
Year 4	Feb-25	500	0	250,000	0.40	250,500	33,284,819

Scottsdale USD Property & Casualty

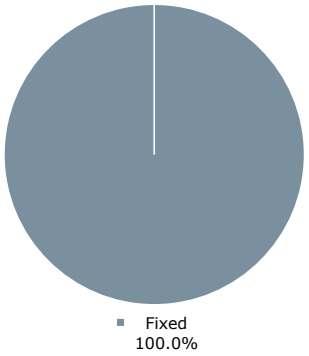
Portfolio Summary

Portfolio Snapshot	
Number of Positions	24
Par ($000)	9,376
Book Value ($000)	9,382
Mkt Value w/o Accrd ($000)	9,455
Unrlzed Gain / Loss ($000)	72
Coupon	0.98

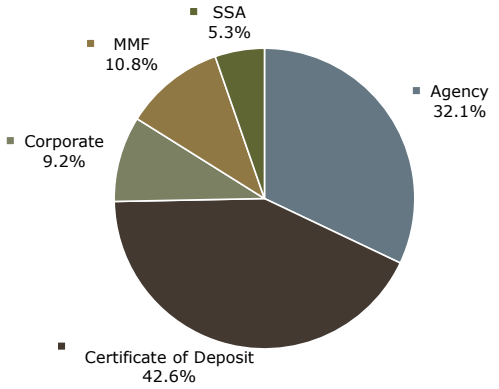
Characteristics	
Book Yield	0.89
Market Yield	0.14
Wgt Avg Maturity	1.1
Average Life	1.0
Effective Duration	1.0
Effective Convexity	(0.3)

12M Projected Cash Flow ($000)	
Overnight Funds Principal	1,011
Overnight Funds Interest	0
Term Securities Principal	4,750
Term Securities Interest	70
Total Cash Flow	5,831

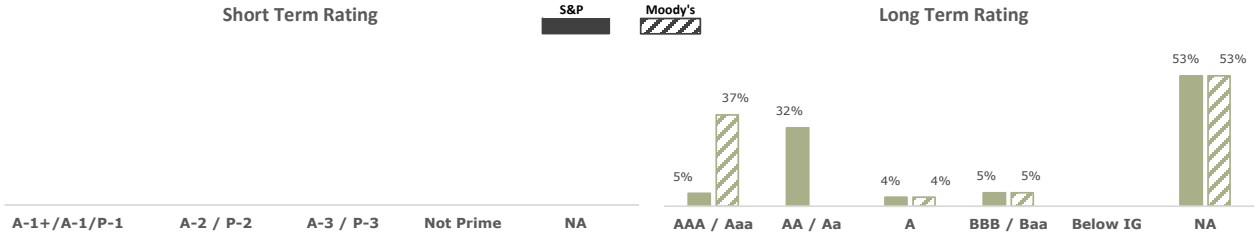
Coupon Structure



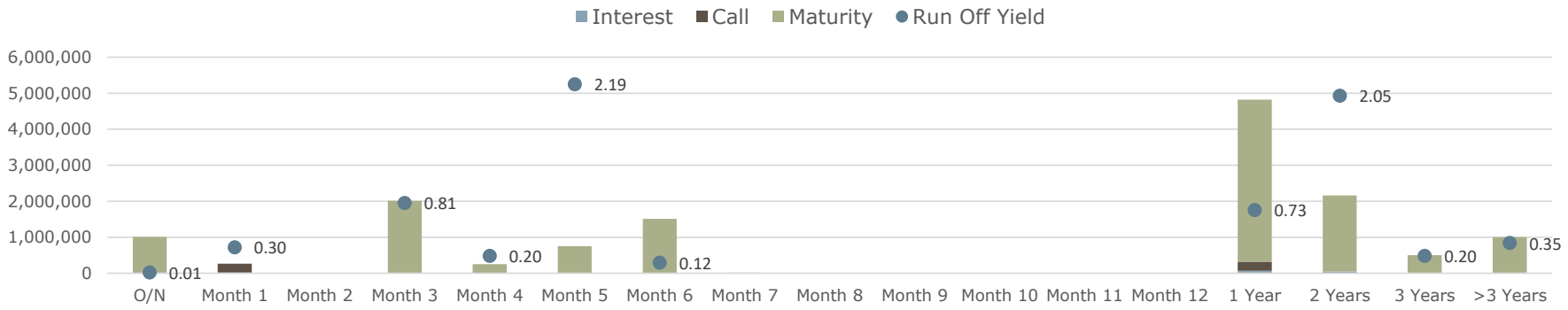
Portfolio Allocation



Credit Exposure



Cash Flow Projections*



*Cash Flow Projections Chart - 1 Year Cash flow does not include O/N Cash Flow or Run Off Yield

Cash Flow Projections

Time Period	Date	Interest ($)	Call ($)	Maturity ($)	Run Off Yield (%)	Monthly Total ($)	Cumulative Total ($)
O/N		0	0	1,011,342	0.01	1,011,342	1,011,342
	Mar-21	17,181	250,000	0	0.30	267,181	1,278,523
	Apr-21	507	0	0	0.00	507	1,279,030
	May-21	10,979	0	2,000,000	0.81	2,010,979	3,290,010
	Jun-21	271	0	250,000	0.20	250,271	3,540,281
	Jul-21	6,229	0	750,000	2.19	756,229	4,296,510
	Aug-21	10,667	0	1,500,000	0.12	1,510,667	5,807,176
	Sep-21	16,840	0	0	0.00	16,840	5,824,017
	Oct-21	229	0	0	0.00	229	5,824,246
	Nov-21	5,448	0	0	0.00	5,448	5,829,694
	Dec-21	229	0	0	0.00	229	5,829,923
	Jan-22	229	0	0	0.00	229	5,830,152
Year 1	Feb-22	1,292	0	0	0.00	1,292	5,831,444
	Mar-22	16,840	0	0	0.00	16,840	5,848,284
	Apr-22	229	0	0	0.00	229	5,848,513
	May-22	5,448	0	0	0.00	5,448	5,853,961
	Jun-22	229	0	0	0.00	229	5,854,191
	Jul-22	229	0	0	0.00	229	5,854,420
	Aug-22	1,292	0	0	0.00	1,292	5,855,711
	Sep-22	16,840	0	1,515,000	2.19	1,531,840	7,387,552
	Oct-22	229	0	0	0.00	229	7,387,781
	Nov-22	5,448	0	350,000	2.72	355,448	7,743,229
	Dec-22	229	0	0	0.00	229	7,743,458
	Jan-23	229	0	0	0.00	229	7,743,687
Year 2	Feb-23	1,292	0	250,000	0.30	251,292	7,994,979
	Mar-23	229	0	0	0.00	229	7,995,208
	Apr-23	229	0	0	0.00	229	7,995,437
	May-23	417	0	0	0.00	417	7,995,854
	Jun-23	229	0	0	0.00	229	7,996,083
	Jul-23	229	0	0	0.00	229	7,996,312
	Aug-23	915	0	500,000	0.20	500,915	8,497,227
	Sep-23	146	0	0	0.00	146	8,497,373
	Oct-23	146	0	0	0.00	146	8,497,519
	Nov-23	333	0	0	0.00	333	8,497,852
	Dec-23	146	0	0	0.00	146	8,497,998
	Jan-24	146	0	0	0.00	146	8,498,144
Year 3	Feb-24	833	0	0	0.00	833	8,498,977

Cash Flow Projections - Continued

Time Period	Date	Interest ($)	Call ($)	Maturity ($)	Run Off Yield (%)	Monthly Total ($)	Cumulative Total ($)
	Mar-24	146	0	0	0.00	146	8,499,123
	Apr-24	146	0	0	0.00	146	8,499,269
	May-24	333	0	0	0.00	333	8,499,602
	Jun-24	146	0	0	0.00	146	8,499,748
	Jul-24	151	0	250,000	0.35	250,151	8,749,899
	Aug-24	765	0	500,000	0.37	500,765	9,250,664
	Sep-24	0	0	0	0.00	0	9,250,664
	Oct-24	0	0	0	0.00	0	9,250,664
	Nov-24	188	0	250,000	0.30	250,188	9,500,852
	Dec-24	0	0	0	0.00	0	9,500,852
	Jan-25	0	0	0	0.00	0	9,500,852
Year 4	Feb-25	0	0	0	0.00	0	9,500,852

Scottsdale USD Workers Compensation

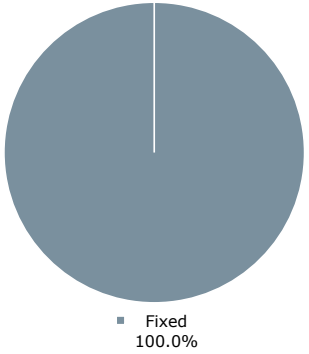
Portfolio Summary

Portfolio Snapshot	
Number of Positions	20
Par ($000)	6,676
Book Value ($000)	6,677
Mkt Value w/o Accrd ($000)	6,720
Unrlzed Gain / Loss ($000)	43
Coupon	1.05

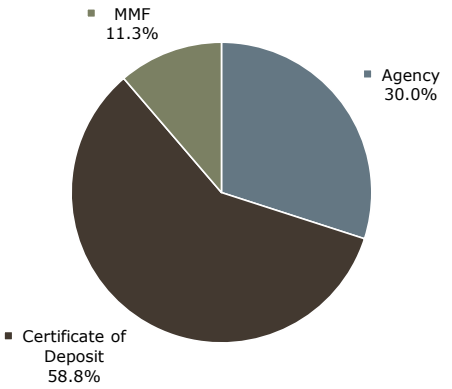
Characteristics	
Book Yield	1.03
Market Yield	0.20
Wgt Avg Maturity	1.8
Average Life	1.8
Effective Duration	1.7
Effective Convexity	(0.5)

12M Projected Cash Flow ($000)	
Overnight Funds Principal	753
Overnight Funds Interest	0
Term Securities Principal	2,675
Term Securities Interest	53
Total Cash Flow	3,481

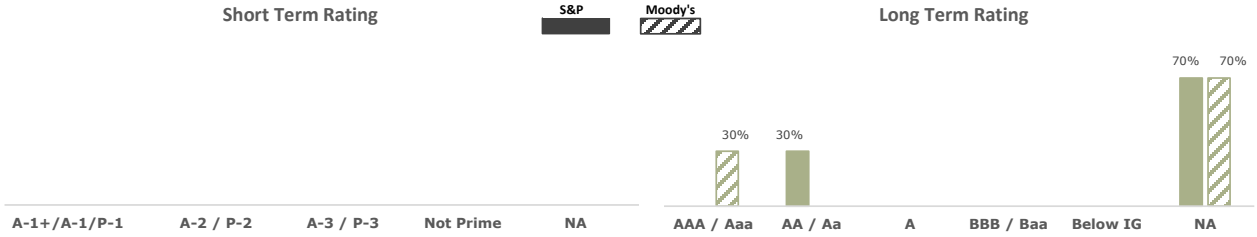
Coupon Structure



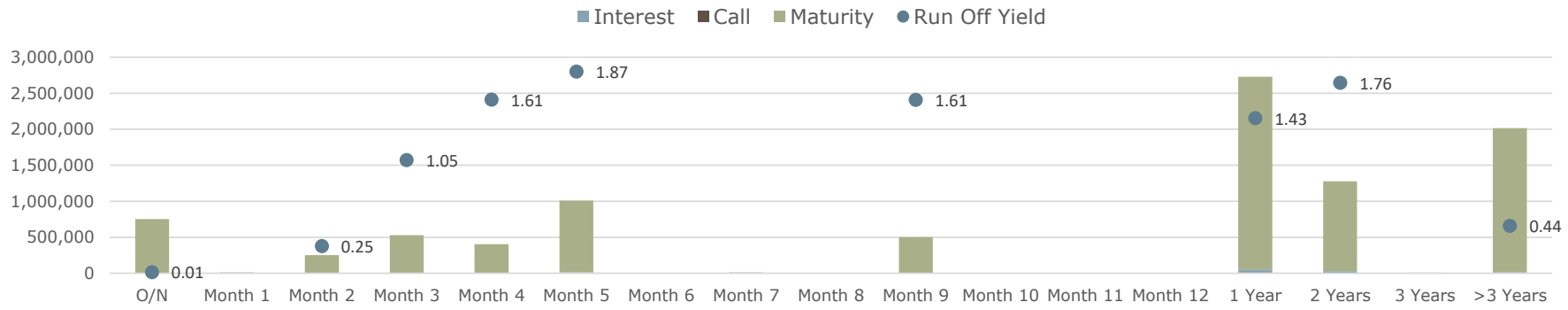
Portfolio Allocation



Credit Exposure



Cash Flow Projections*



*Cash Flow Projections Chart - 1 Year Cash flow does not include O/N Cash Flow or Run Off Yield

Cash Flow Projections

Time Period	Date	Interest ($)	Call ($)	Maturity ($)	Run Off Yield (%)	Monthly Total ($)	Cumulative Total ($)
O/N		0	0	752,730	0.01	752,730	752,730
	Mar-21	9,938	0	0	0.00	9,938	762,667
	Apr-21	1,354	0	250,000	0.25	251,354	1,014,022
	May-21	3,953	0	525,000	1.05	528,953	1,542,975
	Jun-21	4,522	0	400,000	1.61	404,522	1,947,497
	Jul-21	10,677	0	1,000,000	1.87	1,010,677	2,958,174
	Aug-21	4,779	0	0	0.00	4,779	2,962,953
	Sep-21	9,802	0	0	0.00	9,802	2,972,755
	Oct-21	1,302	0	0	0.00	1,302	2,974,057
	Nov-21	1,280	0	500,000	1.61	501,280	3,475,337
	Dec-21	635	0	0	0.00	635	3,475,972
	Jan-22	635	0	0	0.00	635	3,476,608
Year 1	Feb-22	4,112	0	0	0.00	4,112	3,480,720
	Mar-22	9,135	0	0	0.00	9,135	3,489,855
	Apr-22	635	0	0	0.00	635	3,490,490
	May-22	635	0	0	0.00	635	3,491,126
	Jun-22	635	0	0	0.00	635	3,491,761
	Jul-22	635	0	0	0.00	635	3,492,397
	Aug-22	4,112	0	248,000	2.35	252,112	3,744,509
	Sep-22	9,135	0	1,000,000	1.62	1,009,135	4,753,644
	Oct-22	635	0	0	0.00	635	4,754,279
	Nov-22	635	0	0	0.00	635	4,754,915
	Dec-22	635	0	0	0.00	635	4,755,550
	Jan-23	635	0	0	0.00	635	4,756,186
Year 2	Feb-23	1,198	0	0	0.00	1,198	4,757,384
	Mar-23	635	0	0	0.00	635	4,758,019
	Apr-23	635	0	0	0.00	635	4,758,654
	May-23	635	0	0	0.00	635	4,759,290
	Jun-23	635	0	0	0.00	635	4,759,925
	Jul-23	635	0	0	0.00	635	4,760,561
	Aug-23	1,198	0	0	0.00	1,198	4,761,759
	Sep-23	635	0	0	0.00	635	4,762,394
	Oct-23	635	0	0	0.00	635	4,763,029
	Nov-23	635	0	0	0.00	635	4,763,665
	Dec-23	635	0	0	0.00	635	4,764,300
	Jan-24	635	0	0	0.00	635	4,764,936
Year 3	Feb-24	1,198	0	0	0.00	1,198	4,766,134

Cash Flow Projections - Continued

Time Period	Date	Interest ($)	Call ($)	Maturity ($)	Run Off Yield (%)	Monthly Total ($)	Cumulative Total ($)
	Mar-24	635	0	0	0.00	635	4,766,769
	Apr-24	635	0	0	0.00	635	4,767,404
	May-24	635	0	0	0.00	635	4,768,040
	Jun-24	635	0	0	0.00	635	4,768,675
	Jul-24	635	0	0	0.00	635	4,769,311
	Aug-24	1,198	0	0	0.00	1,198	4,770,509
	Sep-24	635	0	0	0.00	635	4,771,144
	Oct-24	635	0	0	0.00	635	4,771,779
	Nov-24	635	0	0	0.00	635	4,772,415
	Dec-24	635	0	0	0.00	635	4,773,050
	Jan-25	635	0	0	0.00	635	4,773,686
Year 4	Feb-25	1,198	0	0	0.00	1,198	4,774,884
	Mar-25	635	0	0	0.00	635	4,775,519
	Apr-25	635	0	0	0.00	635	4,776,154
	May-25	635	0	0	0.00	635	4,776,790
	Jun-25	635	0	0	0.00	635	4,777,425
	Jul-25	635	0	250,000	0.40	250,635	5,028,061
	Aug-25	1,115	0	1,750,000	0.44	1,751,115	6,779,175
	Sep-25	0	0	0	0.00	0	6,779,175
	Oct-25	0	0	0	0.00	0	6,779,175
	Nov-25	0	0	0	0.00	0	6,779,175
	Dec-25	0	0	0	0.00	0	6,779,175
	Jan-26	0	0	0	0.00	0	6,779,175
Year 5	Feb-26	0	0	0	0.00	0	6,779,175

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Assumptions

1. Calculation engine is ZM for all asset classes except for Money Market Funds. Money Market Fund information is provided by Crane Data.

2. Money Market Funds assume a book price of par ($100.00).

3. All data provided by Bloomberg LLC., IDC Pricing Service, Crane Data and Wells Fargo Securities.

4. Cash flows are generated by Yield Book, Intex, Bloomberg or ZM depending on sector and structure:
   - **ZM** – Non-prepay bullet structures including municipals, corporates, agencies, SSA, teasuries, CDs and commercial paper.
   - **Yield Book** – Mortgage products, including MBS passthroughs, CMOs, ARMs, agency CMBS and floating rate structures.
   - **Intex** – Structured products, including ABS, CLOs and non-agency RMBS and CMBS.
   - Analysis assumes all scheduled and unscheduled principal cash flows provided directly by Third Party systems (Yield Book) flow into the Maturity bucket on the Cash Flow Projections page.

5. Ratings data are provided by Moody's, S&P and Fitch. Aggregate ratings are based on a proprietary scale.

6. Projected Call Report - Assumes OAS is held constant with market price based yield-to-worst call logic. Sorted by projected calls in the base case scenario. Base Case scenario assumes no rate changes.

7. Client provided market prices are used for the analysis. In the absence of client market data, BVAL and/or IDC pricing is used.

8. Historical Analysis is a combination of previously run Bond Edge Reports and ZM Financial. This page will be updated over time as reports are requested.

9. Yield on tax-exempt municipals are calculated using a 21% tax rate or as directed by client.

10. 12 Month Horizon Analysis assumes 12 month horizon with a reinvestment rate of 1M LIBOR. Rate shocks are gradual over the horizon and parrallel shifts to the curve.

11. Prepayment, default and severity assumptions used:
   - Bonds run through Yield Book – Yield Book Long Term Projected CPR
   - GN CMBS – 15 CPJ
   - FN/FH CMBS - 0 CPY
   - Conduit CMBS - 0 CPY, CDR and SEV
   - ABS Student – 6 CPR
   - ABS Card - Historical MPR
   - ABS Auto - 1.3 ABS
   - SBAs & NGNs – 10 CPR
   - Non-agency CMOs – Yield Book if available otherwise 6mo historical VPR, CDR and SEV taken from Bloomberg.

12. Money Market Fund Profiles
   - AUM Flows: Total fund MoM flows
   - Share Class: Total share class MoM flows

13. Yield Curve Shock Scenarios: instantaneous rate shocks to the static curve held constant over the life of the securities, utilizing Intex for structured products (when applicable) and Yield Book for other amortizing securities.
   - Standard scenarios: parallel shifts of -100,-50,-25,0,+25,+50,+100,+200,+300, Bear Flat, Bull Steep, Bull Flat, Bear Steep.
   - Customized scenarios at the request of client or as determined by WFS Portfolio Strategy

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Accuracy of Information

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