



SCOTTSDALE USD SELF-INSURANCE TRUST BOARD MEETING

August 20, 2020

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

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

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August 20, 2020 3:00 PM**

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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.

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
August 20, 2020 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, August 20, 2020, 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.

- I. Call to Order
- II. Roll Call
- III. Introduction of Trustees, Staff, and Visitors
 - A. INFORMATION/DISCUSSION AND POSSIBLE ACTION**
- IV. Selection of Chairperson (Trust Document 3.4) - Action
- V. Approval of Minutes from May 14, 2020 meeting – Action
- VI. COVID-19 Liability Coverage Update – Action
- VII. Update Coverage Acceptance Form (CAF) July - Information
- VIII. Property/Casualty/Workers Comp Claims Report (ARRT) – Information
- IX. Approval of Amendment of Kairos Plan 2020-2021 - Action
- X. Medical Claims/Financial Reports – Information
- XI. Trust Financial Update - Information
- XII. Future Agenda Items
- XIII. 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: August 17, 2020

Action:

Selection of Chairperson (Trust Document 3.4)

Submitted by:

Shannon Crosier, Administrator

RECOMMENDATION:

It is recommended that the Self-Insurance Trust Board select a Chairperson for FY21 per 3.4 of the Self-Insurance Trust Agreement.

Action:

Approval of Self-Insurance Trust Meeting Minutes May 14, 2020

Submitted by:

Shannon Crosier, Administrator

RECOMMENDATION:

It is recommended that the Self-Insurance Trust Board approve the Self-Insurance Trust Meeting Minutes of May 14, 2020.

BACKGROUND:

Minutes were taken at the May 14, 2020 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
May 14, 2020 at 3:00 PM**

The meeting was called to order at **3:03** pm on May 14, 2020.

- 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 online only

- II. Roll Call-
Board Trustees in attendance were telephonically and via Teams video, Sandy Kravetz, Governing Board Member, Jeff Gadd (Arrived at 3:20), Trust Board Administrator, Erika Coombs, Chairperson, Megan Burke, Wally Graham

A. INFORMATION/DISCUSSION AND POSSIBLE ACTION

- III. Approval of SUSD Self-Insurance Trust Minutes from April 2, 2020 meeting.
Minutes were discussed.

Megan Burke Moved to Approve the Scottsdale USD Self-Insurance Trust Meeting Minutes of April 2, 2020. Wally Graham Seconded the motion. The motion was approved with a vote of 4 – 0.

- IV. Approval of Property and Casualty Insurance Premium July 1, 2020-June 30, 2021 – Action

The Arizona Risk Retention Trust has provided rates for the Property and Casualty Insurance Premium as attached.

FY19/20 annual premium was \$1,805,894. The new 20/21 premium will be \$1,910,296, representing a 5.8% increase. The increase primarily results from charging real property replacement value from \$150 to \$200 per square feet.

Wally Graham Moved to Approve the Property and Casualty Insurance Premium for July 1, 2020 – June 30, 2021. Megan Burke Seconded the motion. The motion was approved with a vote of 4 – 0.

- V. Approval of Worker's Compensation Premium July 2, 2020 - June 30, 2021 – Action

Worker's Compensation Insurance Premium is updated yearly.

FY 19/20 annual premium was \$839,972. As attached, the premium for July 1, 2020 through June 30, 2021 will be \$868,651, a 3.4% increase from 2019 – 2020 subject to final underwriting.

Sandy Kravetz Moved to Approve the Worker's Compensation Premium for July 1, 2020 – June 30, 2021. Wally Graham Seconded the motion. The motion was approved with a vote of 4 – 0.

VI. Approval of Audit Firm – Action

The Governing Board awarded Clifton Larson Allen (CLA) as the Audit Firm for the District on March 3, 2020. For consistency and efficiency, it is recommended that the Trust Board approves Clifton Larsen Allen, LLC to also conduct the Annual Trust Audit. Below are the fees associated with the Trust Audit:

Fiscal Year 2019-2020 - \$7,500
Fiscal Year 2020-2021 - \$7,500
Fiscal Year 2021-2022 - \$7,500
Fiscal Year 2022-2023 - \$7,500
Fiscal Year 2023-2024 - \$7,500

*Note the fees are discounted based on CLA performing the District audit

Megan Burke Moved to Approve the Audit Firm of Clifton Larson Allen LLC for the Trust Board annual audit. Sandy Kravetz Seconded the motion. The motion was approved with a vote of 4 – 0.

VII. Report on Recent Annual Audit – Information

Tyler Moore presented information from the recent audit that Heinfeld Meech completed for Scottsdale Unified School District Insurance Trust as of the year ended on June 30, 2019. The fiscal year 2019 Audit returned no findings and no material weaknesses or significant deficiencies were identified in the audit.

VIII. Future Agenda Items – Sandy Kravetz requested a meeting earlier than October for the new school year. Updated information will be presented and to meet the new CFO for Scottsdale. A meeting on August 20, 2020 was added to the dates that were already approved.

IX. Adjournment

At **3:32** PM, Sandy Kravetz moved to adjourn the meeting. Megan Burke seconded the motion. The motion was approved with a vote of 5 – 0. Jeff Gadd arrived to vote.

Dated this 14th day of May 2020.

Action:**COVID-19 Liability Coverage****Submitted by:**

Shannon Crosier, Administrator

RECOMMENDATION:

It is recommended that the Self-Insurance Trust Board authorize the District to Purchase additional COVID-19 Liability Coverage.

BACKGROUND:

On August 4, 2020, the Arizona Risk Retention Trust Board approved a COVID-19 Liability Coverage Endorsement. If purchased, this endorsement will provide liability insurance in the case of a COVID-19 claim. If agreed upon prior to Sept. 15, 2020, the coverage will be retroactive to July 1, 2020. The coverage includes up to \$1 million per each occurrence, including defense costs and indemnity payment, with a limit of \$2 million per annual aggregate per District. The maximum annual aggregate for all District, including defense costs and indemnity is \$25 million.

The deductibles are as follows per occurrence.

- \$0 if the District has a signed Waiver, Release, and Assumption of Risk Form
- \$10,000 if the District has a signed Acknowledgment and Disclosure Form
- \$20,000 if there is no Waiver or Acknowledgement form.

The District must follow condition for the coverage to apply under this Endorsement.

- The District must utilize a parent/guardian Acknowledgement and Disclosure Form or Waiver, Release, and Assumption of Risk Form relating to the COVID-19 virus, in a form approved by the Trust, for all on-site students.
- The District makes a good faith effort to implement a reopening plan that incorporates applicable guidelines issued by the Arizona Department of Education (ADE) for K-12 District, and Centers for Disease Control and Prevention (CDC) for community College Districts.
- Except as modified by the Endorsement, this coverage is subject to all provisions, exclusions, definitions, terms, and conditions of the Appendix to which this Endorsement is attached.

COVID-19 Coverage Endorsement 2020

Good Afternoon,

Attached you will find the requested COVID-19 liability coverage endorsement. To bind this endorsement, sign and return the document by September 15, 2020. (After September 15, another document will have to be generated with a prorated contribution amount.)

Upon signing, please keep a copy for your records. This is your 20-21 Coverage Agreement for Appendix A.1, Endorsement 10. Scan and return a digital copy. Once returned, I will alert Accounting, and you will receive an invoice on our next invoicing cycle.

We know these have been difficult times and that uncertainty and concern around coverage has been a challenge. Thank you for joining us in this coverage solution. We hope it eases some of the pressure you may have been feeling and helps with conversations that are happening in your community. Please continue to contact me with any questions or concerns.

Thank you,

Jessica

JESSICA SCHULER

Member Services Coordinator



Main Line: 800.266.4911

Direct: 602.200.2405

[THE-TRUST.ORG](https://www.the-trust.org)

ARIZONA SCHOOL RISK RETENTION TRUST, INC.

ENDORSEMENT NO. 10

COVID-19 LIABILITY

This Endorsement is retroactive to July 1, 2020, if added by September 15, 2020. If added after September 15, 2020, coverage is effective on the date the Endorsement is signed. Notwithstanding Section 2.34 of the Appendix to which this Endorsement is attached, coverage is provided as follows:

1. COVERAGE PROVIDED:

Subject to the Limits of Liability expressly stated in this Endorsement, the Trust agrees to pay those sums that the District becomes legally obligated to pay as Damages by reason of liability imposed upon the District by law because of Bodily Injury or Property Damage caused by an Occurrence which occurs during an Agreement Period, and which arises out of the actual, alleged or threatened infectious, pathogenic, toxic or other harmful properties of the COVID-19 virus.

2. LIMITS OF LIABILITY/UNDERLYING LIMITS:

2.1 The Trust's Limit of Liability for Claims or Lawsuits covered by the terms and conditions of this Endorsement shall not exceed:

2.1.1 \$1,000,000 each Occurrence, including Defense Costs and indemnity payments.

2.1.2 \$10,000 each claimant in indemnity coverage, provided that the other limits identified herein are not exhausted.

2.1.3 \$2,000,000 Annual Aggregate per District, including Defense Costs and indemnity payments.

2.1.4 \$25,000,000 Annual Aggregate all Districts, including Defense Costs and indemnity payments.

2.2 The following deductibles will apply:

2.2.1 \$0 each Occurrence for Claims relating to a student for whom the District has obtained a signed Waiver, Release, and Assumption of Risk Form.

2.2.2 \$10,000 each Occurrence for Claims relating to a student for whom the District has obtained a signed Acknowledgment and Disclosure Form.

2.2.3 \$20,000 each Occurrence for Claims with no Waiver, Release, and Assumption of Risk Form or Acknowledgment and Disclosure Form in place relating to the Claim.

3. CONDITIONS:

3.1 The following conditions to coverage apply under this Endorsement:

3.1.1 The District must utilize a parent/guardian Acknowledgment and Disclosure Form or a Waiver, Release, and Assumption of Risk Form relating to the COVID-19 virus, in a form approved by the Trust, for all on-site students.

3.1.2 The District makes a good faith effort to implement a reopening plan that incorporates applicable guidelines issued by the Arizona Department of Education (ADE) for K-12 Districts, and Centers for Disease Control and Prevention (CDC) for Community College Districts.

3.1.3 Except as modified by this Endorsement, this coverage is subject to all provisions, exclusions, definitions, terms, and conditions of the Appendix to which this Endorsement is attached.

I, the undersigned, as the District Authorized Representative of Scottsdale Unified School District No. 48 do hereby accept, on behalf of the above-named District, the coverage indicated above. I understand that no coverage, even if accepted, is in place if the corresponding contribution for the endorsement has not been paid to the Trust by the due date established by the Trust. I further represent and confirm that all information previously provided to the Trust by the District in the Exposure Summary for the applicable coverage period is accurate and complete.

Contribution for Appendix A.1 Endorsement 10 COVID-19 Liability Coverage: **\$150,000**

Signature: _____ Date: _____

Title: _____

Information/Discussion:

Updated Coverage Acceptance Form (CAF) July 2020

Submitted by:

Shannon Crosier, Administrator

BACKGROUND:

Presentation on the updated Coverage Acceptance Form (CAF) completed in July of 2020

The Alliance

The Arizona School Alliance for Workers' Compensation, Inc.

Incurred Retrospective Rating Plan Coverage Acceptance Form (CAF)

Scottsdale Unified School District No. 48
Contribution Terms: 7/1/2020 until 7/1/2021

Policy Number: 1963-SA-AZ-050
Date: 07/01/2020

Estimated Payroll: **\$131,093,703**

Retrospective Contribution Adjusted Elements:

	<u>Rate</u>	
Incurred Losses and Allocated Loss Adjustment Expense:	Estimated Incurred	\$ 630,519
Unallocated Loss Adjustment Expense:	15.75% of Estimated Incurred	<u>\$ 89,376</u>
	Subtotal, Adjusted Elements:	\$ 719,895

Retrospective Contribution Fixed Elements:

	<u>Rate (per \$100 of payroll)</u>	
Administrative Expense:	0.0553	\$ 72,477
Excess Insurance* and Tax Expense:	0.0394	\$ 51,599
Contribution to Net Assets:	0.0125	<u>\$ 16,387</u>
	Subtotal, Fixed Elements:	\$ 140,463

Estimated Annual Contribution:** **\$ 860,358**

Out-of-State Worker Coverage: Not applicable

Signature: Shannon Croser
District Authorized Representative

Date: 7/7/2020

*For 2020/2021, the Alliance has bound coverage with Safety National for excess insurance. The self-insured retention (SIR) limit is \$1,000,000 per occurrence.

**Assumes the Incurred Losses and ALAE, Loss Rated at 90%. Additional options are available. Pursuant to Section II.B.2 of Endorsement No. 1 of the Incurred Retrospective Rating Program, the maximum contribution the district will pay is \$1,154,110.

This document is a summary and is not intended to expand the coverage provided pursuant to the Alliance's coverage agreements. The terms, limits, conditions, definitions, and exclusions of such coverage agreements will control the scope of coverage provided by the Alliance.

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

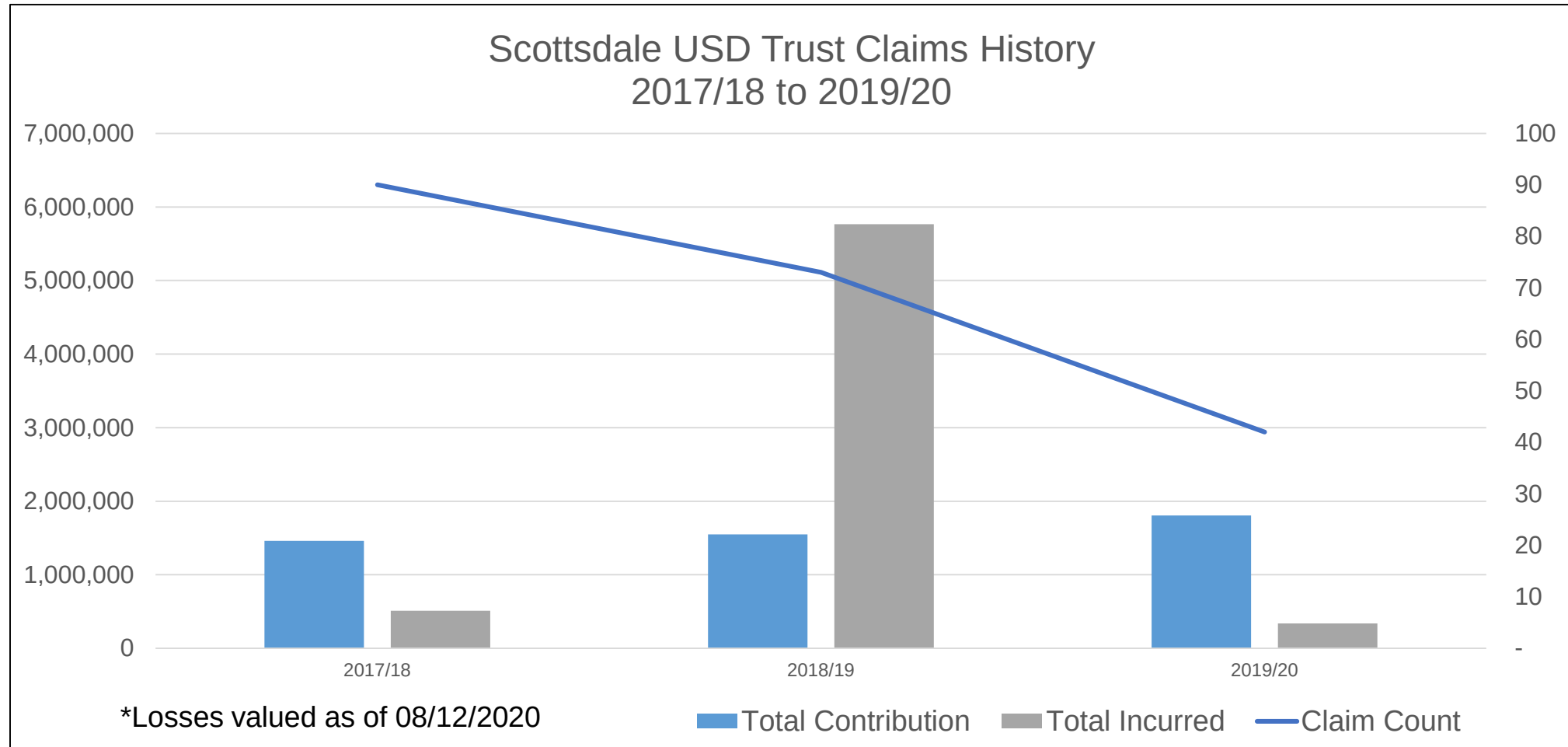
Scottsdale Unified School District Trust Board Meeting

Trust and Alliance Updates

August 20, 2020



Trust Claims History



COVID-19 Liability Coverage Endorsement

- Received Trust board approval on August 4, 2020
- Limits will not be as high as customary
- Coverage will be retroactive to July 1, 2020 (if added by September 15)



COVID-19 Liability Coverage Endorsement

- Conditions of coverage
 - o implementation of a reopening plan that incorporates ADE (K-12) or CDC (college) guidelines
 - o acknowledgment form or waiver in place for on-site students



COVID-19 Liability Coverage Endorsement

Limits:

- Per occurrence: \$1,000,000
- Each claimant: \$10,000
- Annual aggregate per member: \$2,000,000
- Annual aggregate all members: \$25,000,000

Deductible, per occurrence:

- Waiver in place: \$0
- Acknowledgment in place: \$10,000
- No waiver or acknowledgment: \$20,000



Alliance Retrospective Rating Plan

- Total number of claims processed as of 06/30/2020: 73
- Total incurred as of 6/30/2020: \$254,161



Alliance Retrospective Rating Plan

- Estimated 2019/2020 payroll: \$125,115,862
- Actual 2019/2020 payroll: \$117,736,100
- Estimated 2019/2020 contribution: \$839,972
- Actual 2019/2020 contribution: \$428,378
- Contribution adjustment of \$411,595 to be returned as of 06/30/2020.



PPA/TIP Balances

- Trust Prepaid Account Balance as of 7/31/20
 - o \$277,337.63
- Trust Investment Pool Balance as of 7/31/20
 - o \$40,609.82



Contact Info

Ryan Cole

rcole@the-trust.org

602.200.2421



Action:

Approval of Amendment of Kairos Plan

Submitted by:

Shannon Crosier, Administrator

RECOMMENDATION:

It is recommended that the Self-Insurance Trust Board approve an amendment to the Kairos agreement, allowing the District to maintain employee benefits in the case of furlough due to COVID-19, if the District chooses to do so.

BACKGROUND:

Under the current Kairos agreement, if employees were to be furloughed due to COVID-19, the employee would have to be terminated and sent to COBRA to continue medical coverage. This amendment would allow the District to continue medical coverage for furloughed employees. The employee would still be required to pay any premiums while furloughed, to continue coverage.

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

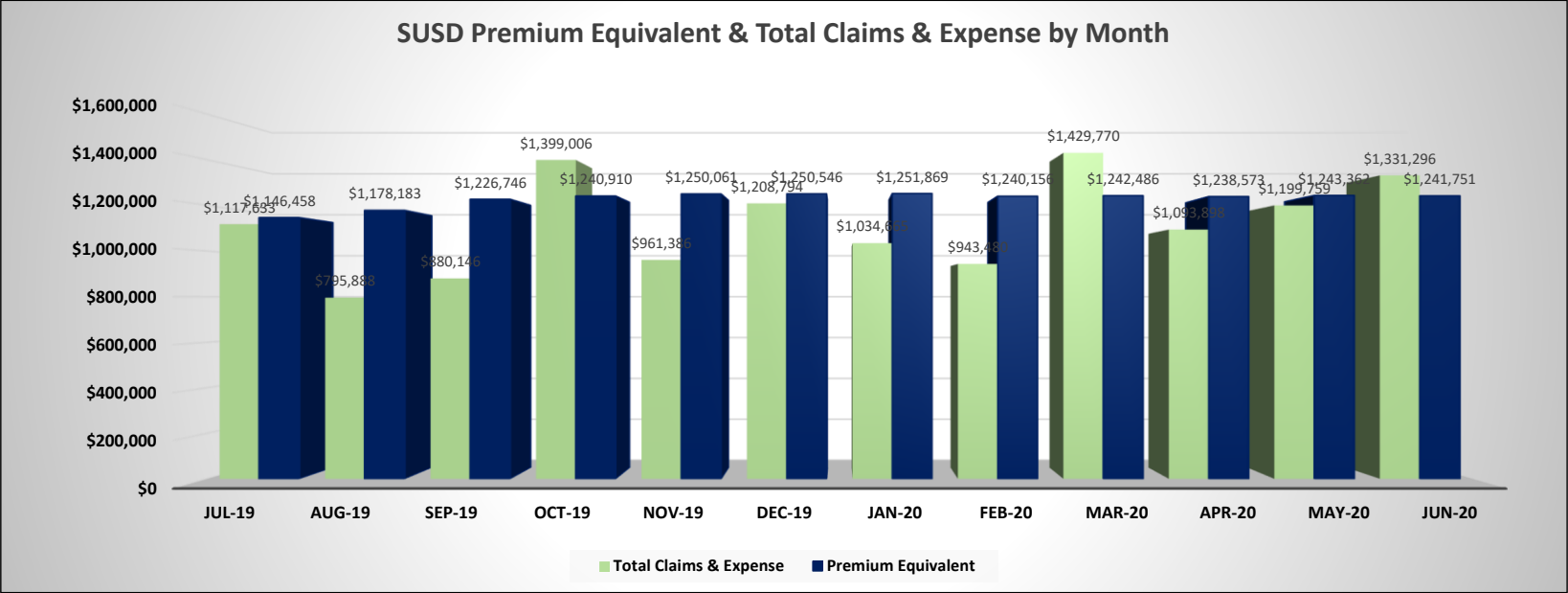
SCOTTSDALE UNIFIED SCHOOL DISTRICT

Paid Claims Report (July 2019 - June 2020)

Month	Employees	Members	Medical Claims	Pharmacy	Stop Loss Recovered 18-19	Stop Loss Recovered 19-20	Access Fee	Admin & Stop Loss Expense	Total Claims & Expense	Total Claims & Expenses PEPM	Premium Equivalent	Medical Expense Loss Ratio	Surplus / Loss
Jul-19	1,791	2,417	\$817,074	\$320,680	-\$151,479	\$0	\$178	\$131,180	\$1,117,633	\$624.03	\$1,146,458	97.5%	\$28,825
Aug-19	1,836	2,476	\$420,474	\$239,371	\$0	\$0	\$333	\$135,711	\$795,888	\$433.49	\$1,178,183	67.6%	\$382,295
Sep-19	1,915	2,593	\$463,780	\$287,140	\$0	\$0	\$270	\$128,956	\$880,146	\$459.61	\$1,226,746	71.7%	\$346,600
Oct-19	1,940	2,622	\$951,653	\$307,160	\$0	\$0	\$355	\$139,839	\$1,399,006	\$721.14	\$1,240,910	112.7%	-\$158,097
Nov-19	1,952	2,636	\$576,977	\$239,599	\$0	\$0	\$698	\$144,112	\$961,386	\$492.51	\$1,250,061	76.9%	\$288,676
Dec-19	1,950	2,638	\$673,501	\$389,763	\$0	\$0	\$302	\$145,227	\$1,208,794	\$619.89	\$1,250,546	96.7%	\$41,752
Jan-20	1,955	2,642	\$571,306	\$318,498	\$0	\$0	\$409	\$144,453	\$1,034,665	\$529.24	\$1,251,869	82.6%	\$217,203
Feb-20	1,942	2,624	\$483,616	\$315,002	\$0	\$0	\$593	\$144,270	\$943,480	\$485.83	\$1,240,156	76.1%	\$296,676
Mar-20	1,939	2,622	\$844,143	\$446,948	\$0	\$0	\$541	\$138,137	\$1,429,770	\$737.37	\$1,242,486	115.1%	-\$187,284
Apr-20	1,936	2,615	\$586,453	\$364,076	\$0	\$0	\$255	\$143,114	\$1,093,898	\$565.03	\$1,238,573	88.3%	\$144,675
May-20	1,937	2,627	\$823,888	\$379,763	\$0	-\$145,975	\$83	\$142,000	\$1,199,759	\$619.39	\$1,243,362	96.5%	\$43,602
Jun-20	1,933	2,625	\$827,076	\$384,216	\$0	-\$16,358	\$1,007	\$135,355	\$1,331,296	\$688.72	\$1,241,751	107.2%	-\$89,545

Average/Total	1,919	2,595	\$8,039,942	\$3,992,216	-\$151,479	-\$162,333	\$5,023	\$1,672,352	\$13,395,721	\$581.77	\$14,751,099	90.8%	\$1,355,378
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SCOTTSDALE UNIFIED SCHOOL DISTRICT
Paid Claims Report (July 2019 - June 2020)



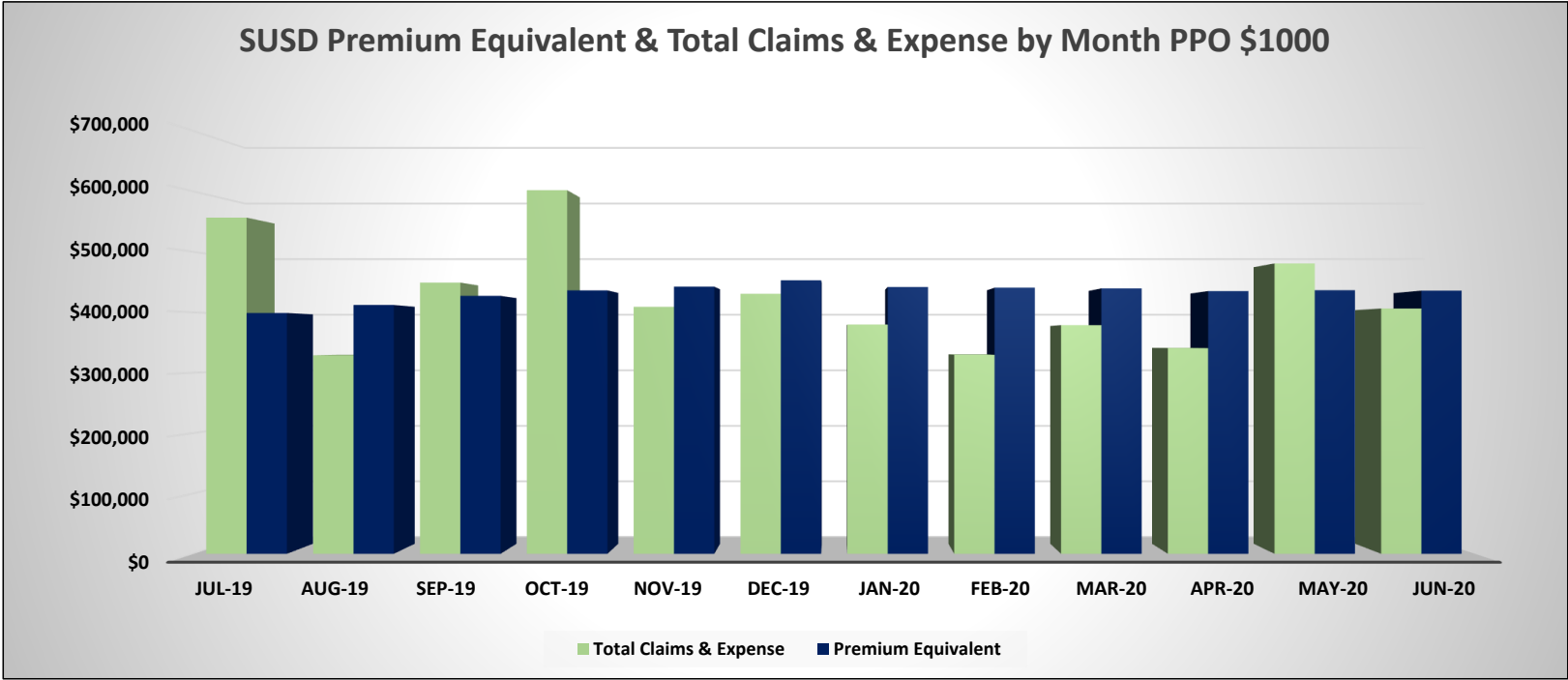
SCOTTSDALE UNIFIED SCHOOL DISTRICT
Paid Claims Report (July 2019 - June 2020)
PPO \$1,000 Plan

Month	Employees	Members	Medical Claims	Pharmacy	Access Fee	Admin & Stop Loss Expense	Total Claims & Expense	Total Claims & Expenses PEPM	Premium Equivalent	Medical Expense Loss Ratio	*Surplus / Loss
Jul-19	510	712	\$343,529	\$175,643	\$51	\$37,354	\$556,577	\$1,091.33	\$398,925	139.5%	-\$157,652
Aug-19	525	734	\$173,934	\$115,983	\$95	\$38,806	\$328,817	\$626.32	\$412,122	79.8%	\$83,305
Sep-19	544	763	\$267,971	\$140,564	\$77	\$40,569	\$449,180	\$825.70	\$427,191	105.1%	-\$21,989
Oct-19	556	777	\$384,487	\$176,291	\$102	\$41,103	\$601,983	\$1,082.70	\$436,258	138.0%	-\$165,725
Nov-19	562	789	\$253,787	\$113,559	\$201	\$41,491	\$409,038	\$727.83	\$442,424	92.5%	\$33,386
Dec-19	568	789	\$188,766	\$199,510	\$88	\$42,302	\$430,666	\$758.21	\$453,026	95.1%	\$22,360
Jan-20	562	786	\$181,582	\$156,514	\$118	\$41,525	\$379,739	\$675.69	\$441,850	85.9%	\$62,111
Feb-20	557	787	\$144,582	\$143,465	\$170	\$41,379	\$329,596	\$591.73	\$440,778	74.8%	\$111,182
Mar-20	556	786	\$139,779	\$199,271	\$155	\$39,610	\$378,816	\$681.32	\$439,585	86.2%	\$60,769
Apr-20	551	788	\$127,827	\$172,131	\$73	\$40,731	\$340,762	\$618.44	\$435,124	78.3%	\$94,362
May-20	549	781	\$263,972	\$176,573	\$24	\$40,247	\$480,816	\$875.80	\$436,499	110.2%	-\$44,317
Jun-20	548	780	\$201,311	\$166,319	\$286	\$38,373	\$406,288	\$741.40	\$435,841	93.2%	\$29,553

*Surplus/Loss doesn't not include stop loss recovered amounts

Average/Total	549	773	\$2,671,528	\$1,935,822	\$1,437	\$483,491	\$5,092,278	\$772.96	\$5,199,623	97.9%	\$107,345
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SCOTTSDALE UNIFIED SCHOOL DISTRICT
Paid Claims Report (July 2019 - June 2020)
PPO \$1,000 Plan



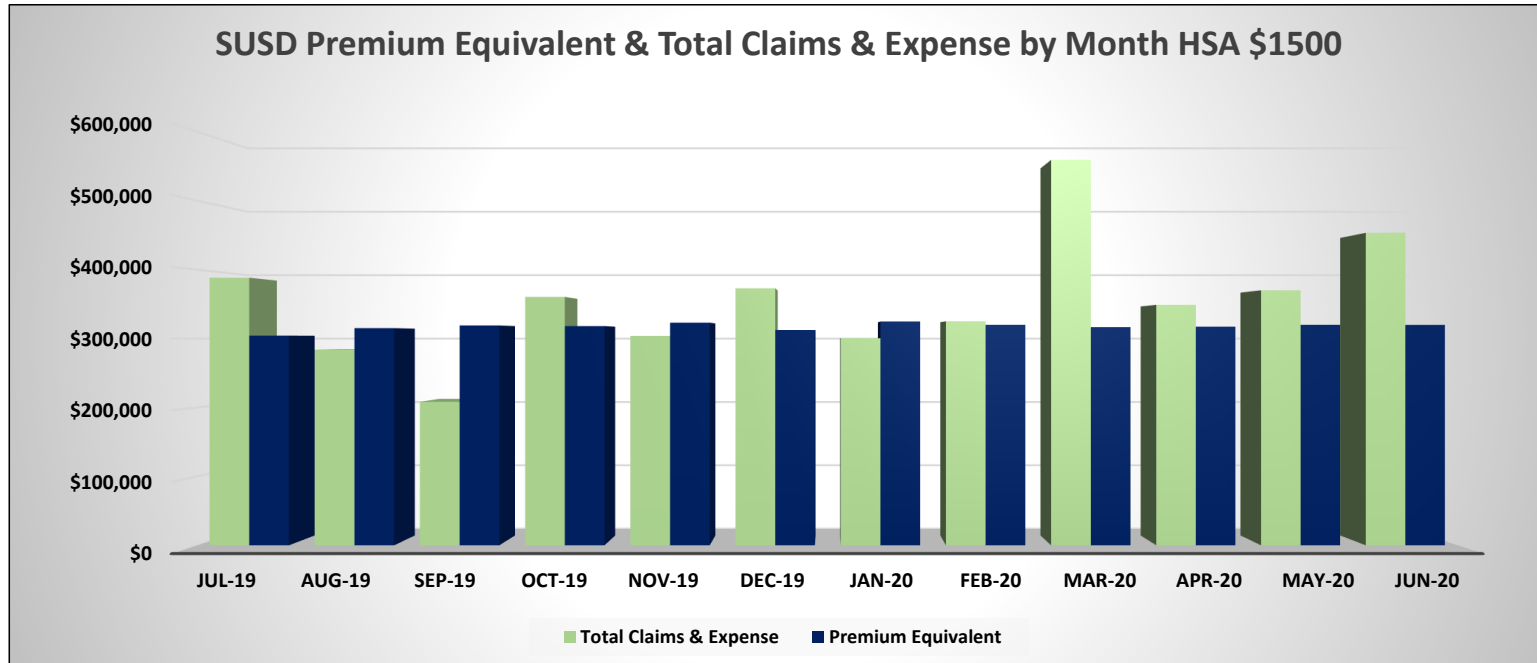
SCOTTSDALE UNIFIED SCHOOL DISTRICT
Paid Claims Report (July 2019 - June 2020)
HSA \$1,500 Plan

Month	Employees	Members	Medical Claims	Pharmacy	Access Fee	Admin & Stop Loss Expense	Total Claims & Expense	Total Claims & Expenses PEPM	Premium Equivalent	Medical Expense Loss Ratio	*Surplus / Loss
Jul-19	496	594	\$236,790	\$115,091	\$49	\$36,329	\$388,259	\$782.78	\$304,387	127.6%	-\$83,872
Aug-19	511	615	\$171,981	\$74,064	\$93	\$37,771	\$283,909	\$555.60	\$315,213	90.1%	\$31,304
Sep-19	518	619	\$95,477	\$74,101	\$73	\$38,630	\$208,280	\$402.09	\$319,112	65.3%	\$110,832
Oct-19	518	615	\$243,119	\$79,002	\$95	\$38,293	\$360,510	\$695.96	\$318,212	113.3%	-\$42,298
Nov-19	527	623	\$184,290	\$80,618	\$188	\$38,907	\$304,004	\$576.86	\$323,172	94.1%	\$19,168
Dec-19	508	623	\$218,919	\$116,093	\$79	\$37,834	\$372,924	\$734.10	\$312,589	119.3%	-\$60,335
Jan-20	530	628	\$146,807	\$114,554	\$111	\$39,161	\$300,632	\$567.23	\$324,843	92.5%	\$24,211
Feb-20	523	615	\$173,207	\$112,856	\$160	\$38,853	\$325,076	\$621.56	\$320,044	101.6%	-\$5,032
Mar-20	519	605	\$370,327	\$151,561	\$145	\$36,974	\$559,007	\$1,077.09	\$316,748	176.5%	-\$242,259
Apr-20	521	607	\$185,553	\$124,833	\$69	\$38,514	\$348,968	\$669.80	\$317,412	109.9%	-\$31,556
May-20	524	612	\$202,000	\$129,584	\$22	\$38,414	\$370,020	\$706.15	\$319,983	115.6%	-\$50,037
Jun-20	525	612	\$271,632	\$144,546	\$274	\$36,762	\$453,214	\$863.26	\$319,922	141.7%	-\$133,292

*Surplus/Loss doesn't not include stop loss recovered amounts

Average/Total	518	614	\$2,500,102	\$1,316,903	\$1,357	\$456,443	\$4,274,805	\$687.27	\$3,811,637	112.2%	-\$463,168
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SCOTTSDALE UNIFIED SCHOOL DISTRICT
Paid Claims Report (July 2019 - June 2020)
HSA \$1,500 Plan



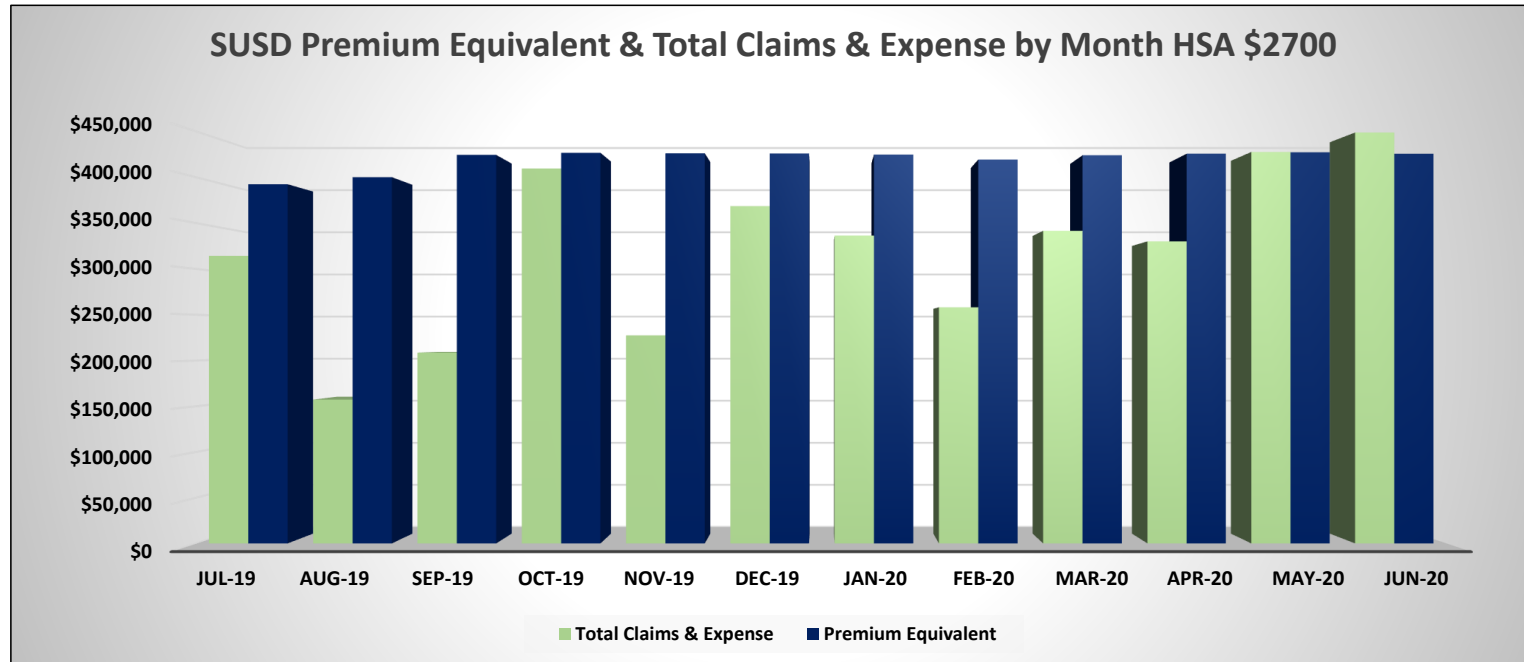
SCOTTSDALE UNIFIED SCHOOL DISTRICT
Paid Claims Report (July 2019 - June 2020)
HSA \$2,700 Plan

Month	Employees	Members	Medical Claims	Pharmacy	Access Fee	Admin & Stop Loss Expense	Total Claims & Expense	Total Claims & Expenses PEPM	Premium Equivalent	Medical Expense Loss Ratio	*Surplus / Loss
Jul-19	708	932	\$233,263	\$29,052	\$70	\$51,857	\$314,242	\$443.84	\$392,398	80.1%	\$78,156
Aug-19	723	949	\$69,793	\$33,877	\$131	\$53,442	\$157,243	\$217.49	\$400,100	39.3%	\$242,857
Sep-19	768	1,010	\$96,093	\$55,128	\$108	\$57,274	\$208,602	\$271.62	\$424,420	49.2%	\$215,818
Oct-19	775	1,017	\$302,326	\$49,742	\$142	\$57,292	\$409,503	\$528.39	\$426,694	96.0%	\$17,191
Nov-19	774	1,017	\$127,139	\$42,956	\$277	\$57,143	\$227,515	\$293.95	\$426,184	53.4%	\$198,669
Dec-19	773	1,015	\$253,664	\$57,140	\$120	\$57,570	\$368,493	\$476.71	\$425,980	86.5%	\$57,487
Jan-20	773	1,012	\$234,612	\$44,508	\$162	\$57,116	\$336,398	\$435.19	\$424,774	79.2%	\$88,376
Feb-20	764	1,007	\$144,382	\$56,729	\$233	\$56,757	\$258,102	\$337.83	\$419,330	61.6%	\$161,228
Mar-20	772	1,009	\$211,611	\$74,696	\$215	\$54,998	\$341,521	\$442.38	\$424,002	80.5%	\$82,481
Apr-20	774	1,014	\$208,110	\$64,634	\$102	\$57,216	\$330,061	\$426.44	\$425,734	77.5%	\$95,673
May-20	774	1,021	\$318,145	\$52,674	\$33	\$56,741	\$427,594	\$552.45	\$427,246	100.1%	-\$348
Jun-20	769	1,018	\$323,935	\$70,664	\$401	\$53,848	\$448,848	\$583.68	\$425,672	105.4%	-\$23,176

**Surplus/Loss doesn't include stop loss recovered amounts*

Average/Total	762	1,002	\$2,523,076	\$631,800	\$1,994	\$671,253	\$3,828,124	\$418.51	\$5,042,534	75.9%	\$1,214,410
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SCOTTSDALE UNIFIED SCHOOL DISTRICT
Paid Claims Report (July 2019 - June 2020)
HSA \$2,700 Plan



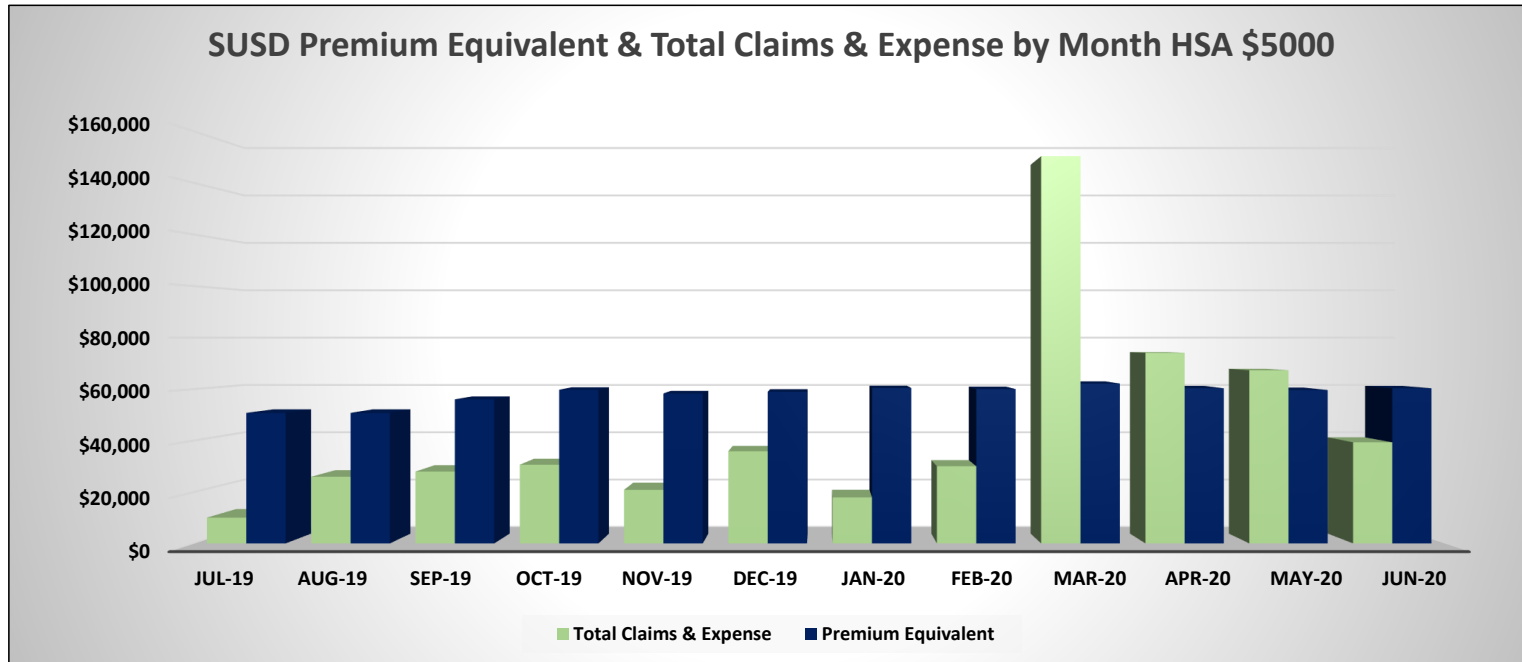
SCOTTSDALE UNIFIED SCHOOL DISTRICT
Paid Claims Report (July 2019 - June 2020)
HSA \$5,000 Plan

Month	Employees	Members	Medical Claims	Pharmacy	Access Fee	Admin & Stop Loss Expense	Total Claims & Expense	Total Claims & Expenses PEPM	Premium Equivalent	Medical Expense Loss Ratio	*Surplus / Loss
Jul-19	77	179	\$3,491	\$894	\$8	\$5,640	\$10,032	\$130.29	\$50,748	19.8%	\$40,715
Aug-19	77	178	\$4,766	\$15,446	\$14	\$5,692	\$25,918	\$336.60	\$50,748	51.1%	\$24,830
Sep-19	85	201	\$4,240	\$17,348	\$12	\$6,339	\$27,939	\$328.69	\$56,023	49.9%	\$28,084
Oct-19	91	213	\$21,720	\$2,124	\$17	\$6,727	\$30,588	\$336.14	\$59,746	51.2%	\$29,157
Nov-19	89	207	\$11,761	\$2,465	\$32	\$6,571	\$20,828	\$234.02	\$58,281	35.7%	\$37,454
Dec-19	89	211	\$12,153	\$17,021	\$14	\$6,628	\$35,815	\$402.42	\$58,951	60.8%	\$23,136
Jan-20	90	216	\$8,304	\$2,922	\$19	\$6,650	\$17,896	\$198.84	\$60,402	29.6%	\$42,506
Feb-20	89	215	\$21,444	\$1,935	\$27	\$6,612	\$30,018	\$337.28	\$60,004	50.0%	\$29,986
Mar-20	92	222	\$122,426	\$21,419	\$26	\$6,554	\$150,425	\$1,635.05	\$62,151	242.0%	-\$88,274
Apr-20	90	216	\$64,963	\$2,479	\$12	\$6,653	\$74,107	\$823.41	\$60,303	122.9%	-\$13,804
May-20	90	213	\$39,770	\$20,932	\$4	\$6,598	\$67,304	\$747.82	\$59,634	112.9%	-\$7,670
Jun-20	91	215	\$30,198	\$2,685	\$47	\$6,372	\$39,302	\$431.89	\$60,316	65.2%	\$21,014

**Surplus/Loss doesn't not include stop loss recovered amounts*

Average/Total	88	207	\$345,236	\$107,670	\$231	\$77,035	\$530,172	\$504.93	\$697,305	76.0%	\$167,134
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SCOTTSDALE UNIFIED SCHOOL DISTRICT
Paid Claims Report (July 2019 - June 2020)
HSA \$5,000 Plan



Large Claimant Report
Kairos Health AZ, Inc. - Scottsdale USD Claims Paid Through Month: June 2020
Large Claims Threshold: \$50,000
Current Policy Period - Claims Incurred 7/1/2019 - 6/30/2020

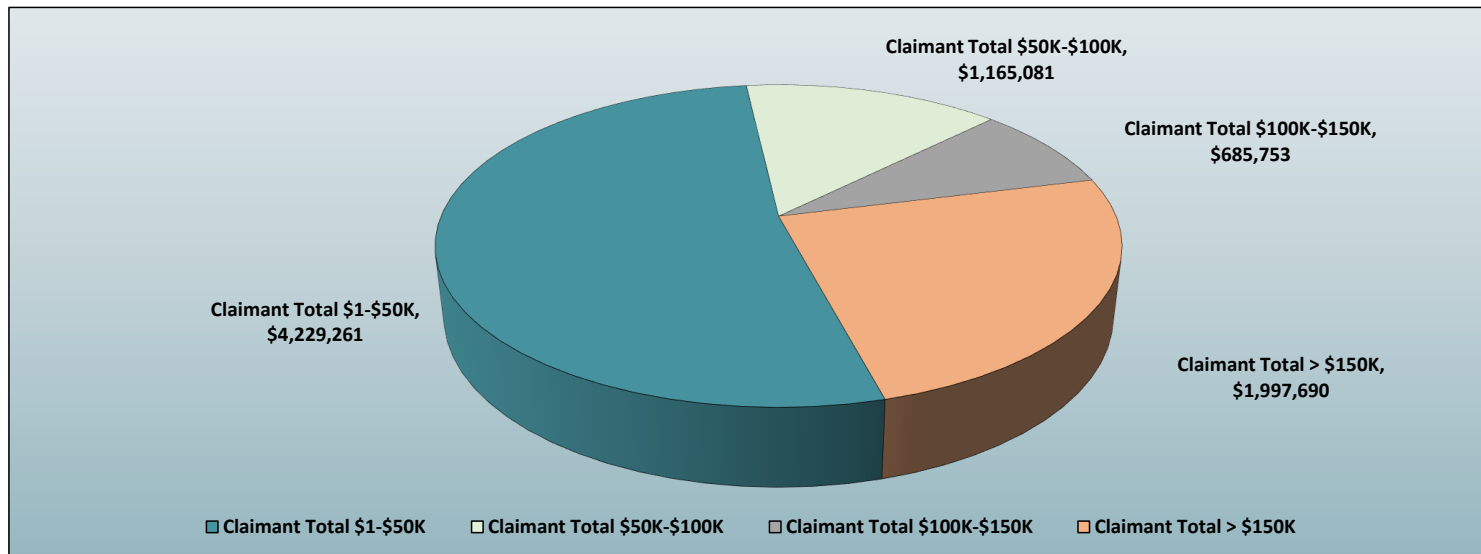
Status	Term Date	Plan Name	Care Management	Diagnosis Description	Medical Claims	Blue Card Fees	Rx Claims	Total Paid Amount
Active		HDHP Base	No Mbr Response	Spinal Muscular Atrophy, Unspecified	\$396,589	\$0	\$0	\$396,589
Active		PPO	No Mbr Response	Malignant Neoplasm Of Upper-Outer Quadrant Of Right Female Brea	\$351,189	\$0	\$867	\$352,056
Active		HDHP Base	Goals Met/Issues Addressed	Secondary Malignant Neoplasm Of Bone	\$154,387	\$0	\$159,302	\$313,689
Active		HDHP Buy Up	Screened, No Issues At Time	Encounter For Antineoplastic Immunotherapy	\$181,001	\$0	\$95,974	\$276,975
Active		HDHP Buy Up	Member Declined Engagement	Encounter For Antineoplastic Chemotherapy	\$11,792	\$0	\$230,540	\$242,332
Active		HDPH 5000	No Mbr Response	Cerebral Infarction Due To Unspecified Occlusion Or Stenosis Of Right	\$213,419	\$0	\$1,965	\$215,384
Active		HDHP Buy Up	No Mbr Response	Multiple Sclerosis	\$190,886	\$14	\$173	\$191,073
Active		HDHP Base	Outreach, No Issues At Time	Malignant Neoplasm Of Upper-Inner Quadrant Of Left Female Breast	\$185,030	\$0	\$731	\$185,761
Active		HDHP Buy Up	Goals Met/Issues Addressed	Unspecified Atrial Flutter	\$145,028	\$0	\$16,967	\$161,995
Active		HDHP Buy Up	Reviewed	Other Hypertrophic Cardiomyopathy	\$2,074	\$0	\$159,747	\$161,821
Active		PPO		Crohn'S Disease Of Large Intestine Without Complications	\$33,858	\$0	\$117,356	\$151,214
Active		HDHP Base	Case Open	Agranulocytosis Secondary To Cancer Chemotherapy	\$123,732	\$0	\$419	\$124,151
Active		PPO	Goals Met/Issues Addressed	Intervertebral Disc Disorders With Radiculopathy, Lumbar Region	\$113,931	\$0	\$203	\$114,134
Active		HDHP Base	Case Open	Beta Thalassemia	\$50,053	\$0	\$63,349	\$113,402
Active		HDHP Buy Up	Disenrolled	Unspecified Atrial Fibrillation	\$109,405	\$0	\$974	\$110,379
Active		HDHP Buy Up		Spondylolisthesis, Lumbar Region	\$108,037	\$0	\$593	\$108,630
Active		HDHP Base	No Mbr Response	Encounter For Antineoplastic Chemotherapy	\$106,277	\$0	\$1,033	\$107,310
Active		HDHP Base		Single Liveborn Infant, Delivered By Cesarean	\$105,404	\$0	\$0	\$105,404
Active		PPO	No Mbr Response	Atherosclerotic Heart Disease Of Native Coronary Artery Without Ang	\$85,364	\$0	\$1,541	\$86,905
Active		HDHP Buy Up	Reviewed	Encounter For Antineoplastic Chemotherapy	\$86,505	\$0	\$262	\$86,767
Active		HDHP Base	Goals Met/Issues Addressed	Encounter For Attention To Colostomy	\$86,442	\$0	\$0	\$86,442
Active		HDHP Buy Up			\$7,868	\$0	\$72,936	\$80,804
Active		PPO	Case Open	Melanocytic Nevi Of Right Upper Limb, Including Shoulder	\$536	\$0	\$78,893	\$79,429
Active		PPO		Type Iii Traumatic Spondylolisthesis Of Seventh Cervical Vertebra, Init	\$76,964	\$0	\$1,642	\$78,606
Termed	7/1/2020	PPO		Nonfamilial Hypogammaglobulinemia	\$73,264	\$0	\$4,236	\$77,500
Active		HDHP Buy Up		Calculus Of Gallbladder With Acute Cholecystitis Without Obstruction	\$6,707	\$0	\$68,745	\$75,453
Active		PPO	Case Open	Anxiety Disorder, Unspecified	\$7,122	\$0	\$67,302	\$74,424
Termed	7/1/2020	HDHP Buy Up	Education	Salmonella Enteritis	\$63,204	\$3	\$10,970	\$74,177
Active		HDPH 5000			\$186	\$4	\$72,528	\$72,718
Active		HDHP Buy Up	Case Open	Behavioral Health Condition	\$66,846	\$61	\$2,308	\$69,215
Termed	7/1/2020	PPO	Outreach, No Issues At Time	Sepsis, Unspecified Organism	\$32,327	\$0	\$35,145	\$67,471
Termed	1/1/2020	PPO	Disenrolled	Atioventricular Block, First Degree	\$64,656	\$20	\$182	\$64,859
Active		HDHP Buy Up	Education	Cellulitis Of Right Upper Limb	\$61,748	\$65	\$0	\$61,813
Active		HDHP Base	Education	St Elevation (Stem) Myocardial Infarction Involving Other Coronary A	\$57,509	\$0	\$701	\$58,210
Active		PPO	Member Declined Engagement	Other Specified Disorders Of Bone, Other Site	\$57,492	\$3	\$670	\$58,165
Active		PPO	Education	Moderate Persistent Asthma, Uncomplicated	\$737	\$0	\$56,650	\$57,387
Active		HDHP Buy Up		Unilateral Primary Osteoarthritis, Right Hip	\$56,115	\$0	\$30	\$56,146

SCOTTSDALE UNIFIED SCHOOL DISTRICT

High Cost Claimants Overview

Paid through June 2020

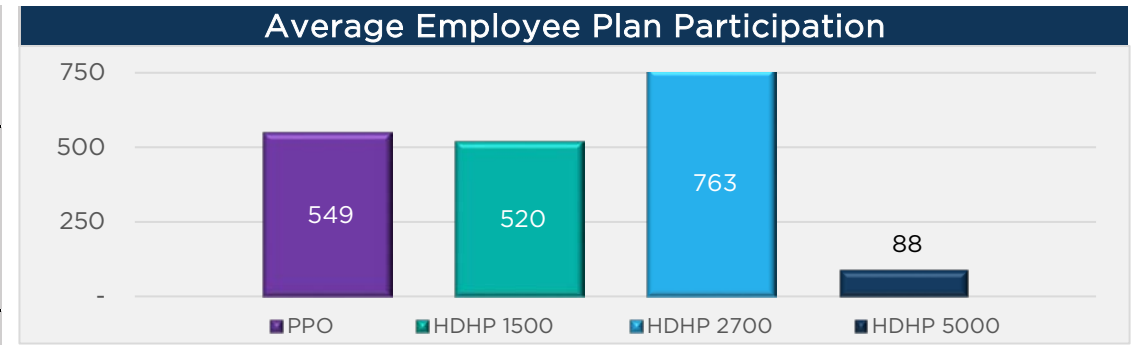
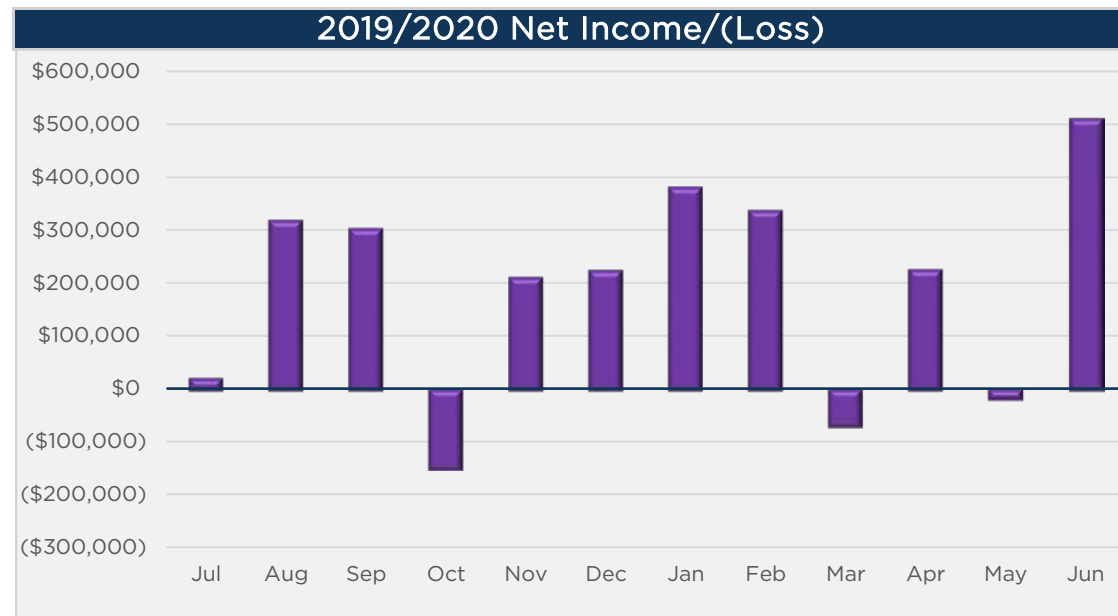
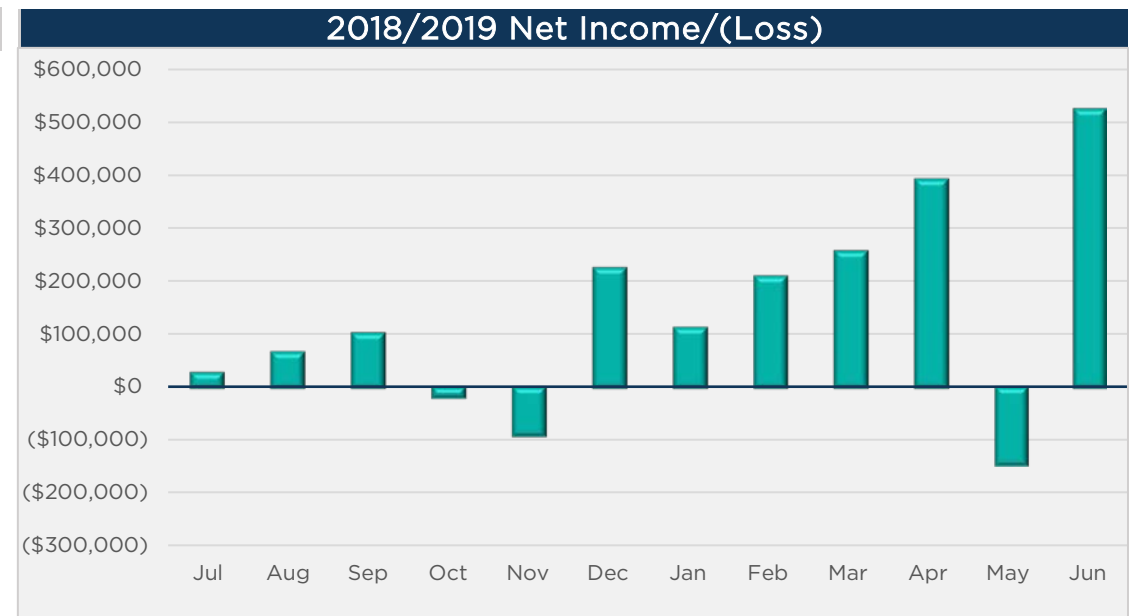
High Cost Claimant	Claimants	Claimants %	Paid	Paid %	Paid/Claimant
Claimant Total \$1-\$50K	2,177	98.6%	\$4,229,261	52.4%	\$1,942.70
Claimant Total \$50K-\$100K	17	0.8%	\$1,165,081	14.4%	\$68,534.18
Claimant Total \$100K-\$150K	6	0.3%	\$685,753	8.5%	\$114,292.15
Claimant Total > \$150K	8	0.4%	\$1,997,690	24.7%	\$249,711.23
Summary	2,208	100.0%	\$8,077,785	100.0%	\$3,658.42



Scottsdale USD Management Dashboard

June 30, 2020

Financial Performance			
	Annual Actual	Annual Budget	Favorable/ (Unfavorable)
Gross Contributions	\$ 16,656,561	\$ 17,143,890	(3%)
Less: Cost of Primary & Excess Ins.	(1,945,825)	(2,065,518)	6%
Less: Loss Expense	(12,290,509)	(14,056,989)	13%
Less: Admin & Other	(184,208)	(186,816)	1%
Non-Operating Revenues	53,328	-	100%
Net Income (Loss)	\$ 2,289,347	\$ 834,567	174%



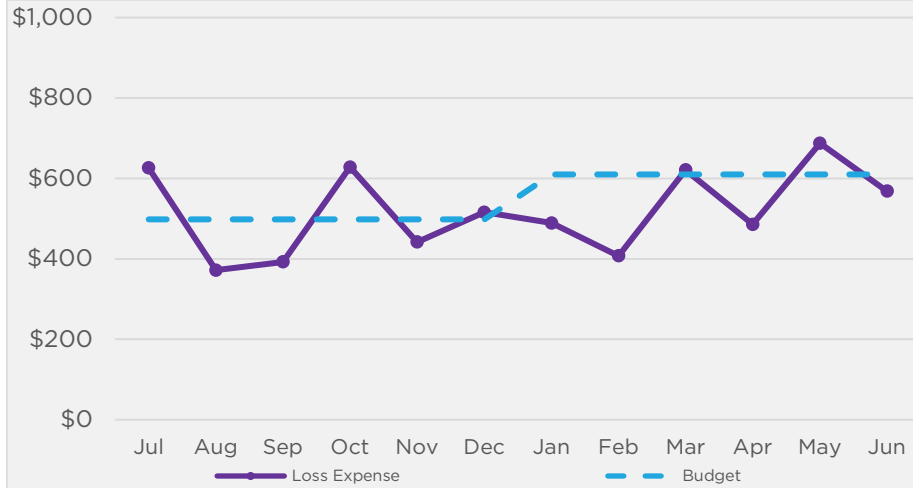
Loss Ratio ¹	Expense Ratio ²	Combined Ratio ³	YTD Increase in Net Position	Net Position	YTD Net Investment Income	Employees	Lives
83.5%	1.3%	84.8%	\$2,289,347	\$6,007,573	\$53,328	1,920	2,595

¹ Calculated as (net incurred losses) + (loss adjusted expense) / (net contributions).

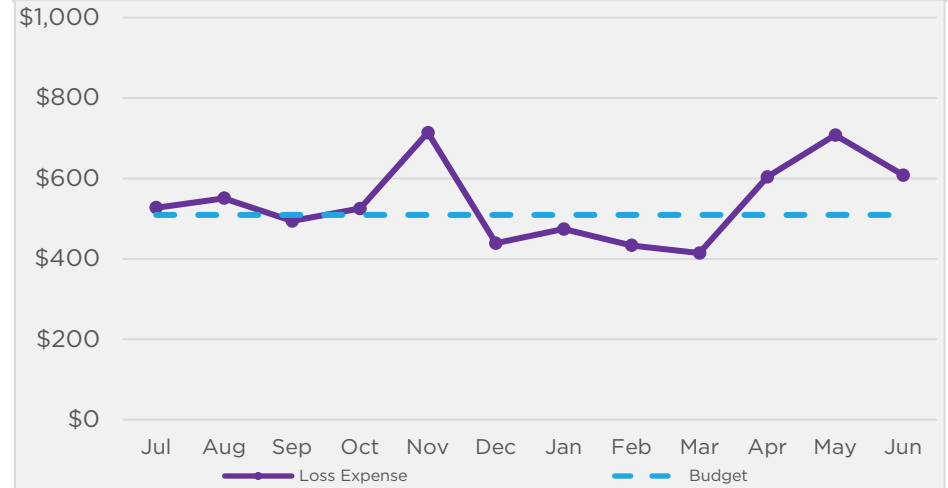
² Calculated as (non-loss expenses) / (net contributions). If loss adjusted expense is added to the expense ratio, it would represent a 6.5% increase to the ratio.

³ Calculated as (loss ratio + expense ratio). Investment income is not included in the calculation.

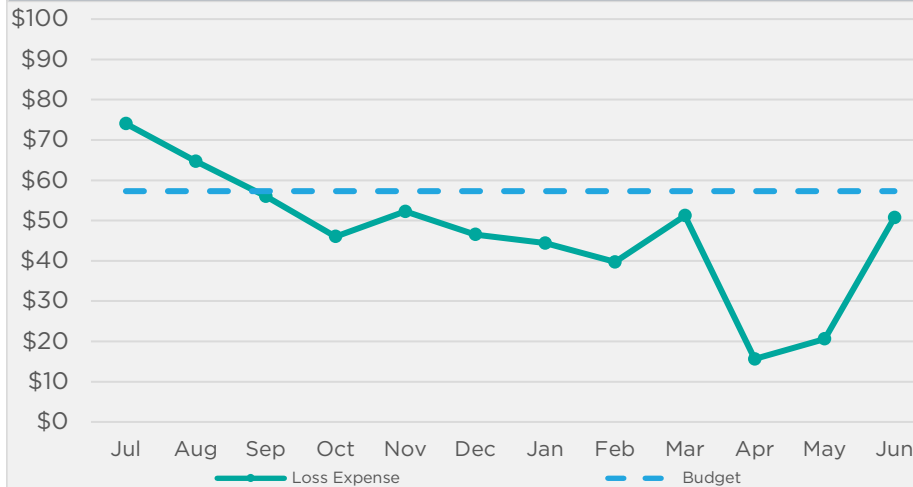
2019/2020 Medical and RX Expense Paid (PEPM)¹



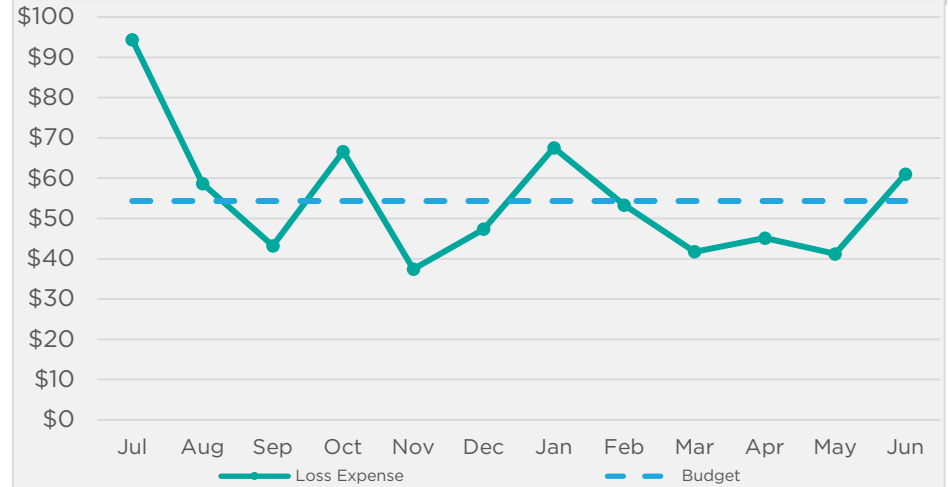
2018/2019 Medical and RX Expense Paid (PEPM)¹



2019/2020 Dental Expense Paid (PEPM)



2018/2019 Dental Expense Paid (PEPM)



¹ Loss expense and budget exclude stop loss recoveries, IBNR and rx rebates.



COVID-19 Risk Modeling and Tracking

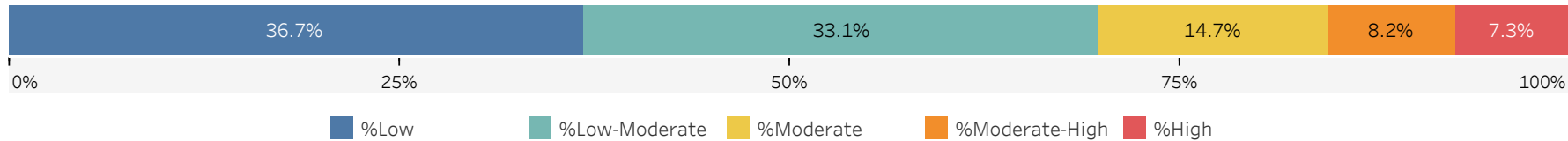
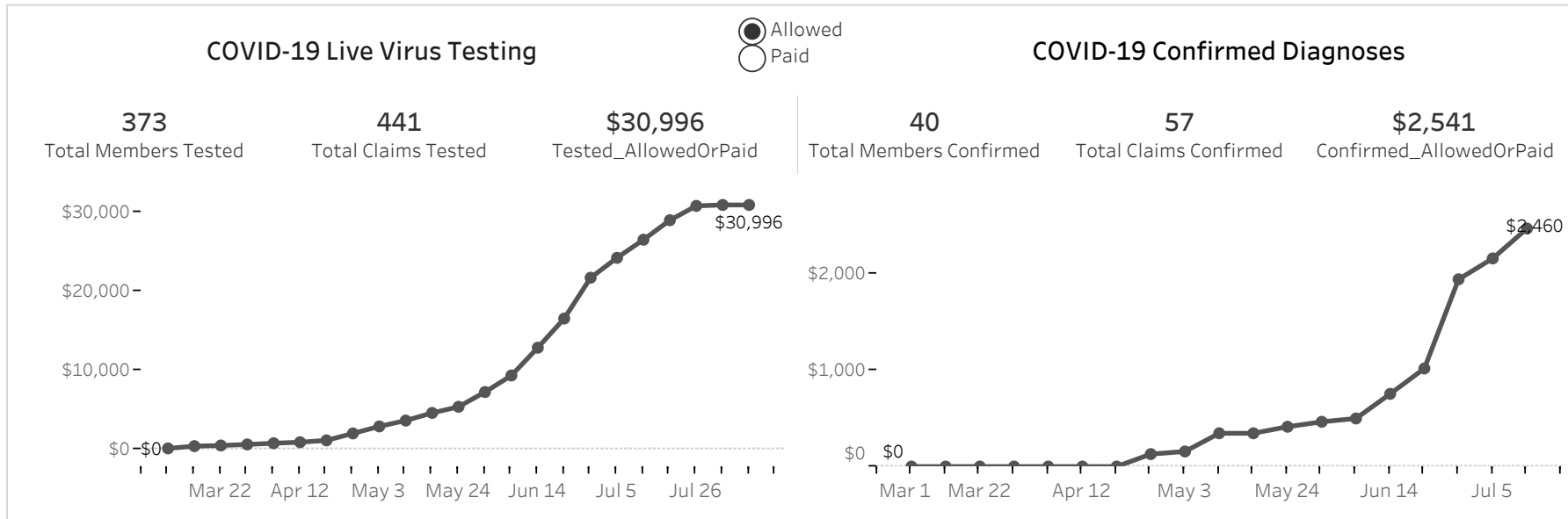
Opportunities to Inspire Health



EMPLOYER
042129 - KAIROS HEALTH ARIZONA INC

KAIROS HEALTH ARIZONA INC (1/1/2020 thru 8/9/2020)

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:



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, 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:

Tyler Moore, Acting Director of Finance

RECOMMENDATION:

Tyler Moore, Acting Director of Finance will present a review of the investment accounts for Fiscal Year 2020 (July 2019 – June 2020). Wells Fargo will then follow up with a financial market forecast.

SUSD Trust Financial Update

August 20, 2020

Tyler Moore – Acting Director of Finance

Account Overview

Property Casualty -
Checking

Worker's Compensation -
Checking

Medical Insurance -
Checking

Property Casualty – Money
Market Mutual Funds

Worker's Compensation –
Money Market Mutual Funds

Medical Insurance – Money Market
Mutual Funds

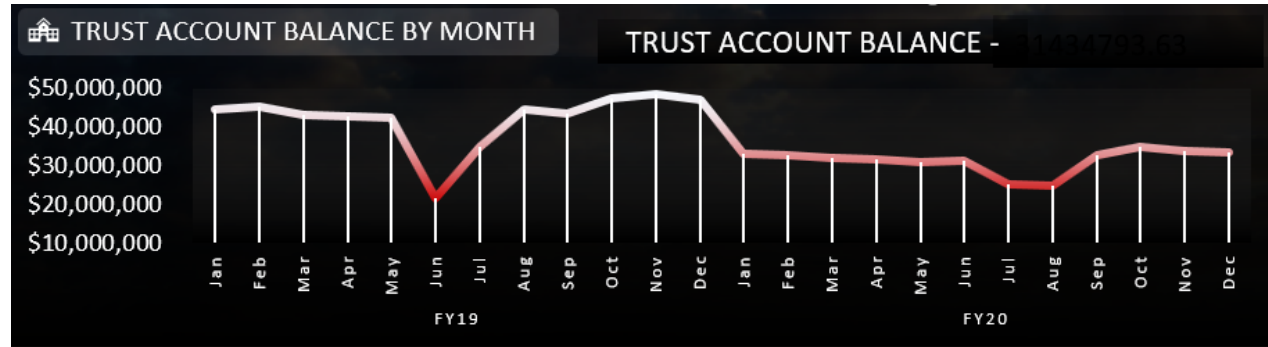
Property Casualty –
Investment Account

Worker's Compensation –
Investment Account

Medical Insurance –
Investment Account

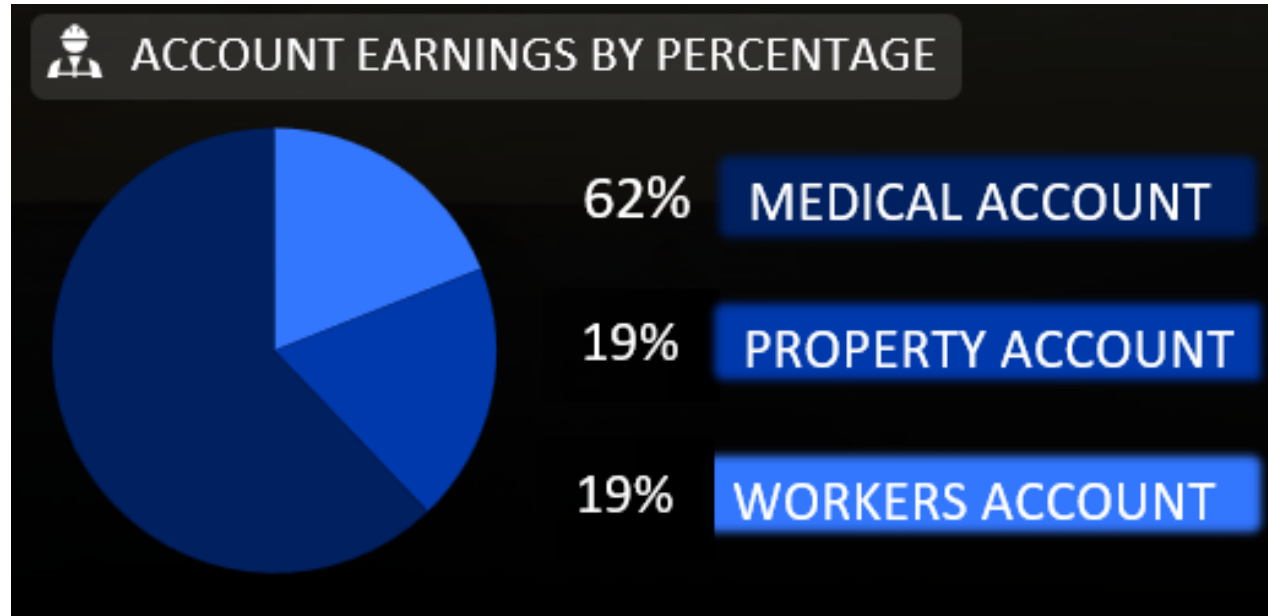
*Checking accounts earns ECR at 0.06 all other accounts earn hard returns.

Trust Balance by Month



- Comparison – Fiscal Year 2019 Ending Balance
 - \$41,638,217
- Fiscal Year 2020 Ending Balance
 - \$44,959,149

Trust Account Balance



- Medical Account –
 - \$381,375
- Worker Compensation Account –
 - \$116,642
- Property Casualty Account –
 - \$115,754
- Fiscal Year 2020 Total - \$613,771

Interest Earnings



Wells Fargo – Market Outlook

Tom Hedges & Tyler Tayrien