

MINUTES

Item Title: Kyrene Employee Benefit Trust, Kyrene School District Office, 8700 S. Kyrene Road, Tempe, AZ

Prepared by: Michelle Hughes

1.0 Call to Order Meeting called to order by the Chairperson, Kim Smolinski @ 9:03 am.

2.0 Roll Call

Trustees present Margaret Wright, Chris Herrmann, Kim Smolinski, Diane Waller

Consultants Cristy Wallace (USI), Denise Jewell (USI), Jordan Mills (USI), Elizabeth Gordon (USI)

Vendors Marlee Price (AmeriBen), Michelle Ugarte (AmeriBen)

Kyrene Benefits Staff Deb Spurgin, Michelle Hughes

3.0 Approval of Agenda

Action: Motion was made to approve the August 20, 2024, agenda by Diane Waller and seconded by Chris Herrmann. All trustees approved the motion.

4.0 Approval of Minutes

Action: Motion was made to approve the June 4, 2024, minutes by Chris Herrmann and seconded by Margaret Wright. All trustees approved the motion.

5.0 Public Comments – ARS § 38-431.01(H) – No public comments today.

6.0 Ameriben Updates:

6.1 Ameriben Reports-

- 23/24 full year of data
- April/May increase in claims
- February stop loss reimbursement was \$80 K, \$6M YTD
- \$677K in claims for July 2024, \$434K in claims for July 2023 – slight increase, EE count is about the same
- Pharmacy claims - \$232K for July 2024, \$228K for July 2023
- Average claims spiked in September/January
- \$3,400 average cost, benchmark is \$5,000
- Medical claims for 2023-2024 is \$5,795,128
- The benchmark is school districts and broader, not just AmeriBen clients
- Made aware of an employee that may have had his identity stolen and some medical claims filed. A case manager from AmeriBen has reached out to the employee. USI is working with AmeriBen on this issue to follow up for the employee and district.

7.0 Information and Action Items

7.1 AvixOne Report – reviewed with KEBT by USI

- USI has the financial statements of full plan year ending on 06/30/2024
- Expenses look consistent from year to year

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Action: Motion was made to approve the report by Diane Waller and Chris Herrmann seconded. All trustees approved the motion.

7.2 USI Cost Summary Report–

- Full year to report
- \$10M actual net cost
- 14% spend increase due to large catastrophic claims
- 13.9% cost PEPY
- Large claims doubled for 2023/2024
- \$2.4M in large claims (Total of 9)
- Received rebate of \$300K from stop loss
- Top 3 are over \$300K stop loss
- Pharmacy 33% of spend limit which is lower than when with UHC
- Net rebates are \$550 PEPY; \$1.7M in surplus
- May/September/January – saw high large claims
- For 2023-2024 historically has run well @ \$8,222 PE

Action: Motion was made to approve the report by Diane Waller and Chris Herrmann seconded. All trustees approved the motion.

7.3 RFP Updates/Timelines

- Voluntary Short-term disability and vision will advertise on 9/5 and be release on 9/6
- Will receive final draft by end of day tomorrow (8/21/2024)
- Consulting RFP is up for bid as well
- Optum RFP – release request of proposal

7.4 Domestic Partnership Requirements Change Notification

- Been using the same document for many years
- Worked with USI to update the form; requirement of joint mortgage/lease has now been moved to one form to choose from
- Proposal to move forward with new form.
- Do not need to notify stop loss and no amendment to the plan
- Kim will work on getting wording over to add renters/auto/homeowners' insurance
- RFPs should be ready for vote by winter break with exception of stop loss later in the spring

7.5 HIPAA Privacy Updates for Policies and Procedures Manual

- Potential privacy practice updates
- Pregnancy updates
- Will approve on October's meeting once we get more information

7.6 Annual Updates and Reviews

- Received everyone's conflict of interest statements
- No changes since 2018

Action: Motion was made to approve the report by Diane Waller and Chris Herrmann seconded. All trustees approved the motion.

Action: Motion was made to approve the report by Diane Waller and Chris Herrmann seconded. All trustees approved the motion.

7.5 Urgent Topics - The Trust will discuss and review any urgent items requiring decisions and vote.

Action: Recommendation to vote, or agendaize topic for future meeting.

None

8.0 Presentation: None

9.0 Executive Session: None

10.0 Future Meeting Dates; each meeting to begin at 9 am, updated time, continue via Zoom.

October 15, 2024

December 3, 2024

January 7, 2025

February 4, 2025

February 25, 2025

March 11, 2025 (tentative)

June 3, 2025

11.0 Adjournment

Meeting adjourned @ 9:49 am on August 20, 2024, by Kim Smolinski

KIM SMOLINSKI, KEPT CHAIRPERSON