MINUTES OF THE SELF-INSURANCE TRUST BOARD MEETING
SCOTTSDALE UNIFIED SCHOOL DISTRICT NO. 48
Ed Center, Room - Old Main, 7575 E. Main St., Scottsdale, AZ 85251
December 11, 2025, at 4:00 PM

The Self-Insurance Trust meeting was called to order at **4:12** pm on December 11, 2025.

I. Call to Order – Shannon Crosier, Trust Board Administrator called the meeting to order.

II. Roll Call-
The Board Trustees in attendance were, Shannon Crosier, Trust Board Administrator, Mike Sharkey Trustee and Governing Board Vice President, Craig Hazeltine, Trustee, & Kathy Steadman, Trustee.
A quorum was present.
Absent: All in attendance

Approval of Agenda- Craig Hazeltine moved to approve the agenda as presented, Kathy Steadman seconded the motion. The motion was approved with a vote of 4-0.

Public Comments – There were no public comments

INFORMATION/DISCUSSION AND POSSIBLE ACTION

A. Approval of SUSD Self-Insurance Trust Minutes from September 18, 2025 Meeting. - Action
No discussion, Minutes stand as submitted.

Mike Sharkey Moved to Approve the Scottsdale USD Self-Insurance Trust Meeting Minutes of September 18, 2025. Craig Hazeltine Seconded the motion. The motion was approved with a vote of 4 - 0.

B. Approval of Selection of Self-Insurance Trust Board Trustee – Action
Discussion took place on the ranking of the applicants for a three-year term (July 1, 2025 – June 30, 2028)

Mike Sharkey Moved to Approve John Carey as the selection of Self-Insurance Trust Board Trustee. Shannon Crosier seconded the motion. The motion was approved with a vote of 4 – 0.

C. Property/Casualty/Workers Comp Claims Report (ARRT) – Information
Jessica Schuler from the Trust presented financial reports concerning Property/Casualty and Worker's Compensation.

25/26 Property and Liability Premium: $ 2,877,769
25/26 Workers' Compensation Premium: $ 877,348 (Est)
25/26 Health Benefits Premium: $ 20,516,418 (Est)

- Total number of claims processed as of 10/31/2025: 33
- Total incurred as of 10/31/2025: $2,271,590

2025/2026 Alliance Rating Retrospective Plan	**Estimate**	**Actual (as of 10/31/25)**
○ Incurred Losses*	$611,089	134,638
○ Unallocated Loss Adjustment Expense*	$132,017	29,082
○ Administrative Expense	$ 68,288	68,288
○ Excess Insurance and Tax Expense	$ 47,331	47,331
○ Contribution to Net Position*	$ 18,358	18,623
○ **Total**	**$877,348**	**$297,956**

*Based on actual payroll, to be reported in July 2026 *Loss rated at 90%

Alliance Rating Retrospective Plan

- As of 10/31/2025, the district is trending at 34% of estimates.
- 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 2026.

Alliance Contribution History

Year	Rating Model	Contribution Valued as of 10/31/2025	Retro Contribution: Original Estimate
2024/2025	Retrospectively Rated	*297,956	969,937
2023/2024	Retrospectively Rated	*776,416	913,306
2022/2023	Retrospectively Rated	*771,927	914,446
2021/2022	Retrospectively Rated	*876,364	927,440
2020/2021	Retrospectively Rated	643,014	860,358
2019/2020	Guaranteed Cost	433,325	839,973
2018/2019	Guaranteed Cost	958,573	N/A

*Estimated contribution. Loss elements are adjusted for 5 years

PPA/TIP Balance
- Trust Prepaid Account Balance as of 10/31/2025 - $ (36,000)
- Trust Investment Pool Balance as of 10/31/2025 - $ 46,917

- 2026/2027 Renewal: Dates
  - November: Trust Values Collection released
  - December: Cyber Values Collection released
  - February: Alliance Values Collection released
  - March-April: 26/27 contribution estimates sent to members
  - June 30: 26/27 renewal forms due to the Trust

D. Medical Claims/Financial Reports – Information

Josh Landis and Elizabeth Vesely presented financial and health reports from Kairos Health Arizona Plan Overview
- 1,757 Employees prior 1,834
- 2,293 Participants prior 2,460
- 41 Average Age
- 1.3 Average Family Size
- 64% Female and 36% Male
- Medical Plan Spend 30% increase over 24/25
- Pharmacy Spend 4% increase from 24/25

Top 5 Providers: Honor Health, Mayo Clinic Arizona, Alabama Infusion, Banner Desert Medical, Phoenix Children's Hospital
- #1 Condition – Cancer 25/26 $484,981 and 24/25 at $302,697

Top 5 Conditions
- Cancer, Health Status/Encounters, Cardiac Disorders, Musculoskeletal disorders, Neurological disorders

Plan Cost & Network Utilization
- 2025-2026: $571 PMPM
- 2024-2025 $437/ Benchmark: $555

Prescription Spend
- Top 5 Traditional: Neuromuscular, Immunomodulatory Agent (2), Diabetes, Immunosuppressant
- Top 5 Drugs: Spinraza, Pomalyst, Mavenclad, Mounjaro, Skyrizi Pen

Large Claimants – 25/26 - 38% over $50K
- Vascular Cancer, Neurological Disorder (2), Cardiac (2), Multiple Sclerosis, Bladder Cancer, Breast Cancer, Metastatic Cancer, Lung Cancer

Preventive Screenings
  - Colorectal Cancer Screen 45+ 4 Point Increase
  - Cervical Cancer Screen 21+ Even
  - Flu Vaccine 5 Point Decrease
  - Mammography Screen 40+ Even
- EAP utilization – ComPsych Service – 30 total member engagement (7/1/25-10/31/25)

- Counseling/Behavioral Health: 19
- Family source: 0
- Financial connect: 10
- Health and Well-Being: 0
- Legal Connect: 1

- Aware Health Telehealth Physical Therapy – 171 SUSD members have used Aware Health, totaling 658 visits
  - Prior to Using Aware Health – 53 members considered surgery, 46 members considered imaging, 83 considered in-person physical therapy.
  - By choosing Aware Health, an estimated: $535,275 was avoided in surgery costs, $10,698 was avoided in imaging costs, $39,830 was avoided in in-person physical therapy costs
  - Estimated YTD Savings Impact = $585,803

- Customer Service – 16 Total Participants Assisted
  - Enrollment 1
  - COBRA 3
  - Claims 1
  - ID Cards 3
  - Benefits 4
  - Nurse Navigator 4

Executive Summary

- Highlights
  - Medical claim spend has risen by 30%
  - Pharmacy claims show a 4% increase
  - AWARE participation and utilization continue performing exceptionally well
  - SUSD Aware participation and utilization are performing exceptionally well
  - Cancer related claims have reduced by $1.1M over last plan year
- Updates
  - Scottsdale Robotics, and AZGYN contracted directly with Kairos as preferred vendors
  - Cancer Care initiatives are currently under review
  - Gastrointestinal initiatives are also in review
- Recommendations
  - Encourage annual well checks, cancer screenings
  - Encourage engagement of Aware virtual physical therapy
  - Continue to reinforce the value and expertise of the Nurse Navigators

E. Trust Financial Update – Information

Shannon Crosier presented the Checking and Investments Accounts for Fiscal Year 2025-2026 as of November 30, 2025.

- Total Ending Balance in each of the three Checking accounts as of November 30, 2025:
  - Medical $ 9,946,998.43
  - Property/Casualty $ .34
  - Workman's Comp $ 28,760.79
  - **TOTAL $ 9,975,759.56**

- Total in each of the three Investment accounts as of April 30, 2025:
  - Medical $ 17,884,769.50
  - Property/Casualty $ 1,562,265.96
  - Workman's Comp $ 7,235,410.56
  - **TOTAL $ 26,642,446.02**

- **Total All Accounts as of April 30, 2025:**
  - Medical **$** 27,791,767.93

- Property/Casualty **$** 1,562,266.30
- Worker's Comp. $ 7,264,171.35
- **TOTAL** **$ 36,618,205.58**

Tyler Tayrien from Wells Fargo presented the Financial Market Investment Update.

Three investment accounts as of 11/28/2025
:

- Medical - 24 Securities/Accounts – 17,596 million (3.55% Book Yield & Market Yield 3.80%)
  - Unrealized Loss ($22) without accrued Interest.
  - Cash Flow 13,503,000

- Worker's Compensation - 2 Securities/Accounts – 7,217 million (3.83% Book Yield & Market Yield 3.79%)
  - Unrealized Gain 2 without accrued Interest.
  - Cash Flow $7,393,000
- Property and Casualty – 1 Securities/Accounts – 1.562 million Portfolio Size (3.89% Book Yield & Market Yield 3.89%)
  - Unrealized 0 without accrued Interest.
  - Cash Flow $1,562,000

F. Future Agenda Items – RFP Update

H. Dates of Upcoming Meetings – March 12, 2026 and May 28, 2026.

I. Adjournment –
At **5:33** pm, Kathy Steadman Moved to adjourn the meeting. Shannon Crosier Seconded the motion. The motion was approved with a vote of 4 – 0.

Dated this 11th day of December 2025.