



## City of Goodyear

See meeting location  
below

### Meeting Minutes

#### Self-Insured Healthcare Trust Board

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Wednesday, August 22, 2018

2:00 PM

City Hall, Room 230  
190 N. Litchfield Rd.  
Goodyear, AZ 85338

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#### 1. CALL TO ORDER

Chairman Balsan called the meeting to order at 2:04 p.m.

#### 2. ROLL CALL

**Present:** 5 - Chairman Balsan, Vice Chairman Foster, Secretary Preyer-Bonton, Boardmember Sandstrom and Boardmember Newcomer

Staff Present: Human Resources Director Lyman Locket, Total Compensation and HRIS Manager Jeanni Ruddy and Finance Manager - Financial Services Jared Askelson

Others Present: Cigna Representative Erica Emmons and Leavitt Group Representatives Rick Shuckerow

#### 3. APPROVE MINUTES

- 3.1 [MINUTES](#) Approve draft minutes from the Self-Insured Healthcare Trust Board meeting held  
[2018-54](#) on March 14, 2018.

**MOTION BY Chairman Balsan, SECONDED BY Vice Chairman Foster, to APPROVE draft minutes from the Self-Insured Healthcare Trust Board meeting held on March 14, 2018. The motion carried by the following vote:**

**Ayes:** 5 - Chairman Balsan, Vice Chairman Foster, Secretary Preyer-Bonton, Boardmember Sandstrom and Boardmember Newcomer

#### 4. CITIZENS COMMENTS/ APPEARANCES FROM THE FLOOR

None.

#### 5. OLD BUSINESS

None.

#### 6. NEW BUSINESS

- 6.1 FY18 Claims Experience

Rick Shuckerow advised on claims trends noting they are less than national average. Pharmacy claims are tracked separately. Large claims report provides detail on claims over \$25K. The report compared to last year's and found 5% of population (44 claimants) accounted for \$2.8M of claims.

Large claims include opioid treatment and back/musculoskeletal issues and the group is meeting with providers to attempt negotiation of lower costs. Out-of-Network costs account for \$259K in claims. Finally, cost increases are partly due to new treatments. Once FCC-approved treatments are available and in-network, provision is at a negotiated rate; out of network treatment is balance billed to the individual.

Treatment in-network is at a substantial savings and in-network treatment is communicated and encouraged for employees. Efforts to shift patients to network providers for long-term care continue. Utilizing Deer Walk Data Management services assists in proactive identification of cost effective providers to direct patients to.

## 6.2 Financial Overview

The Self-Insured Healthcare Trust Fund Statement of Sources, Uses, and Changes in Net Assets as of June 30, 2018 was reviewed. Fund balance from contributions, rebates and investment income includes a one-time \$670K rebate carryover. Net assets as of June 30, 2018 are \$2.8M. Currently exceeding fund balance requirement.

## 6.3 Plan Utilization Summary

Erica Emmons reviewed the Cigna Executive Summary for the city of Goodyear. Data covered the full plan year 2017-2018 compared to 2016-2017 supported by normative data from Cigna's commercial book of business for Arizona. Specialty plan spend was noted as high but not alarming. Pharmacy spend is projected a per-member per-month savings with coming generic or biosimilar drugs availability.

Vice Chairman Foster asked about education of beneficiaries on availability on generic medication. Ms. Emmons advised she was unsure whether the change covered both new and existing prescriptions but would provide feedback. There was a review of catastrophic claims data.

## 7. INFORMATION ITEMS

The next meeting is scheduled for December 5, 2018 at 11:30 a.m.

## 8. ADJOURNMENT

There being no further business to discuss, Chairman Balsan adjourned the meeting at 2:53 p.m.

Respectfully Submitted by:

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Lyman Locket, Human Resources Director

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Michael Balsan, Chairman

Date: \_\_\_\_\_