



## City of Goodyear

See meeting location  
below

### Meeting Minutes

#### Self-Insured Healthcare Trust Board

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Thursday, February 27, 2020

2:30 PM

City Hall, Room 117  
190 N. Litchfield Rd.  
Goodyear, AZ 85338

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#### CALL TO ORDER

#### 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, Benefits Analyst Chanda Washington and Accounting Supervisor Christen Wilcox

Others Present: GBS of Arizona Managing Principal Rick Shuckerow and Cigna Account Executive Erica Emmons

#### APPROVE MINUTES

1. [MINUTES](#) Approve draft minutes from the Self-Insured Healthcare Trust Board meeting held on November 21, 2019.  
[2019-109](#)

**MOTION BY Boardmember Sandstrom, SECONDED BY Chairman Balsan, to APPROVE the draft minutes from the Self-Insured Healthcare Trust Board meeting held on November 21, 2019, with the correction to the date on motion item 1. changed from June 17, 2019, to August 22, 2019. The motion carried by the following vote:**

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

#### CITIZENS COMMENTS/ APPEARANCES FROM THE FLOOR

None.

#### OLD BUSINESS

None.

#### NEW BUSINESS

2. Healthcare RFP Overview

Ms. Ruddy thanked all of the members who reviewed the Request for Proposals (RFPs). She also provided the committee with an overview of the RFP process to include the following:

- Six submittals were received for all services, three submittals were received for only dental services and one submittal was received for only pharmacy services.
- There were ten companies that submitted proposals. The finalists that were interviewed included United Healthcare, Blue Cross Blue Shield, Cigna, Navitus, Rx Benefits and BannerAetna.
- After the evaluations were reviewed, a best and final offer was requested of the top proposals.
- Cigna was awarded the City contract because they have 24/7 customer service for employees, enhanced medical management capabilities, pharmacy rebates, reduction in administrative fees, support team, and their wellness program aligns with the City's focus on wellness.

### 3. FY20 Claims Experience

Mr. Shuckerow provided an overview of medical and prescription claims expenses to include the following:

- Noted there were high dollar claims in January.
- Discussed the pattern of quarterly surplus.
- Discussed the shock claims.
- Stated the current funding level is sufficient.
- Dental trend remains at 2% of trend and recommending no increase.

### 4. Financial Overview

Ms. Wilcox provided the financial overview with the following analysis:

- \$4.6 million in expenditures resulting in a change in net assets of \$44,000 and a \$4.3 million net analysis.
- Assets are above the required \$3.1million reserve resulting in a surplus.

### 5. Five-Year Forecast

Boardmember Sandstrom presented a five-year forecast utilizing medical claims trends at 7.7% and dental at 2%. There was discussion regarding maintaining recommended funding levels by considering different variables and continuing to monitor claims. There was also discussion on other opportunities for cost savings, including formulary and plan adjustments.

### 6. Setting of FY21 Healthcare Premiums

Based on the information presented, the Board voted to maintain the current funding level until next year.

**MOTION BY Boardmember Newcomer, SECONDED BY Chairman Balsan, to APPROVE maintaining the current funding level. The motion carried by the following vote:**

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

### INFORMATION ITEMS

None.

**NEXT MEETING**

The next meeting will be held in August 2020. Ms. Ruddy will coordinate the meeting.

**ADJOURNMENT**

There being no further business to discuss, Chairman Balsan adjourned the meeting at 3:22 p.m.

Respectfully Submitted by:

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Lyman Locket, Human Resources Director

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Michael Balsan, Chairman

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