

**ASSOCIATION OF WASHINGTON CITIES
EMPLOYEE BENEFIT TRUST
HEALTH CARE PROGRAM**

Meeting Minutes
Cedarbrook Lodge, SeaTac and Online
Thursday, November 30, 2023
10:30 am

Present:

Chair & Southeast Region Trustee, Glenn Johnson, Mayor, Pullman
Vice Chair & Northeast Region Trustee, Paul Schmidt, Councilmember, Cheney
Northwest Region Trustee, Julie Struck, Mayor, South Bend
Southwest Region Trustee, Jennifer Jensen, Councilmember, Ruston
AWC Trustee, Josh Penner, Mayor, Orting
AWC Trustee, Wendy Weiker, Councilmember, Mercer Island
EBAC Chair, Emily Schuh, Administrative Services Director, Anacortes
EBAC Vice-Chair, Jennifer Gorsuch, Administrative Services Director, Camas

Staff Present:

Deanna Dawson, CEO
Alicia Seegers Martinelli, Deputy CEO/COO
Gene Emmans, CFO
Carol Wilmes, Director, Member Pooling Programs
Beverly Lakey, Program Director
Harizon Odembo, Employee Benefits Manager
Laurell Kaiser, Health Promotion Supervisor
Terri Luther, Marketing and Field Service Manager
Bobbi Fox, Employee Benefits Analyst
Shawna Rice, Communications Coordinator
Betsy Hildreth, Executive Assistant/Recording Secretary

Others:

Mike Berry, Mike Rask, Nicole Persson, Aon
Kiran Griffith, Stoel Rives
Jake Kalina, Kyle Plitt, RVK
Todd Hall, Cathy Weis, Aon

1. Call to Order, Welcome, and Introductions

1.1 Welcome and introductions

Chair Glenn Johnson called the meeting to order at 10:30 am. A quorum was established. Introductions followed.

Chair Johnson noted agenda item 9.1 executive session had been removed from the agenda.

2. *CEO Report*

2.1 Meeting Overview

Ms. Dawson provided an overview of the meeting.

3. *Governance*

3.1 Open Public Meeting Act: Call for Public Comment

Ms. Kiran Griffith gave a brief overview of the Open Public Meetings Act in relation to the AWC Trust Health Care Program Board of Trustees.

In accordance with the Open Public Meetings Act RCW 42.30, the AWC Trust Health Care Program Board of Trustees invited public comment.

There was no public comment in relation to Board agenda items.

4. *Administration/Operations*

4.1 September 27, 2023 Health Care Program Board meeting minutes

The Board reviewed the minutes of the September 27, 2023 Health Care Program Board of Trustees meeting.

Motion:

Motion by Josh Penner to approve the minutes of the September 27, 2023 Health Care Program Board of Trustees meeting, second by Jennifer Jensen; motion carried.

5. *Compliance*

5.1 Kaiser/Regence/Asuris Claims Audit and Assessment Review

In accordance with the Local Government Self-Insurance Health and Welfare Program Requirements, specifically under WAC 200-110-120, the Trust entered a contract with Aon to perform a claims audit and operational assessment of the self-insured medical programs under Regence BlueShield/Asuris Northwest and Kaiser Permanente. Aon claims auditors Todd Hall and Cathy Weiss presented the scope of the audit and operational assessment, as well as results and key findings to the Board.

6. *2024 Renewal*

6.1 Stop Loss Coverage

Ms. Lakey updated the Board on large claims activity and provided updated rate quotes for 2024 stop loss coverage. Aon consultants reviewed scenarios on increasing the stop loss threshold from \$2 million to \$2.5 million, as well as price differential between the two levels of coverage.

Motion:

Motion by Glenn Johnson to remain at \$2 million stop loss level, per claimant per year, adopting 2024 rates as provided by the stop loss carrier, second by Paul Schmidt; motion carried.

7. *Financial Reports*

7.1 Self-Insured Plan Experience Reports

Nicole Persson of Aon reviewed the claims experience reports for the self-insured plans through September 2023 and provided a historical comparison from 2019-2023.

7.2 Trust Health Care Program Investment Report

Jake Kalina of RVK gave an overview of Trust's investment performance and market update through September 30, 2023.

7.3 Third Quarter 2023 Trust Health Care Program Financial Report

Mr. Emmans presented the 2023 third quarter unaudited financial report.

7.4 Out-of-Contract payments

Ms. Lakey reviewed the two out-of-contract claims approved by staff in accordance with Board-authorized claims authority policy since the last Board of Trustees meeting on September 27, 2023.

7.5 Proposed 2024 Trust Health Care Program Budget

Ms. Lakey reviewed the proposed 2024 Trust Health Care Program budget, including year-end 2023 projections and proposed 2024 income and expenses.

Motion:

Motion by Paul Schmidt to approve the proposed 2024 Trust Health Care Program Operating Budget, second by Emily Schuh; motion carried.

8. *Other Business*

8.1 2024 Health Care Program Board Meeting Schedule & Fiduciary Training

The 2024 Health Care Program Board meeting schedule and fiduciary training opportunities were provided in the agenda packet.

9. *Executive Session*

9.1 Executive Session Pursuant to RCW 42.30.110(i)

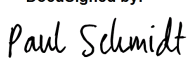
The Executive Session was not needed.

10. *Adjournment*

10.1 Adjourn

Chair Johnson adjourned the meeting at 12:01 pm.

The foregoing minutes were approved by the Board of Trustees on 4/25/2024.
Date

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Chair

ATTEST
DocuSigned by:

Betsy Hildreth

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Recording Secretary