



**MARICOPA COUNTY
SELF-INSURED BENEFITS TRUST FUND
BOARD OF TRUSTEES**

GENERAL SESSION

MEETING MINUTES

August 27, 2019

Benefits North Conference Room

**301 W. Jefferson Street, 3rd Floor, Ste. 3200, Phoenix,
AZ 85003**

1. **Call to order**

Trustee John Lewis, Chairperson, convened the Benefits Trust Fund Board of Trustee's General Session at 11:00 a.m. Trustee Rex Jorgensen, Trustee Jim Steinkamp, Trustee Helena Whitney, Trustee Aaron Bacon, Trustee Grif Hiatt and Christine Stutz, Benefits Trust Fund Legal Counsel were present telephonically. Also, present: Charlotte Marz, Deputy Director; Elizabeth Schafer, Benefits Administration Manager; and Dave Hansen, Finance Manager; and Sandra Arroyo, Executive Assistant.

2. **Approval of April 23, 2019 Trustee General Session Meeting Minutes**

Trustee Jorgenson made a motion to approve the April 23, 2019 minutes. Trustee Whitney seconded the motion. Motion carried with five (5) ayes, one (1) abstain and zero (0) nays.

3. **Review of Internal Audit Report and Approval of Draft Internal Policy for Managing Actuarial Recommended Reserves**

Chairperson Lewis introduced Charlotte Marz, Deputy Director, to discuss the results of the internal audit of the Trust fund. Generally, in all areas there were proper controls in place. There were a few areas that dealt with documentation of policies and procedures on how Benefits Finance documents the premium deductions and how those are reconciled, providing data to the actuaries, monitoring the vendors reports, and reserves. All recommendations were agreed upon by staff and all have been implemented

Trustees reviewed the draft internal policy on managing actuarial recommended reserves. Trustee Steinkamp made a motion to approve the internal policy. Chairperson Lewis seconded the motion. Motion carried unanimously with (6) ayes and zero (0) nays.

4. **Discuss the Engagement of Clifton Larson Allen as Independent Auditors for Fiscal Year 2018**

Dave Hansen, Benefits Finance Manager, presented selection of Clifton Larson Allen as the external auditors to conduct an audit of the Trust fund beginning in August and lasting through November, in accordance with statutory requirements.

5. **Full Year 2018-2019 Unaudited Financial Statements and Full Year 2019 – 2020 Forecast – Presentation and Discussion**

Dave Hansen, Benefits Finance Manager, presented agenda items 5 and 6. Mr. Hansen presented the June 2019 Dashboard, which included each of the following categories: assets available to cover recommended reserve, large claim cost per plan, expenditures v. prior year and budget, expense per subscriber, and change in net position.

Mr. Hansen explained four of the five indicators were poor but did not reflect the actual state of the funds as being poor. Chairperson Lewis asked if it would be fair to have three different criteria one being good, another being watching or whatever as indicators on the dashboard. Mr. Hansen said it can be examined to come up with something else.

Mr. Hansen presented the FY Year-to-Date Financial Statements and supplementary information supporting the financial statements, including a review of claims and changes in cash balances.

Finally, Mr. Hansen presented the Full Year 2020 Forecast, which included each of the following categories: FY2020 forecast compared to FY2020 budget and FY2019 actual, revenue forecast, expenditure forecast, net margin forecast, payment of benefits, losses and claims, self-insured funds, employee self-insured funds, paid large claims and fully insured (agency) funds.

7. **Review of Behavioral Health Plan Benefits**

Elizabeth Schafer, Benefits Administration Manager, presented an overview of the Behavioral Health Benefits Schedule of Benefits because there has been increase in total costs. A handout illustrating the benefits for In-Network and Out-of-Network was presented.

8. **Call to the Public**

Lisa Esquivel, Group HR Manager and Nancy Johnson, Program Coordinator were present but did not wish to speak.

9. **Motion to Adjourn**

Trustee Jorgensen made a motion to adjourn the meeting. Trustee Bacon seconded the motion. The motion passed unanimously with six (6) ayes and zero (0) nays. The meeting was adjourned at 11:38 am.