

**Minutes of Public Meeting of the Board of Trustees
Arizona School Board Association Insurance Trust
Of the Meeting Held January 17, 2024
Phoenix, Arizona**

A public meeting of the Trustees of the Arizona School Boards Association Insurance Trust (ASBAIT) was convened on January 17, 2024 at 1:08 p.m. in the ASBA Board Room, 2100 N Central Ave, Phoenix, AZ 85004.

The meeting was called to order at 1:08 p.m. by Crystle Nehrmeyer, Chairperson; a quorum was present.

Trustees in attendance :

Crystle Nehrmeyer
Mark Aguire
CJ Beckstrom
Troy Thygerson
Marcie Rodriguez
Desiree Fowler
Dan Contorno
Mayra Zuniga
Dr. Ashley Hodge
Robert Devere
Paul Roetto
Ellen White

Others in attendance at the meeting were: Anthony Contente-Cuomo, (Legal Counsel, Sims Mackin), Kristi Sisk (ASBA), Leslie Schneider (Acrisure), Jeffrey Bloom (Acrisure), Peter Freska (Acrisure), Kristine Carlew (Acrisure), Eleanor Schroeder (Acrisure), Erik Axene (Acrisure), Anil Kocher (Acrisure), Josh Axene (Acrisure), Rick Cajthaml (Meritain Health), Chuck Nelson (Meritain Health), Monica Zook (Meritain Health), Sheri Stephens (Meritain Health), Judy Herz (Meritain Health), Kris Kriskot (CBIZ), and Laura Emslie (Vail USD).

Acrisure provided an overview of the financial and investment stability of the trust as prepared by ASBAIT's previous program administrator. The Acrisure team provided an update on their review of the inherited from the previous program administrator and provided, insights into the rationale behind ensuring adequate reserves.

Mr. Nelson presented an overview of ASBAIT's current sales activity for the upcoming plan year, focusing on strategies to enhance the growth of the ASBAIT trust. He elaborated on the competitiveness of ASBAIT's plan offering. In response to Ms. Nehrmeyer's inquiry about how trustees can assist Mr. Nelson, he suggested that if they know someone from an interested district, they should reach out and initiate communication.

To be reviewed, approved by Trustees on
April 17, 2024

Ms. Hertz provided an overview of the ongoing communication initiatives across the districts. She discussed the status of the current member district's requests for proposals and provided an update on the state of the request for information.

Ms. Zook presented an overview of the marketing team's achievements and the events they organized. The discussion included a review of the 2022-2023 final report. The topic of the annual ASBAIT conference was raised, leading the Trustees to consider the option of hosting two smaller conferences in different parts of the state. There was also discussion about the potential of combining the conference before a relevant ASBA conference.

Mr. Cajthaml provided a review of ASBAIT's medical and prescription drug plan utilization, highlighting observed patterns in claims addressing questions regarding high-cost claims activities. Additionally, he discussed the growth in enrollment within specific districts, attributing it to factors such as the hiring of new teachers or cost-sharing of dependent costs with employees only. The discussion also covered the trends related to Teladoc and the savings achieved due to ASBAIT's utilization management programs.

Mr. Cajthaml provided a comprehensive review of the pharmacy, during which Dr. Hodge inquired about the feasibility of mandating the 90-day mail order for specialty drugs. Concerns were raised regarding the potential inconvenience for some members who are not near a CVS.

Mr. Erik Axene introduced the recently launched wellness program, discussing its new name and outlining upcoming program launches, such as a quarterly Vodcast and spring wellness campaign. Ms. Zuniga expressed her appreciation for the new name. Going forward, all ASBAIT trustee members will receive the weekly Wellness communication.

Mr. Bloom provided an overview of the biometric screening service, Empower Health. The discussion covered the range of services offered, and there was a review of the upcoming school districts where screenings are scheduled.

The Trustees reviewed a presentation completed by Meritain. It was a thorough plan design review. The evaluation highlighted that the Copay Gold Plan might not always be the optimal choice for members, citing various scenarios where selecting a different plan could be more advantageous.

During the discussion, Acrisure informed the trustees that the Copay Gold Plan is currently underfunded, and there is a necessity to right size premiums over a three-year period. There was discussion regarding grandfathering current members that offer the Copay Gold Plan and discontinuing the Plan for new member districts and current member districts that do not already offer the Plan. Following the discussion, the trustees reached a consensus that Acrisure should present additional data for a more in-depth review of the Copay Gold Plan.

Upon a motion by Ms. Fowler, seconded by Ms. Zuniga and upon a unanimous vote, the Trustees move that ASBAIT direct Acrisure to review all plan pricing and retain all plans for the 2024-2025 plan year.

Upon a motion by Chairperson Nehrmeyer, seconded by Ms. Fowler, the Trustees convened into Executive Session at 4:31 p.m. to hear confidential information and to consult with and seek legal advice from ASBAIT's attorney per A.R.S §38-431.03 (A), (3) and (4) for legal advice from or direction to the Trustees'

To be reviewed, approved by Trustees on
April 17, 2024

Attorney(s) regarding contracts that are the subject of negotiations, in pending or contemplated litigation or in settlement discussions conducted in order to avoid or resolve litigation on any of the matters listed below. The board convened into executive session for items C through J. The Acrisure team was present during this Executive Session.

The Trustees reconvened into open meeting at 5:06pm.

Item D covers the posting of meeting minutes via the ASBAIT website. Upon a motion by Mr. Thygerson, seconded by Ms. Fowler and upon a unanimous vote, the Trustees move that ASBAIT moves to post all public meeting minutes digitally on the ASBAIT website.

In reference to Item E on the agenda, Jeffrey Bloom provided an overview of Acrisure's timeline and the advancements made in the implementation process. No action was taken.

A discussion concerning the annual funding occurred, during which Acrisure presented their approach to developing aggregate funding and recommended an average increase to adequately fund the trust. No action was taken.

Item J on the agenda involved a discussion on ASBAIT vendor contracts. Upon a motion by Ms. Fowler, seconded by Ms. Zuniga and upon a unanimous vote, the Trustees move that Acrisure review and renegotiate all vendor contracts as necessary.

Per Item K in the Agenda, the potential purchase of an ASBAIT OWL and projector was reviewed and discussed. Mr. Roetto stated that the usage of ASBA's projector has been working and does not see the reasoning behind the purchasing of ASBAIT's own. Chairperson Nehrmeyer discussed the ongoing troubles with hearing during virtual meetings and the benefit an OWL will have on ASBAIT.

Upon a motion by Mr. Aguire, seconded by Ms. Fowler ASBAIT agrees to purchasing of an OWL and projector. Dr. Hodge and Mr. Roetto both voted against the motion. Ms. Nehrmeyer, Mr. Beckstrom, Mr. Thygerson, Ms. Rodriguez, Mr. Contorno, Ms. Zuniga, and Mr. Devere were all for the motion.

Discussion took place concerning Item L on the agenda, focusing on Vendor Diversity Initiatives. Dr. Hodge commented on the lack of visual diversity among vendors and proposed ASBAIT consider including diversity language for future vendor contracts. Ms. Schneider provided insights into diversity within the insurance industry. Ms. Fowler elaborated on ASBA's Diversity, Equity, & Inclusion approach, encompassing aspects such as age, gender, and race. The discussion concluded with an agreement that Acrisure underscore the importance of diversity with ASBAIT vendors.

Concerning Item M on the agenda, the Establishment of a Future ASBAIT Employee position was discussed. Mr. Contente-Cuomo pointed out that implementing this would necessitate a bylaw change and expressed concerns about the absence of ASBAIT's payroll and benefits. He suggested that ASBAIT's employee could also collaborate with ASBA to address these issues. Ms. White expressed concerns about the short tenure of the last ASBAIT employee, attributing it to a lack of clarity regarding the individual's roles and responsibilities. The Trustees collectively agreed that Acrisure should present ASBAIT with a potential job description for further consideration.

To be reviewed, approved by Trustees on
April 17, 2024

The Trustees requested future agenda items to include further discussion on the 2024-2025 service providers and member funding, Charter Schools, the ASBAIT bylaws with respect to the roles and responsibilities of officers, clarification on the ASBA licensing fee, and discussion on the timing of distributing renewals to member districts.

Upon a motion by Ms. Fowler, seconded by Mr. Devere, the meeting was adjourned at 5:41 p.m.

Dated this 17th day of January 2024.

To be reviewed, approved by Trustees on
April 17, 2024