

**SUMMARY OPEN-SESSION MINUTES
CALIFORNIA SCHOOLS
VOLUNTARY EMPLOYEES BENEFITS ASSOCIATION (VEBA)
October 26, 2016
5:30 p.m. – 6:00 p.m.**

Members Present: Brian Marshall, Mark Anderson, Katie Dexter, Lora Duzyk, Ethel Larkins, Marianne Monfils, Leticia Munguia, Ursula Salbato, Nadine Bennett, Robin Watkins, Barbara Collins, Ron Reese

Absent: Christine Balentine, Matthew Krause, Karen Janney, Jenny Salkeld, Steve Boyle, Laura Bowen

Consultants: Ron Mason (Tall Pine Consulting LLC)

Administrative Staff: George McGregor, Laura Josh, Annemieke Tomey, Paul Bergman, Alexandra Kroeger, Kat Alexander, Heather Simonson, Rich Garrett, Seth Eberhardt

Guests: Carissa Green, James Gaumer, Christine Caloza (UHC); Debbie Collins (Kaiser); Amy Daily (Express Scripts)

The open-session meeting was called to order by Brian Marshall at 5:35 p.m. A quorum was present.

Opening Comments from Co-Chairs

Brian Marshall welcomed the Board Members, the Administrative Staff and the guests. Robin Watkins thanked UHC for the dinner hosted after the September 28, 2016 board meeting.

Introduction – Christine Caloza, Senior Account Executive, UHC California

Carissa Green announced to the Board her new role as Vice President, Sales and introduced her replacement, Christine Caloza. Ms. Caloza reviewed her experience including experience specific to the VEBA account on the Medicare side. Ms. Green stated that she will remain in the account executive role through the end of the year and it will transition to Ms. Caloza in January, 2017.

Approve Minutes:

Draft minutes of the September 28, 2016, open-session Board meeting were reviewed.

MOTION: (Katie Dexter) Approval of the September 28, 2016 open-session minutes. Seconded by Marianne Monfils and approved.

Administrator's Report:

George McGregor reported out that the 2017 budget was accepted in closed-session and will be included with the open-session minutes.

Mr. McGregor indicated he has one note to add to the McGregor Growth agenda item, announcing that Kat Alexander has been hired as the Project Manager for the VEBA Resource Center.

Annemieke Tomey reviewed the VEBA financial statements and disbursement report for August 2016. **MOTION:** (Mark Anderson) Approval of the August 2016 financial statements and disbursement report. Seconded by Katie Dexter and approved.

Consultant's Report:

Ron Mason presented the following claims updates:

- Prescription Drugs
 - Claims continued to be favorable against revenues. The slowdown in specialty drug costs has been the number one driver of this change.
 - The VEBA population experienced a -1.56% Rx trend.

- HMO
 - Fee for service claims rose by approximately \$800,000 in August with more than 50% of this increase due to out of area claims.
 - One hundred eighteen claimants accounted for 42% of FFS claims and 8% of total claim cost.

- PPO/EPO/Out of Area (non-CA participants)
 - Six claims over \$25,000 have been added in the past 60 days.
 - Nineteen claimants (4.1% of members) incurred 50% of FFS costs.

- PPO/CA
 - The average size of large claims increased due to August 2016 activity.
 - One hundred-nine claimants (3.6% of members) incurred 51% of FFS costs.

Other

Annemieke Tomey reported that the attendance requirements for the IFEBP annual conference are included in the appendix for review. She also noted that an email was sent to Board Members scheduled to attend the conference with specific attendance requirements.

Ms. Tomey updated the Board on the Medicare D mailing which was sent out earlier in the month. She reported that 5,000 mailings were returned to sender due to incorrect addresses. Ms. Tomey noted that the districts will be notified of these address changes.

The open-session adjourned at 5:56 p.m.

The next Open Session meeting is scheduled to be held on Wednesday, November 30, 2016, at 5:00 p.m. in the McGregor and Associates Conference Room, suite 337.