

**APPROVED MINUTES
BOARD OF TRUSTEES FOR THE CITY OF GALVESTON
EMPLOYEE HEALTH BENEFITS PLAN
REGULAR MEETING
February 27, 2019**

1. Declaration of a Quorum, Call Meeting to Order, and Roll Call.

With a quorum present, the February 2019 Meeting was called to order at 10:04 a.m. by Chairman Stewart Goff. The following Trustees and persons were in attendance:

Stewart Goff (Chair) - Trustee
Michael Loftin – Trustee
*Arrived at 10:50
Kent Etienne – Trustee
Xavier Hancock – Trustee
Mark Murchison (Vice Chair) – Trustee

Stacey Minton – Boon-Chapman
Matthew Gauen – Boon-Chapman
Kimberly Danesi – Park Board
Donna Fairweather – City Staff
Christy Shinn – City Staff

2. Conflicts of Interest.

None.

3. Public Comment on Agenda Items and Non-Agenda Items.

The City Council adopted a policy requiring that agendas for all City board, commission, and committee meetings include a section designated for public comment on both agenda items and non-agenda items. Members of the public may speak for a maximum of three (3) minutes regardless of the number of items being addressed.

No Public Comment was received.

4. Approval of the Minutes for the Regular Board Meeting of January 16, 2019.

Motion to Approve the Minutes from the January 2019 Meeting made by Mark Murchison with a second by Xavier Hancock. Unanimously Approved by those Trustees present.

5. Discuss and consider for action approving the renewal of the Designated Benefit Plan Fiduciary Liability Coverage for Directors and Officers of the City of Galveston Health Benefits Plan Board through Travelers Casualty and Surety Company of America to be effective March 9, 2019, and authorizing all necessary documents to be executed by an authorized representative upon final approval by the City Attorney.

Kent Etienne: The City's Risk Manager Robert Simmons reviews all required and necessary coverages on an annual basis. The coverage requesting approval covers the directors and officer of the City of Galveston Health Benefits Plan Board.

Motion to Approve the renewal of the Designated Benefit Plan Fiduciary Liability Coverage for Directors and Officers of the City of Galveston Health Benefits Plan Board through Travelers Casualty and Surety Company of America made by Mark Murchison with a second by Xavier Hancock. Unanimously Approved by those Trustees present.

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- 6. Continuing report on implementation of CareHere Clinic participant “no show” administrative procedures, report on employee Health Risk Assessment participation, and overall employee health plan/financial participation-utilization information.**

Kent Etienne delivered an update on current HRA completion rates and No Shows. Employees should be encouraged to complete the annual HRA as the first quarter of the year has passed.

- 7. Financial reports as of January 2019 to include large claim cases and reimbursement by SA Benefit Services as reinsurer for year effective 10/1/2018.**

Kent Etienne delivered the report on the current stop loss year. There are three plan members over the warning amount of \$100,000.00.

- 8. Quarterly financial report from Boon-Chapman.**

Stacey Minton delivered a financial report from Boon-Chapman. The previous quarter includes time at the previous insurance premium rates as well as time under the new rates. The employee premium rate increases became effective January 1, 2019. The plan is currently at a deficit for the quarter. The second quarter will provide a better projection for the rest of the year. The report estimates this year will end with a deficit. The projections are based on the past 18 months which included several large claimant cases. The plan year is trending well overall. Medication costs are trending high as the cost of specialty medications have increased. CareMark recommends step therapy which can help manage the cost of medication expenses to the plan.

Michael Loftin notified the Board that the City Financial Report is available on the City’s website and includes the Quarterly Budget Report for the Health Plan. [The information was provided to Board Members and other stakeholders via email after the meeting.]

- 9. Receive updates and announcements from Boon-Chapman regarding the Health Plan. This item is for informational purposes only and no action will be taken by the Board.**

Stacey Minton delivered a report on the top denied claims. The plan has a provision that states if Medicare does not cover a service, the plan does not cover the service. The report shows denied claims for dates of service October 1, 2017 through September 30, 2018. There have been 18,679 denied claims within this timeframe. These claims include 145,305 services. Top reasons for claim denials include duplicate claims, resubmitted claims without additional information, dependent pregnancies, and non-covered services.

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Stacey Minton also delivered an update on the League City CareHere location. The clinic is now operating month-to-month and progress has been made on the new facility.

10. Discuss tentative date(s) for next Board Meeting.

Tentatively agreed upon for Wednesday, March 27, 2019 at 10:00 a.m.

11. Adjournment.

Motion to Adjourn made by Kent Etienne with a second by Mark Murchison. Unanimously Approved by those Trustees present. The Meeting was adjourned at 11:07 a.m.



Stewart Goff, Chair

Wednesday, March 27, 2019
Date Approved