

Pima County Health Care Benefits Trust Board Meeting May 13, 2021

Pursuant to A.R.S. § 38-431.02, notice is hereby given that the Pima County Health Care Benefits Trust held a meeting open to the public on **Thursday, May 13, 2021 at 9:00 a.m.** The meeting was held virtually though Microsoft Teams.

MINUTES

A. Roll Call

Present	Keith Dommer, Chair, Board Member Daisy Jenkins, Board Member Jared Perkins, Board Member Dr. Francisco Garcia, Board Member (intermittently)
Absent	Ellen Wheeler, Board Member
Also Present	Marchelle Pappas, Board Coordinator Cathy Bohland, Pima County, Human Resources Gayl Zambo, Pima County, Human Resources Jennifer Billa, Pima County, Human Resources Erin Higdon, Pima County, Human Resources Debbie Knutson, Pima County, Human Resources Toni Parkhurst, Pima County, Human Resources Dr. Carlos Velez-Perez, Pima County, Health Department Eric Rustand, CBIZ Mike Zucarelli, CBIZ Oscar Diaz, CBIZ Ana Roth Arenas, CBIZ Lisa Richard, CVS Health Ann Coupland, Delta Dental Taylor Nervo, Employers Health Ray Eveleth, Aetna Andy Welch, Pima County, Finance Anthony Batchelder, Pima County, Finance Blanca Rossetti, Pima County, Finance Jean Lee, Pima County, Finance Len Baldazo, Pima County, Finance Mandy Armenta, Pima County, Finance Xavier Rendon, Pima County, Finance Zulema Adame, Pima County, Finance

Meeting was called to order at 9:02 a.m.

B. Pledge of Allegiance

- All present joined in the pledge of allegiance.

C. Approval of February 11, 2021 Meeting Minutes

- Moved by Ms. Jenkins, seconded by Mr. Dommer, approved 3:0.

D. Human Resources Items

- **Introduce New Trustee Member – Cathy Bohland**
 - Ms. Bohland introduced and gave a brief background for new Trustee Member, Mr. Jared Perkins.
- **Need Volunteer today for minute duties in Ellen Wheeler’s (Trust Secretary) absence**
 - Ms. Jenkins volunteered to review meeting minutes for accuracy for the meeting today in Ms. Wheeler’s absence.
- **Trust Document, Section 3.3 – Discussion/Action election of Officers for the next Plan Year (FY2021/2022) - Cathy Bohland**

Ms. Bohland provided information on Trust Document, Section 3.3, Officers are to be elected at the commencement of each plan year (07-01-2021). Ms. Bohland indicated that this plan year a Chairperson, Vice Chairperson and Secretary would need to be elected and that Dr. Garcia will not be a Trustee Board Member when we return in August 2021. Mr. Dommer clarified the term limits. Ms. Bohland also explained that the terms would expire on August 6, 2021 not July 1, 2021. Mr. Dommer stated his interest in returning for an additional term as Chairperson. Ms. Jenkins stated her interest in returning for an additional term as Vice Chairperson. Mr. Perkins was in agreement with both additional terms. Mr. Dommer questioned if there had been any discussion with Ms. Wheeler regarding her continuing as Secretary. Ms. Bohland provided information that she had not been in contact with Ms. Wheeler, but would email her to follow up. Ms. Jenkins recommended Ms. Wheeler continue in her role, with the understanding that if she is in agreement with continuing.

- Motion for Chairperson: Moved by Mr. Perkins, seconded by Ms. Jenkins, approved 3:0.

- Motion for Vice Chairperson: Moved by Mr. Dommer, seconded by Mr. Perkins, approved 3:0.
- Motion for Secretary: Moved by Ms. Jenkins, seconded by Mr. Dommer, approved 3:0.
- **Trust Document, Section 3.4 – Discussion concerning Trustee appointment and reappointment effective August 2021 - Cathy Bohland**
 - **Introduce Dr. Carlos Perez-Velez** – Recommendation for future Trustee Appointment. Ms. Bohland introduced Dr. Carlos Perez-Velez and gave a brief background. Dr. Carlos Perez-Velez provided his background and intent to join the Trustees in August. Ms. Bohland provided information that the Board of Supervisors will be voting on the current Trustee Board Members and their new terms, as well as Dr. Carlos Velez-Perez as of August 6, 2021. Mr. Dommer asked if the Trustee Board was expected to be present at this meeting. Ms. Bohland spoke that HR would provide the Board of Supervisors the information as in the past and that the Trustees are not expected to be at the meeting.
- **Informational Topic – Virta Diabetes Program Update – Erin Higdon**

Ms. Higdon presented an overview of the Virta Diabetes Program that is available for Pima County Employees who are enrolled in the Pima County Aetna HDHP plan. To date there are a total of 300 enrolled patients (89 – Type II Diabetes, 120 pre-diabetes and 91 obesity) and 37 pending applications. Of the Type II Diabetes patients registered on or before February 21, 2021, there has been an average weight loss of 9.1 lbs. in 60 days. The percent of medications eliminated (excluding Metformin) in 60 days: 37.8%, down from 37 to 23. There is not enough data available yet for the Pre Diabetes and Obesity patients . A full 90-day results report will be available for the 8/12/2021 meeting.

E. Aetna Presentation Summary – Ray Eveleth

- **Medical Utilization Review – 07/01/2020 – 03/31/2021**

***Note: Mr. Eveleth stated that there is an error on slide 18, “Summary of Key Findings” – Utilization: P15. Top 5 Major Diagnostic Categories: Musculoskeletal (-10.23%), Kidney/Urinary Tract (-9.75%), Digestive System (+20%), Infectious/Parasitic (+243.50%), Nervous System (-24.13%) should read: Top 5 Major Diagnostic Categories: Musculoskeletal (-11%), Kidney/Urinary Tract (-9%), Digestive System (-7%), Infectious/Parasitic (+154%), Nervous System (-21%)**

Mr. Eveleth presented a Summary of Key Findings (slide 18) for the review period of July 1, 2020 through March 31, 2021. Mr. Eveleth stated that there is a negative trend being

seen of .8 % from the previous quarter. Mr. Eveleth highlighted that the number of High-Cost Claimants had decreased -28.6 %, a decrease in Utilization for admissions at -18.9 % versus the prior period. Mr. Eveleth discussed the attributions to the medical cost categories that have had an impact on the increase of utilization and the decrease of High-Cost Claimants from 35 to 25 over the prior period. Mr. Eveleth discussed the amount of Emergency Room spend and the number one provider (Tucson ER and Hospital) which is out of network and accounts for 97 % of claims spending. Ms. Jenkins asked if there is a way to communicate to employees about the financial implications of treatment at Tucson ER. Mr. Rustand provided information that this has been addressed in the Pre-Trust setting and CBIZ is working on information to provide to employees to assist with educating employees further. Mr. Dommer asked what the percentage of spend is for ER utilization? Mr. Eveleth will research further and provide the information after the meeting. Mr. Eveleth noted that while there has been a significant increase in many categories, each is beginning to trend down. Mr. Perkins asked if the increase in Telemedicine could be impacting this? Mr. Eveleth provided the information that while there has been an increase in Telemedicine visits, the cost per visit paid by Aetna remains the same as an in-person visit. However, the cost impact going forward is unknown, but will continue to be tracked.

- **High Cost Claim – Ray Eveleth**

Mr. Eveleth discussed the HCC Claimant Overview (slide 26).

- **COVID-19 Update**

Mr. Eveleth briefly reviewed the COVID-19 Claims Impact (slide 19). Mr. Eveleth noted that there has been 1,872 COVID vaccinations billed to Aetna as of May 2, 2021 (note: report shows 661 due to submission date). Ms. Jenkins asked for the percentage of employees that have received their vaccination? Mr. Eveleth provided the up to date numbers and reminded the Board that not every vaccination is billed through Aetna. Ms. Jenkins asked if HR may be able to provide the information? Ms. Zambo provided that HR is incentivizing the vaccination for Pima County employees and as of now there have been 400 employees who have taken advantage.

F. Caremark/CVS Presentation Summary – Lisa Richard

- **Pharmacy Utilization Review – 07/01/2020 – 03/31/2021**

Ms. Richard presented the Pharmacy Utilization Review Report (slide 45) for July 2020 – March 2021. Ms. Richard provided an overview of the Total Gross Cost and reminded the Board that the rebate dollars are not factored into the financial portion. Ms. Richard noted that there is a 6 % increase per employee trend that is being driven by the utilization of Specialty medications.

- **Brief Pharmacy Update – Mike Zucarelli**

Mr. Zucarelli provided a brief update on a relatively new Supreme Court ruling on ERISA preemptive status. Some states have introduced bills that focus on Pharmacy Benefits. Mr. Zucarelli stated while it has not been introduced in Arizona, there is a possibility and would have a considerable impact on pharmacy benefits due to State Laws being imposed. Mr. Zucarelli asked that the Board and HR remain aware and to please reach out if any information is received.

- **COVID-19 Update**

Ms. Richard provided an update on COVID-19 vaccines administered. As of May 12, 2021, there have been 100 + members vaccinated. Mr. Zucarelli commented and clarified that this data is only for the claims that are specifically billed through the pharmacy benefit and the numbers are possibly higher for those claims that are billed to Aetna.

G. Delta Presentation – Summary – Ann Coupland

- **Dental Utilization Review – July 2020 to March 2021**

Ms. Coupland presented highlights of the Delta Dental Plan for July 2020 to March 2021 (slide 54), noting that after Pima County has completed their first plan year an annual plan comparison will become available for review. Mr. Dommer reminded the Board that Delta Dental will provide a presentation each May.

H. CBIZ Presentation – Oscar Diaz

- **CBIZ Team Update**

Brief introduction of Oscar Diaz who is replacing Jessica Velasquez.

- **Claims Review – July 2020 to March 2021**

Mr. Diaz presented the Paid Claims Overview through the month ending March 2021 (slide 64). Mr. Diaz noted that Pima County has had a 5.6 % increase from the prior year due to the impact of COVID claims. Mr. Diaz noted that there are 37 large claimants that account for 25.8 % of large claims billed. Mr. Rustand provided information that the claims on this report reflect a thirty-day lag period and differ from the Aetna reporting, showing a slight difference in information provided.

- **Cotiviti Report – Eric Rustand**

Mr. Rustand presented the Cotiviti Report Summary (slides 72-74) and informed the Board that this information is provided twice per year. Ms. Jenkins asked if there have been any efforts to increase the utilization for annual / preventive exams? Mr. Rustand provided the

information that the HR Team is doing a fantastic job in incentivizing annual / wellness exams and further reaching out to employees.

I. Pima County Finance – Andy Welch

Mr. Welch presented the Health Benefit Trust Fund Financial Statements for the following:

- **Quarterly Review** – slides 132 - 135
- **Budget Review** – slide 136
- **Investment Review** – slides 137 - 138

Mr. Welch noted the finances are trending in the right direction and much better than anticipated earlier in the year.

Mr. Dommer commented that more time will be allotted for the Finance presentation at future meetings.

J. Call to the Audience

K. Housekeeping

- **Suggestions for Future Informational Topics for Discussion**
 - August 2021 review of Trustee responsibilities. Ms. Bohland will follow up by email.
 - Vaccination status of all employees.
- **Next Meeting Date –August 12, 2021**
- **Future Discussion Items**
 - Recognition of Dr. Garcia’s Trustee Board Service

L. Adjournment at 11:14 a.m.