COLORADO HIGHER EDUCATION
INSURANCE BENEFITS ALLIANCE
CHEIBA TRUST MEETING

A. MEETING LOCATION AND DATE:

University of Northern Colorado
University Center, Council Room
501 20th Street, Greeley, CO 80639

January 28th, 2016, Meeting began at 9:00 A.M.
January 29th, 2016, Meeting began at 8:30 A.M.

B. GENERAL BUSINESS:

1. Call to order

The meeting was called to order by Mike Dougherty, Chair. The following individuals were in attendance:

- Tracy Rogers, Adams State University
- Blaine Nickeson, Auraria Higher Education Center
- Dianda Coe, Auraria Higher Education Center
- Ralph Jacobs, CSU Pueblo
- Greg McClurg, Fort Lewis College
- Ann Hix, Colorado School of Mines
- Mike Dougherty, Colorado School of Mines
- Veronica Graves, Colorado School of Mines
- Amanda Berry, Metropolitan State University of Denver
- Nicole Tefft, Metropolitan State University of Denver
- Battsetseg Stinson, Metropolitan State University of Denver
- Marshall Parks, University of Northern Colorado
- Julie Tacker, University of Northern Colorado
- Julie Nava, University of Northern Colorado
- Kim Gailey, Western State Colorado University
- Les Kohn, Gallagher
- Michele Moreau, Gallagher
- Neida DeQuesada, Gallagher
- Margo Reid, Gallagher
- Desiree Delgado, Anthem
- Paula Wilson, Anthem
- Donna Marshall, Colorado Business Group on Health
- Robert Smith, Colorado Business Group on Health

The following individuals participated at various times via conference call:

- Dixon Waxter, Trust Attorney
- Janet Pogar, Anthem
- Annmarie Manders, Anthem
- Tracy Paladino, Gallagher

2. Approval of November Business Session Minutes

Motion was made to approve the November Business Session minutes. The motion was seconded and approved (unanimous).

3. Approval of January Agenda

Modifications to the agenda add under item E7 Treasurer's Report, E8 July Meeting Date and Location. Motion was made to appro*ve the agenda as modified and approved.*

C. PUBLIC COMMENT: - 9:15 a.m., January 28, 2016

No one appeared for public comment

D. REPORTS:

1. CHEIBA Trust Reports – Medical, Dental and Life
    - The reports included data through the month of December.
        - Michele confirmed pooling is set on family accumulation. Column C on the Oct. report includes an adjustment to reflect the family accumulation for Jan - Oct. 2015. Beginning in Nov., claim dollars over pooling will include family data.
        - The overall loss ratio with retention is 99.1% for all medical plans combined
            - Was 99.6% last year at close of 2014, not including run out
            - Expect additional incoming claims for run out yet this year
        - Rx drug costs 17% of total claims
        - Enrollment up 2.8%; 3,768 employees at the end of 2015
        - PEPM $963.15 vs. $907.19 last year, 6.2% increase
        - Total claim dollars for 2015 are up 9.1% from the end of the 2014 plan year
        - $1,822,832 in claims over the pooling point, mainly due to twins and triplets with complications
        - Rate increase from 2014 to 2015 was 7.778%

    - HMO/POS Plan
        - 2,766 employees, up 5.7% from 2014
        - Rx drug costs 16.5% of the total claims
        - Claims over pooling for HMO $1,387,847 out of $1.8M total pooled claims. Last year, $309,000 above pooling.
        - PEPM $914.21 vs $844.44 one year ago, up 8.3%
        - Loss ratio of 86.6% on paid claims without PPACA
        - 95.8% loss ratio with retention
        - Total claim dollars for 2015 are up 14.5% from the end of the 2014 plan year

    - PPO Plan
        - Enrollment dropped 4.6% to an average of 977 employees
        - High service utilizers tend to be on PPO plan
        - 98.4% paid loss ratio without retention
        - 107.1% loss ratio with retention
        - Annual claim costs almost the same in 2015 as 2014, up 1.4%, even with drop in enrollment
        - 7 months of the year were above 100% paid loss ratio
        - Rx drug costs 18.8% of the total claims
        - 107.1% loss ratio with retention vs. 108.5% the previous year

    - Custom Plus Plan

- Grandfathered plan, no new enrollment – average of 25 employees for 2015. 24 employees as of December, with January enrollment count expected to be available in mid-February.
- Experience down by half in 2015, $446,798 in 2015 vs. $836,465 in 2014.
- Rx not broken out
- Loss ratio is 144.1%

- Dental Plan
  - Another good year
  - March – April higher months as well as June – August. This is regular seasonal activity.
  - 94.2% loss ratio with retention at year end 2015, up from 92.5% in 2014
  - Year end 2015 claims are up 3.4% from the previous year, with 2015 renewal trend of 6%
  - Enrollment is up 2.8%, with the PEPM costs up .8%

- Life Plan
  - There are 3 claims for the period October – December 2015. No Trustee is aware of any claims not yet processed.
  - 64.8% loss ratio
  - 19 claims of $783,435 in 2015 vs. 11 claims of $303,000 in 2014
  - High life claim dollars were during the months of February, July & September

- Rolling 12 month claims and enrollment analysis
  - All Plans
    - Enrollment in all medical plans increased by 2.7%
    - Total net paid claims for the year increased 9.1%
    - PEPM is up 6.2%
    - PMPM is up 7.1%
  - HMO/POS
    - Enrollment increased by 5.7%
    - Total net paid claims for the year increased 14.5%
    - PEPM is up 8.3%
    - PMPM is up 9.6%
  - PPO
    - Enrollment *decreased* by 4.4%
    - Total net paid claims for the year increased 1.5%
    - PEPM is up 6.2%
    - PMPM is up 6.1%
  - Dental
    - Enrollment increased by 2.8%
    - Total net paid claims for the year increased 3.7%
    - PEPM is up 0.9%

- Question was raised if it would make sense to eliminate the PPO plan with the dropping enrollment. Would there be savings potential if members in the PPO were in the HMO plan instead? How are the plans considered to be actuarially equivalent? Michele explained that the actuarial equivalency is based on the benefits levels within each plan design, not on the claims experience within each plan. An actuarial equivalency analysis is done each July. Les said there is currently enough critical mass in the PPO to justify it, but the Trust may want to reconsider if

enrollment continues to dwindle. It was requested for the March meeting that Mike Beaton provide and explanation on how he calculates the actuarial equivalency between the plan designs.

- Large Claim Information reported by Desiree Delgado from Anthem
  - Previous monthly reports were based on individual pooled claims but now reporting is based on all family members' claims activity to be consistent with the contract.
  - Individuals with claims exceeding $75,000
    - 16 new claimants since the October reporting.
    - There is a total of 79 total large claimants representing $13.1M in claims for 2015. Anthem's case management department anticipates that 31 members will have continued claims activity in 2016.
  - Individuals with claims exceeding $350,000
    - 9 claimants representing $3.7M in claims.
    - High cost claimants over $350,000 equal 8.7% of total net medical & Rx paid claims for calendar year 2015. ($3,792,923 divided by $43,549,642 = 8.7%)
    - No further inpatient hospitalization expected for newborns. Routine follow up expected.

2. CHEIBA Trust LTD Reports

Michele explained how the reports differ with the change to fully insured LTD. The report reflects the winding down of the self-funded plan. Pended claims may need to be bought out in the future.

- Months of October, November and December
  - No change in activity
  - No claims that have dropped off and no new claims
  - 5 active claims in total
  - For October, collected $76,910 in premium, $42,472 was applied to fully-insured and $34,438 to Claims Reimbursement Deposit Account.
  - Deposit Account ending balance of $136,411 reflects ASO fees paid per Standard recap, interest and experience rating refund from the insured policy, January premium adjustments, and the reserve buyout of open ASO claims.
  - Unsure if any new claims are coming on in February
  - If no new claims within 6 months, balance will be returned to the Trust

- Mike noted that the account has grown about $50,000 since the balance stated in November's meeting. Mike mentioned may want to talk with Standard to determine what the timeline is for releasing the remaining claims reimbursement deposit balance. Les questioned if an individual previously was disabled, returned to work, then became disabled again, would they fall under fully insured or become a liability of the Trust under the prior self-funded arrangement?

E. OLD BUSINESS:

1. GBS Update
   - D & O Insurance Update
     - Michele explained that the D&O and Crime proposal is currently with underwriting and pricing is expected by Feb 8th.

- Tracy Paladino from Gallagher's Business Risk Department joined by phone. She provided brief overview of the process. Applications were received and provided to underwriting for review. Not aware of any questions at this point. Tracy's team reviews and puts together proposal (e.g., reviewing exposure, financials, website, feel for risks, etc.). Gallagher will provide an executive summary and recommended options -- present proposal that the Trust can review and move forward.
    - Marshall asked how many markets are being considered. Tracy P. confirmed three markets. Looked for markets with best appetite for public entities.
    - Blaine asked if all lines were coming from the same carrier. Tracy P. stated they try to keep lines together, but can differ based on the carrier's appetite for risk.
    - Marshall confirmed responses are coming back for both Crime and D&O liability.
    - Tracy P. mentioned quotes are generally good for 30 days. Mike mentioned that the Trust meets in late March so an extension may be needed. Tracy P. confirmed this can be accommodated.
    - Tracy P. will present these numbers in person at March meeting.

o Annual Revenue Disclosure - Les and Michele explained that standard disclosure form is required to meet requirements; however, Gallagher will duplicate the form with the addition of a column with dollar amounts.

o Strategic Planning Discussion
- CU Trust – Michele talked with Tony after the November meeting. Tony reported that he discussed options with the University of Colorado Benefits Trust Board regarding the possibility of admitting non-CU member entities. The Board would entertain this option. However CHEIBA could not be fully insured but would have to convert to self-insured. With respect to a purchasing cooperative, entities are not allowed to carve out lines of coverage, e.g., Rx. The University of Colorado Health and Welfare Benefits Trust (CU Trust) is currently revamping the "B Colorado" program now and will entertain a request to purchase this program separately. Tony would like to come and provide an update to the Trust at the July meeting. The CU Trust has marketed the self-funded Dental program to improve program pricing.
- Expanding the CHEIBA Trust – Mike stated that CSU and Community College mighty be willing to talk. Paula said CSU is running well. Les said CSU wouldn't need to offer same plan designs as the CHEIBA Trust. Contribution strategies would have to be set correctly. Mike said that could be in the financial arrangement. Les said joining together would likely not drive claims savings, it would be more a cost savings in the areas of administration expenses. Mike asked if it would be advantageous due to the membership volume in areas where CHEIBA has members today. GBS will ask Mike B. at Anthem how much CHEIBA would need to grow in membership to effectively reduce risk charges and retention levels. GBS will request examples of break points in membership to retention levels.

o ACA Updates
- IRS 6055/6056 reporting deadlines extended for:
    - Providing Forms 1095-B and 1095-C to Individuals – March 31, 2016
    - Paper filing of B and C Forms with the IRS – May 31, 2016

        - Electronic Filing of B and C Forms with IRS – June 30, 2016
        - Due to delayed reporting deadlines, additional extensions will not be available. Failure to file penalties may be waived if good faith effort is made to comply.
    - Cadillac Plan Tax delayed until January 1, 2020.
        - CPI inflation factor is still in place, just delayed
        - Cadillac tax will become a tax deduction for employers – does not apply to CHEIBA
        - Cadillac tax threshold may now take into consideration the age and gender of the insured
    - Health insurer fee is suspended for one year (2017); estimated to be worth $1.9M for insurer fee. Michele said wouldn't be surprised to see both self-funded and fully-insured employers have to start paying these fees in future.
    - Affordability ratio changed to 9.66%.
    - Wellness reward – tobacco is the only charge that can be backed out when considering program rewards
    - Reminded of webinars available to everyone and other HR resources.

    Mike asked who among the Trust does not have Ellucian and/or Banner HRIS system. Those with Banner just had a patch released. It is not fully correctly working, but another release is scheduled for February 26th. Mike's IT is asking Ellucian if manually changing default codes will affect report transmittal to the IRS. Kim expressed concern that if they file a manual report, will it be an issue when the patch is applied reversing their manual entry. Nicole said Metro is waiting for the fix on 26th. CSU Pueblo confirmed it is filing by paper.

- PAL Program – overview of the program for 2015
    - Top inquiry categories are related to benefits and claims.
    - Decrease in activity in PAL program - 184 in 2014, 2015 was 113.
        - 24 of the 41 inquiries were on benefit questions
        - 2015: 12 cases not resolved – 8 have since been closed since report.
            - Four cases currently open. On one claim, appeal was won and currently working with provider on resolution. Another claim is now closed but working with member on finding outside resources.
    - Gallagher asked for feedback on PAL program: Nicole confirmed that claims issues from Metro have been resolved, but not in favor of member.
    - Julie at UNC discussed an issue where member was looking for guidance on selecting a plan involving COB with Medicare. Neida explained that the PAL program is designed to explain how the plans work but cannot provide specific advice.
    - Mike asked why activity has gone down. The activity is currently down due to this being a period prior to open enrollment. For the report period, there have been little to no plan changes. The activity will most likely pick up moving into the new plan year. Ann asked about chiro numbers being high. Tracy R. suggested that it could be related to the Landmark program through Anthem.

- 24 Hour Flex Implementation Update

    In November, it was confirmed that 24HourFlex would handle the run-out. PayFlex and 24HourFlex signed off on the process. PayFlex finished the reconciliation by January 15th as scheduled, and 24HourFlex loaded the balances. 24HourFlex needed additional demographic information on individuals who had 2015 carryover funds, but did not

make an election for 2016. 24HourFlex has requested to pull funds from each institution. PayFlex confirmed it has not pushed the balance of funds back to the institutions. A question was raised regarding the joint account into which the annual surpluses are accumulated. PayFlex pulls funds out of each member institution's account as they adjudicate claims. 24HourFlex will do the same.

A question was raised asking why the funds are not available for 24HourFlex. Kim described her understanding of how this works – they are PayFlex & 24HourFlex accounts. PayFlex needs to release money to the institutions who can then send it to 24HourFlex so payments can be made. Some schools use EFT and some transfer funds by check. Neida confirmed PayFlex is researching to see where refunds are. Tracy R. said 24HourFlex pulled $6,000 in funds when it should have been a push account only, and their Controller is really upset. Kim said she called Johnathan Murphy to find out how much would be needed for ACH transfer before it is made. Kim said they took $5,500 from Western as well. Mike said black-out period is over; this is an issue for employees that need their reimbursements. Neida suggested asking PayFlex to push electronic refunds to accounts that use EFT then use paper checks for those that transact by check. Michele confirmed public entities generally do not allow funds to be drawn, only pushed.

Two claims were submitted to PayFlex and received prior to December 31st that PayFlex did not pay. PayFlex should have processed all claims in its possession through December 31st. Neida will follow up and keep the Trustees apprised of updates as available.

Mike checked contract, and it does not authorize pulls from the accounts. Kim said there is a second issue, the requirement to establish an 8% minimum maintenance balance. Michele noted that this allows them to pay out claims in excess of funds that they have on hand. 24HourFlex is asking for authorization to take the extra 8% as well. Discussion ensued regarding the minimum balance issue. GBS verified that the contract with 24HourFlex does require a deposit in order to establish funding to pay claims. The percentage is determined by the payroll schedule for each institution.

GBS to clarify the banking process with 24HourFlex for each institution moving forward.

Neida received confirmation that PayFlex will be pushing back the funds directly to schools' accounts. Kim was concerned about the 8% and why can't 24HourFlex use the surplus account like PayFlex did. Neida will send each school a file with their excess balances.

In response to a question, Neida confirmed there is not a fee for run-out with PayFlex.

- Other GBS items
  - Les commented that GBS and Anthem have thoroughly reviewed the Life insurance accounting. All areas have been approved by both parties.

2. Anthem Update
   - Freestanding Emergency Rooms –
     - Member Communication – Paula presented member communication piece to help direct members to most appropriate place for care.

- List of freestanding ERs in Colorado - Paula presented map of facilities around the state. Also sent list of all urgent care facilities in state. Blaine requested that list be color coded. Paula said Janet can clarify tomorrow.
- Ongoing statewide efforts – Tabled to Friday.

o All Clear
  - Communication frequency – Desiree confirmed that new members receive post card.
  - Utilization for All Clear in total and by campus – Paula confirmed cannot provide reporting by campus. Les requested total for all of CHEIBA.
  - All new members are coming on with All Clear memberships for lifetime of coverage. Initial two year period ends 1/1/2017. Next summer Anthem will be offering lifetime coverage to everyone as long as they are covered under Anthem. Les asked for confirmation of coverage details. Paula will send communication materials about how to enroll.
  - Discussion was held on why some employees would receive communication on All Clear regularly and others do not. Paula suggested that the communications could be filtered in email as spam. Ann has received nothing personally. Blaine recently received something on 1/11 for the first time in several months. Paula will follow these specific examples to research.

o CastLight communication material and implementation timeline
  - Paula reminded that CastLight functionality will be available at renewal. A CastLight subject matter expert will attend a future meeting, possibly in May, to provide a demo of program. Buy-up opportunities will be discussed at that time as well.

o Fit Bit Program Update
  - Paula re-sent Wave Three health assessment email in Mid-January. She encouraged campuses to cascade to employees asking them to complete the health assessment by February 14th. Paula confirmed that they are looking for new completers.

o Othonet Service Update
  - Physical & Occupational Therapy prior authorization: Paula confirmed Orthonet is not a prior authorization requirement for CHEIBA. Marshall said members have received letters in the past. He's concerned that members assume they have to use this service and have not been told otherwise. Paula will help with follow up communication to share with members.

o Vision premium tiering
  - Paula apologized for the confusion and lack of clarity on the application form for the vision elections. Anthem was surprised by the variety of line of coverage combinations between employees, spouses and dependent children's elections.
  - Issues at hand:
    - Current structure within Anthem's billing/eligibility system does not allow different line of coverage elections between employees and dependents.
      - Exam is included as part of medical. When making a vision election, the elections can differ from medical.
      - Desiree checking into:

- When an employee who has employee-only medical coverage and elects a spouse child vision coverage.
- When Anthem has loaded an employee in to medical only, and the employee wants to add spouse and children to the vision plan, the billing system charging the full family vision rate. This could mean that some colleges could be overcharging employees as well.
- Desiree confirmed the January bill is incorrect. She advised everyone to hold off on paying January premium until further notice. Anthem is working on correcting the system. Once resolved, a call will be coordinated to discuss the resolution. Paula offered to write letters to anyone who needs explanation.
- Paula warned everyone that a correction will require new ID cards to be produced for anyone in this situation (requiring a change in suffix code).
- Nicole noted that they experienced problems with their eligibility file. This is corrected now. Paula again said she will write member letters if they would like.

Kim shared story on Anthem Vision exam and a doctor who was unaware of the amount of integration with the medical records. Paula will follow up.

- Vision network contracting update
  - Contracting is scheduled to be wrapped up by February 21st.
  - Tracy R. said two providers were previously identified either as being in the process of joining the network or in the network. One provider that Anthem listed as being in the network, Rocky Mountain Eye Care Center in Alamosa, said they disagree. Provider Relations will research and provide status.
  - Neida confirmed that there is a list of providers who agreed to contract. Anthem will check to see if Costco is contracted.
    - Vision provider update to be included on March agenda

Janet Pogar from Anthem joined by conference call at 8:30 Friday morning.

- Emergency Room vs. Urgent Care Discussion
  - Additional communication on proper use of ERs vs. Urgent Care (UC) was requested. Janet will forward additional flyer recently released.
  - Live Health Online can be very helpful in rural areas with limited urgent care access.
  - Anthem is not able to control setting up ERs or UCs, but they are working with all Enhanced Personal Health Care (EPHC) practices to expand office hours to accommodate urgent needs in rural areas. Janet explained a challenge in rural markets is that the number of doctors in town are very limited, and the volume is not enough to make an UC even cover its cost.

- Freestanding Emergency Rooms
  - Mike and Michele reported on a meeting with State Representatives McCann and Landgraf and Senator Aguilar held January 11th that included Rebecca Wiess, Donna Marshall, Jean Houston, and others. The purpose of the meeting was to help educate the representatives and Senator Aguilar on the issues employees face when choosing free standing ERs or UCs and how these impact

the level of service and resulting costs to the employees. It was hoped that legislation could be forthcoming to address clarity in pricing, services, and to provide better transparency to consumers.

- Janet confirmed that five more freestanding emergency rooms are opening up in Pueblo and Denver area in the near future. It is important for employers and plans to keep vigilant on this matter.
- Right after the January 11 meeting, the New West Physicians medical director wrote an article in the practice newsletter addressing this topic.
- Centura is starting a new free standing model with ER on one side and UC on the other at the same location. Centura indicated that they would triage patients as they present and then provide services appropriate to the needed level of care. They would then bill based on the level of care provided. Concern was expressed regarding this model in that Centura will err to the side of caution given the potential liabilities that could arise. Anthem indicated a "wait and see" posture on this for the time being. Anthem to pull reports to view billing practices and report back at March meeting.
- Marshall shared that a zoning application for a free standing ER facility not affiliated with either hospital system was submitted to City of Greeley. The City declined citing zoning issues.

o Alternative Payment Models – Member friendly communication
  - Anthem needs to produce a communication piece to address alternative payment models (e.g., Blue Distinction Centers of Excellence, Hospital Payment for Quality and Safety, Anthem's Enhances Personal Health Care Program, Enhanced Personal Healthcare Program, Comprehensive Primary Care Initiative Contracts, Accountable Care Organizations); there needs to be a simpler handout created to highlight the above so CHEIBA can pass on to employees.

o Patient-centered Medical Homes Programs Practices
  - Remote education sessions are held focused on panels, by location or group (e.g., Centura, Colorado Health Neighborhood, New West Physicians). Trustees are welcome to listen to the discussions. Anthem to provide dates of upcoming sessions.
  - A question was raised regarding how Anthem monitors the practices? Anthem pays practices on a PMPM basis. Janet explained that every panel gets a scorecard. An agreement is signed with Anthem. The practice agrees to offer extended hours, attend seminars to transform the practice, etc. Practices receive reporting on gaps in care. They are monitored to be sure they are hitting the Triple Aim.

    Triple Aim is defined as:
    - Improving the patient experience of care (including quality and satisfaction);
    - Improving the health of populations; and
    - Reducing the per capita cost of health care

    Anthem's Value based programs are intended to meet all three of those areas.

    Measurements are in place to track acute and chronic care, utilization improvement, and preventive care. Mike was concerned that this does not address whether a practice is actually doing what is intended with respect to follow up contacts with patients.

- Mike provided a specific example of specialist visit where follow up was not received from PCP. Janet explained that they cannot track PCP follow ups at that specific level of detail. Les suggested random audits on follow ups.
- Couple groups in metro area and Pueblo are being closely monitored to increase quality scores.
- Anthem stressed that model allows additional funds for practices to hire nurse coordinators to take some of the administrative burden off of the doctor, allowing them to focus on practicing medicine. Funds are used for developing processes, monitoring gaps in care, follow ups after hours, emails, coordinating referrals and measuring overall success. Looking closely at gaps in care, i.e., asthma medications being filled, women being tested as appropriate for osteoporosis, A1C tests for diabetics, etc.

o Cost of Care report/analysis
- Paula will provide detail to GBS and will include in the presentation at the annual meeting in July. Anthem has a list of what is in the Professional – Other and will provide it to GBS.

o Other Anthem items
- Michele reinforced that Diabetes Prevention Program is already included at no additional cost to the employee.
- Future bundling practices - Anthem provided examples of hips and knees, colonoscopies, orthopedics and upper GI as surgeries which will have bundling practices in place. Anthem will clarify if they will be available to fully-insured and self-funded clients.

3. Colorado Business Group on Health Membership (handout provided)
o 2015 Accomplishments
- Conducted monthly meetings with regional/national speakers
- Hosted second C-Suite Forum on purchasing, rather than just paying for health care. Health care is second largest line item in most budgets.
- Held 8th Annual Colorado Culture of Health Conference

o Focus on programs for improving value
- Bridges to Excellence (BTE) project
- Diabetes Prevention Program (DPP)
- Leapfrog performance/safety scores
- Strategic planning sessions with specific hospital and medical groups

o 2016 Goals and Objectives
- Improve value of CBGH membership
- Members must participate – like a gym membership. Take advantage of educational sessions, discussions, etc. Marshall attended the CBGH meeting in December.

o Value of CBGH membership to CHEIBA
- Use Leapfrog & Comparion analytics results to engage hospitals on safety scores.
- Steer employees to Bridges to Excellence physicians
- Support and take advantage of the data warehouse
- Encourage transparency for “shoppable” services
- Participate in planned bundled payment efforts, i.e. knee and hip surgeries
- Engage CBGH staff in planning efforts

- Access to the CBGH toolkit.
  - Best in class programs designed by societies & providers, not CBGH programs where they make money
  - Focus on quality and cost control
  - Colorado Springs Utilities: BTE recognized physicians, pays provider for being on panel – mutual accountability. Manage costs and quality for members with savings paid back PEPM in average of 3 months. Plan design can be set to incent members for using BTE providers.
  - Overused procedures: Northern Colorado reflects twice the usual number of back surgeries
    - Mike: how CBGH database differs from database differs from all-payer database?
      - Anthem will release data to CBGH. Trust needs to discuss elements since it is on a fully-insured contract
      - How does that leverage or improve database vs. GBS's bulk database?
    - Donna stated that they believe in reference pricing as a tool rather than comparing costs across plans.
    - CBGH - How can they better support the Trust this year? Trustees are welcomed to attend meetings like Marshall did for the December meeting.

  Mike asked what Donna saw as opportunities to assist in Durango, Gunnison, Pueblo, etc. Donna said they have no employees in these areas now and they would welcome opportunity to visit.

  Michele asked the Trustees if there is interest in exploring/participating in or with Leapfrog, meeting with physicians in community, etc.

4. Consideration of Data Release and Modifications to Trust Agreement
   Mike opened the discussion by asking - Are we properly meeting our fiduciary responsibility to the Trust? Suggested for discussion:
   - While we have allowed in the past campus-specific data to be released, there is nothing in the Trust document/agreement stating or outlining the process for these requests. Should we put restrictions in the Trust agreement restricting releases to be based on the Trust as a single entity instead of separate college/institution entities?
   - When a member institution indicates it is leaving, are there time periods for allowing members back in to the Trust (i.e., jumping in and out for deals)? Should there be rules to help protect the integrity of the Trust, and if so, should these be in writing?

The Chair moved to add section 2e to the Trust agreement that reads:

All claims data, reports, and analyses of these data are property of the Trust and shall only be extracted, listed, or made only on the basis of the Trust as a whole. No individual College-specific claims data shall be provided to any College or to any individual or entity.

Marshall seconded the motion to allow for discussion.

Blaine noted that all claims data is owned by Anthem, or the specified carrier, which would require a correction to be made to the first sentence. Mike agreed and recognized that additional work on the language would be necessary.

Discussion: Marshall stated that he believes the data should be made available upon request; however, the time to evaluate the impact of the decision on the Trust should be

lengthened. It was noted that the Trust agreement includes a requirement of a one year notice. Kim did not agree that additional notice time is needed. Kim recognized that the Trustees should protect the interests of the participants in the Trust; however, schools also have an obligation to check the marketplace to determine their best options in their respective markets. She suggested that the Trust may set limits on how often a campus can request its claims data.

Michele supported the concept and offered her advice that the agreement language should include limits on how often you can shop as well as contain language regarding readmission once an entity leave the Trust.

Mike stated that Trustees have an obligation to make sure new campus presidents and board members understand the value of participation and membership in the Trust.

Tracy R. reinforced the importance of having strong language included in the agreement to reinforce the rules and processes.

Ralph stated his belief that a one year notification is adequate.

Les confirmed that the Trust agreement includes a one year notice requirement. Mike and Blaine noted that the Trust agreement does not create a penalty for not complying with this requirement.

Mike stated that a common premium rate structure is currently in place. If there is interest in providing campus-specific claims data, instead the Trust could change to rating each entity separately using its own claims experience. One possibility could be to use a three year moving average by entity. We would continue to receive the overhead advantage of the Trust. However, Mike believes that it is in the best interest of the Trust to use the common rate structure.

Marshall doesn't agree saying that it is the responsibility to member institutions to benefit from the best deal they can find in the market.

Mike stated that carriers can provide quotes without claims data. Les said the carriers will expect claims data. Marshall stated that he has received three quotes without providing any claims information. Les said that they may provide rates; however, they would be very conservative without actual claims data. Marshall also replied that if the rates appeared competitive, that this may be the carrier's way of buying the business for the first year.

Ralph commented again about the data belonging to Anthem. Further discussion continued on releasing claims data to colleges upon request. It was restated that Anthem owns the claims data as the plans are fully insured. Paula stated that when Anthem receives a request for claims data, it would go back to the Trust to get its permission to share the data with the college. Without this authorization, Anthem would not release the data as Anthem's client is "the Trust" and it would not risk that relationship.

Kim expressed additional thoughts, saying the data is the Trust's data. There are rules on how to enter the Trust, and one rule on exiting. For sharing the data, maybe it's not the Trust's place to define or say "yes" or "no." Maybe the answer is to tighten the rules for exiting, possibly charging a fee.

Mike suggested that they could possibly modify the language in the Trust agreement to say if a request is made, the Trustees will not authorize the release of the data. Blaine said they already have the ability to do that with the votes at the table. Mike agreed, but noted that without any language added that governs these requests, the Trustees have nothing other than precedence to guide their decision. The reason the Trustees have voted in the past to allow the requested claims data release is that it has been done in the past.

Mike offered another example of why he believes it is necessary to strengthen the Trust language regarding data requests. Paralleling the logic of a member institution's obligation to periodically assess whether remaining a Trust member is in its continued interest, it could be argued that the member institutions in the Trust, in conjunction with their collective fiduciary responsibility to the Trust participants, have a periodic responsibility to assess whether the Trust should continue in its present form. Accepting the premise that some member schools have a claims history that is consistently better than the Trust average, reflected in the common rate, there may also be some Trust member schools whose claims history is consistently worse than the Trust average. Article XII of the Trust outlines the process to terminate the Trust by a simple majority of the Trustees. Extending this logic, there is no prohibition against a majority of Trust members terminating the Trust and creating an equitable distribution of Trust assets. Then, those schools who have consistently good claims performance could agree to form a new Trust without those previous member institutions with consistently worse than average claims performance. The savings to the remaining member schools could be significant just from the geographic cost differentials that are present where some institutions are located in areas that have 20% higher costs.

In addition to the above example, in arguing for a stronger position on claims data sharing, Mike recounted a description of prior requests. In these requests, every time the requesting institution found that its cost would go up by leaving the Trust, the institution chose to stay. But the one time an institution believed its costs would go down, the institution left. Logically, sharing data over time will eventually cause better performing institutions to leave when they deem it in their best interests.

Mike stated that there are real reasons for the Trust to continue and that he believes it is the obligation of the Trustees to take effective steps to preserve the integrity of the Trust into the future for the benefit of the participants. Periodically sharing institution-specific claims data strikes at the heart of the concept of a common Trust for common good of the members and their employees and families.

Michele stated that any time you allow an entity to market, this creates selection resulting in volatility in the Trust.

Marshall is very close to this and his campus leaders are on board with believing the Trust is the best thing for employees.

Mike concluded the discussion of this topic by suggesting that each member spend some time on preparing a proposal to review in March. Mike withdrew his motion at this time. He reinforced that Anthem owns data for medical, dental, vision, life, and Standard now owns the LTD. The Trust can influence the distribution of the data, but does not own it.

Mike appointed a subcommittee that in addition to himself consists of Blaine, Marshall, Tracy, and Michele to draft language for consideration at the March meeting.

5. Communications strategy and program
   Mike introduced the communications topic stating that as Trustees, they agree that they must communicate and be more proactive with members. There should be a focus on products available and participant behaviors.

   Michele shared a presentation highlighting what makes a successful communication strategy incorporating challenges the Trust may be facing.

   - An integrated strategy, and budget, that aligns with an organization's culture and direction is key to successful communication.
     - Important to consider the demographics and culture of each college.
     - Need to consider multi-generational audience. The use of multiple vehicles/channels is critical to the effectiveness and retention of communications.
     - Sample topics – Healthcare reform, health management programs, consumerism, wellness

   - Core elements to engagement – timely, concise communication with simple messaging
     - Four step process
       1. Analyze your employee population – survey Trustees and do workforce evaluation using census by college
       2. Determine long and short term goals. Classify and prioritize topics. Define and communicate HR and benefits strategy.
       3. Consider technology and methodology best suited for engagement.
          - Participation at the leadership level is key
          - People retain when messaging comes from people they trust. Suggest messaging come from schools, not CHEIBA.
       4. Measure results – have process in please for measuring process and results. Actively communicate with senior stakeholders.

Open discussion sharing possible ideas:

- Faculty meetings may be great way to communicate, e.g., Wave Three wellness messaging
- Guest speakers from Anthem to promote specific products and tools, e.g., brown bag lunches
- Using CastLight, which will be available at the next renewal - cost and quality tool demo, Enhanced Personal Health Care, etc. The Trust is looking for a date for CastLight going live.
- Blaine suggested producing a one page quarterly newsletter with focused topics
- Ann mentioned that employees are often not the decision maker. It's important to include spouses and family members.
- Mike suggested hosting webinars at each campus. He reinforced the need to customize communication strategies based on demographics of each college. Telemedicine may be perfect to promote for the schools in more remote areas.
- Marshall shared that communication has been a personal goal for him this past year. He attended 32 meetings, with a mission of talking to as many people as possible. He wanted his employees to understand what CHEIBA is and how it benefits them personally. He rolled out the "Trustee for the day" idea and really focused on teaching the basics of how everything works together with healthcare, benefits, premium, salary, etc.
- Marshall said he found that the CHEIBA brand isn't really important to the employees. Ann reinforced that, employees just need to know that it's a purchasing co-op and the rest should be branded by the entities. Ralph agreed that all communication would be more credible coming from each campus not CHEIBA.
- Tracy would like see examples of people who have been successful with a communication campaign -- How to get their attention and messaging of how it applies to me right now. Finding the right balance between just enough materials and just enough detail.

- Blaine also asked to see examples of successful campaigns for other clients.

Discussed doing this in phases:
- Discovery – setting goals, demographics, look at channels, set priorities
- Gathering – gather all tools with vendors, council meeting, faculty senate,
- Implementation
- Budget $10,000 to $30,000 depending on the strategy chosen

Next Steps:
- Review examples of successful communication campaigns – scheduled for March meeting
- Understand demographics based on census. GBS to share elements that will be needed.
- Survey each Trustee to learn about the specific interests and needs of each college.

Anthem Member Communication:
Paula reviewed Centers of Excellence flyer; it is not a buy-up or add on. Les asked if we can design benefits that incent members to use these hospitals for services. Desiree confirmed can sort by these providers on directory.

6. Treasurer's Report

   Blaine said the balance of the Operating Account is $158,000 after taking out funds for health fairs and the cost of printing the benefit booklets. An average of about $2,000 per month is being spent for legal fees and meeting reimbursements as well. Money may need to be moved around mid-year to cover ongoing operating costs. As Fidelity funds are dwindling, the Trust will need to look at other funding sources, i.e., reserves from Anthem or Standard. If not, the Trust will need to build operating costs into a PEPM within the premium rate.

7. July Meeting

   Currently is scheduled for Wednesday, Thursday, and Friday, July 27-29, at The Lodge in Breckenridge. The Lodge is no longer able to accommodate these dates. They can, however, accommodate Monday, Tuesday and Wednesday, July 25-27. Consensus: Stay at The Lodge at Breckenridge and move to Monday, Tuesday, and Wednesday, with the educational meeting being on Wednesday.

F. NEW BUSINESS:

1. Open Enrollment Update
   - Enrollment numbers are not yet available. Looking forward to seeing the migration numbers broken down by tiers within the next month.

   Interest was expressed in pursuing an enrollment/eligibility system.

2. CBGH 9th Annual Colorado Culture of Health Conference April 27th - Trustees were reminded of this opportunity and asked to consider attending if they have an interest.

3. 2015 GBS Higher Education Benchmarking Report -
   - A total of 3000 national respondents – 82 were Higher Education institutions
     - Greatest Higher Education Challenges
       - 71% Controlling employee benefit costs (62% for all respondents)
       - 51% Government regulations
       - 50% Attracting and retaining a competitive workforce
       - 50% Maintaining /decreasing overall operating costs
     - Greatest HR Challenges within Higher Education

        - Controlling healthcare costs
        - Reducing HR administrative workload
    - Overall benefit provided by Higher Ed institutions are relatively generous
        - Types of plans offered:
            - 84% PPO (vs. 80% overall)
            - 41% HMO (vs. 25% overall)
            - 35% HDHP (vs. 23% overall)
        - Health Savings Accounts
            - 42% offer an HSA
            - 62% make HSA contributions
            - 29% report at least half of their employees use the account
        - PPACA
            - 36% of higher ed employers avoiding 30 hours per week requirement by scheduling part time employees to work less than 30 hours per week
            - 30% of higher ed employers anticipate that one of their medical plans will trigger the Cadillac tax. In reaction, nearly all are redesigning (42%) or considering redesigning (54%) their plans to avoid the tax
        - Wellness Findings
            - Higher ed institutions provide more robust wellness programs than employers overall
            - 61% of her ed institutions offer wellness programs
            - 76% of higher ed employers identified participation as biggest challenge
        - Communication
            - Major focus for higher education
            - Need to balance between implementing cost controls and improving employee attraction, engagement and retention
            - Higher ed placing emphasis on funding into employee educations and decision making tools

Mike: If the Trust made HDHP its only option, if we said to employees that participate in the wellness program, and we could then fund a portion or all of the employee's HSA, is this a plan design that is allowed under current regulations? Michele stated that this was absolutely something the Trust could do. Mike then said for this design to be effective, where is the cost and quality information to allow the employee to make intelligent choices? Paula said there are some tools on-line, but CastLight will be a solution.

4. Contract Update – Dixon

    Will have to do five contract amendments for 2016:
    - Anthem for medical, dental, and vision
    - Health Smart
    - CHUB
    - Gallagher
    - Mutual of Omaha

    Standard's contract is completed. Signature is needed on the document to remove CSU System from the Trust. The policy amendment is signed.

    All of 2015 contract amendments are completed. Neida will send copies of the executed amendments to everyone.

G. EXECUTIVE SESSION -

No Executive Session was held

E3 (con't) **Colorado Group on Health Renewal Discussion**

- Dues are $15,000. Originally dues were $12,500; the CBGH Board passed an increase for 2016. The Trust paid $7,500 for its initial partial year.
- Ralph stated that he believed they were a great source of useful information. Would prefer not to drop it yet, but interested in seeing a strategy put in place for using the services.
- Marshall said didn't see the value at this point, but agrees that information is available. He is struggling with how he can use services to benefit employees and benefit trust.
- Tracy R. expressed that she is having a difficult time knowing how to use the tools as well.
- Blaine is not convinced it is worth the investment, but agrees to give it one more year.

Mike, Marshall and Blaine agreed to form a subgroup to work with Gallagher and CBGH on developing a strategy to use the CBGH membership to its fullest.

A motion was made by Marshall to renew the membership for Colorado Business Group on Health for one more year. The motion was seconded by Tracy R. and it was approved.

March Meeting -- Due to number of items on the agenda, a decision was made to change the March meeting to be face to face in Pueblo on March 24th and 25th. The Spring Hill Suites downtown is the recommended hotel. Mike agreed to contact the hotel for availability and group rates.

H. ADJOURNMENT

A motion was made to adjourn the meeting. The motion was seconded and approved.