

WASHINGTON COUNTIES INSURANCE FUND/POOL  
COMBINED BOARD MEETING MINUTES

Thursday, September 14, 2006  
Radisson Hotel  
SeaTac, Washington

BOARD MEMBERS PRESENT:

George Trott, Wahkiakum County Commissioner, WCIF Chair  
Dwight Robanske, Columbia County Commissioner, WCIF Vice Chair  
Mac McDowell, Island County Commissioner  
Alan Crankovich, Kittitas County Commissioner  
Rich Graham, Lewis County Commissioner  
Pat Hamilton, Pacific County Commissioner  
Dave Carey, Walla Walla County Commissioner  
Jerry Finch, Whitman County Commissioner  
Paul Eichenberg, Spokane Library District, WCIP President  
Belinda Price, Olympic Area Agency on Aging, WCIP Vice President  
Sandy Ward, Behavioral Health Resources

Absent: Max Benitz, Benton County Commissioner  
Jeff Rasmussen, Cowlitz County Commissioner  
Dean Burton, Garfield County Commissioner  
Ken Oliver, Pend Oreille County Commissioner  
Elaine Croteau, Kitsap County Health District

OTHERS PRESENT:

Larry Larson, Island County Alternate  
Larry Grove, Lewis County Alternate  
Dean Cummings, Pend Oreille County Alternate  
Nadya DeGrande, Cowlitz County Alternate  
Mark Fukuhara, WCIF Executive Director  
Rita Fanning, WCIF Deputy Director  
Krista Whitaker, WCIF Benefits Manager  
John Garner, Garner Consulting, Benefits Consultant  
Gerti Garner, Garner Consulting, Benefits Consultant

I. OPENING OF MEETING

Chair George Trott opened the WCIF Board meeting at 12:35 pm and President Paul Eichenberg opened the WCIP Board meeting immediately thereafter.

## II. APPROVAL OF MINUTES

The WCIP Board of Trustees and the WCIF Board of Directors reviewed the draft minutes for the meeting on August 17, 2006.

Motion was made by Dwight Robanske and seconded by Alan Crankovich that the WCIF minutes for August 17, 2006 be approved as submitted. Motion carried unanimously.

Motion was made by Dave Carey and seconded by Belinda Price that the WCIP minutes for August 17, 2006 be approved as submitted. Motion carried unanimously.

## III. ELECTIONS TO WCIP BOARD OF DIRECTORS

Paul Eichenberg announced that the Insurance Advisory Committee had elected Rich Park from Timberline Regional Library to a new 2 year term beginning January 1, 2007 replacing Elaine Croteau who had informed us she would be unable to continue as a WCIP Board member. He also explained that George Trott and Dwight Robanske have automatic appointments as WCIF Executive Chair and Chair respectively; Jerry Finch will lose his automatic appointment; and the terms for Dean Burton, Dave Carey and Richard Graham expire December 31, 2006.

Jerry Finch, Dean Burton, Dave Carey and Richard Graham were all interested in filling the 3 Board openings so ballots were passed out to all WCIF Board members. Jerry Finch, Dave Carey and Richard Graham were elected to 2 year terms beginning January 1, 2007.

## IV. EXECUTIVE DIRECTOR REPORT (see written reports)

Mark Fukuhara made announcements not included in his written report: 1) we have heard that Grays Harbor County may not move its medical plans from PEBB to WCIP/WCIF in which case we will pursue our lawsuit against Grays Harbor PDA; 2) for future Board meetings we will book a block of hotel rooms and will assume Board members will be attending unless they tell us otherwise; and 3) no WCIP participating employer has submitted a written notice of intent to withdraw.

Mark briefly went over his written report regarding the need for an additional full-time position and explained that there are sufficient funds in the 2006 budget to cover the additional cost in salary and benefits if someone is hired this year.

Motion was made by Pat Hamilton and seconded by Mac McDowell to approve the immediate recruitment for an additional full-time position with a starting annual salary between \$40,000 and \$50,000. Motion carried unanimously.

Mark explained that a request for proposal (RFP) will be received soon from the broker for Skagit County and approval from Symetra will be required because they

have more than 400 employees (about 770 employees). Mark recommended that the Board authorize him to offer one of our 3 standard tiers of rates, dependent upon claims experience, which would negate the need for calling a special WCIP Board meeting to review and approve tailored rates.

Mac McDowell stated that he did not want to preclude a special meeting to authorize customized rates if our analysis of claims experience provided justification. Mark explained that if the analysis of claims experience resulted in the need for rates more than 5% higher/lower than the pool then a special WCIP Board meeting via conference call would be scheduled. He also welcomed Mac McDowell's offer for Board members to talk to Skagit County commissioners regarding the merits of offering WCIP medical plans.

Motion was made by Pat Hamilton and seconded by Jerry Finch that the Executive Director be authorized to offer one of our 3 tiers of WCIP rates for Skagit County as appropriate based on analysis of claims experience. Motion carried unanimously.

Mark summarized the WCIP rate sheets that were included in the Board materials.

#### V. EXPANSION OF WCIP LOYALTY PROGRAM TO WCIF (see written report)

Rita Fanning explained the current WCIP loyalty program funded by the WCIF and the recommendation to expand the program to WCIF employers beginning with the October 18, 2006 ACE Meeting. There are 51 current WCIF employers that would qualify for the expanded loyalty program for an annual cost of \$10,200.

Motion was made by Pat Hamilton and seconded by Dave Carey that the WCIP loyalty program be expanded to WCIF employers by allowing reimbursement of up to \$200 in travel expenses to attend WCIF/WCIP training meetings. Motion carried unanimously.

#### VI. WCIP MEDICAL CLAIMS AUDIT (see written report)

Rita Fanning explained the need for a medical claims audit of Zenith Administrators and staff's recommendation to issue an RFP. WCIF staff will review the proposals received and determine two finalists who will be invited to the November 16 Board meeting to make short presentations and field questions.

Motion was made by Pat Hamilton and seconded by Belinda Price that the WCIF staff issue an RFP for a medical claims audit of Zenith Administrators. Motion carried unanimously.

#### VII. EXPANSION OF WELLNESS GRANT PROGRAM AND INCENTIVES (see written reports)

Krista Whitaker explained the current wellness grant program, budget and allocation methodology as well as the role incentives play in getting people to change their

behaviors. She requested the WCIF Board to approve expansion of eligibility for wellness grants to all employers instead of the current practice of grants being made to only employers offering WCIP medical plans. If approved, she will provide the methodology of funding allocation and the proposed 2007 budget amount for wellness grants and incentives at the next Board meeting.

Motion was made by Dwight Robanske and seconded by Jerry Finch to approve the expansion of the wellness grants to all WCIF employers with the 2007 budget for wellness grants and incentives to be reviewed for approval at the November 16 WCIF Board meeting. Motion carried with Pat Hamilton dissenting.

Concerns were raised by Belinda Price, Pat Hamilton and Mac McDowell regarding the security of information exchanged between our vendors/carriers and in particular, that such information should not be saved on laptop computers. Mark Fukuhara said that staff would check with our vendors/carriers to see if they have recently adopted a policy or rule that does not allow their staff to include PHI information for our members on laptop computers.

#### VIII. STRATEGIC PLANNING FOR 2007 (see written report)

Mark Fukuhara went over the proposed 2007 meeting schedule which includes four joint WCIF/WCIP Board meetings in March, August, September and November and two Spring and two Fall ACE Meetings in eastern and western Washington respectively. The intent of expanding the number of ACE Meetings was to increase attendance which in turn would reduce the workload on staff to provide one-on-one training.

Mark reminded the Board that Garner Consulting had been hired to help us with the 2007 WCIP renewal and asked the Board for direction on what to do for benefits consulting services in the future. John and Gerti Garner were excused from the meeting while discussion ensued on this matter.

Motion was made by Mac McDowell and seconded by Pat Hamilton to authorize the executive director to negotiate the terms of a contract for benefit consulting services with Garner Consulting and report back at the November 16 Board meeting. Motion carried unanimously.

There was discussion regarding long term planning issues and consensus by the WCIF and WCIP Board for staff to: 1) expand the March 14 WCIF/WCIP/IAC meeting to the morning of March 15 to enable sufficient time to conduct strategic planning; 2) issue an RFP to obtain a facilitator for the strategic planning session; 3) issue an RFP for voluntary worksite marketing programs (e.g., AFLAC type of plans), long term care and short term disability plans; 4) schedule ethics training for the Board, possibly to be provided at the March 15 planning session; and 5) work on developing a disaster plan.

IX. NEW BUSINESS OR ANNOUNCEMENTS

Mark Fukuhara announced that the next Board meeting on November 16 has been changed to be a joint WCIF/WCIP Board Meeting as separate budgets will be presented for the first time.

X. ADJOURNMENT

The meeting was adjourned at 2:10 pm.

MINUTES APPROVED November 16, 2006 by WCIF and WCIP Boards

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George Trott, WCIF Chair

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Dwight Robanske, WCIF Vice Chair

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Paul Eichenberg, WCIP President

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Belinda Price, WCIP Vice President