

WASHINGTON COUNTIES INSURANCE FUND
BOARD MEETING MINUTES
Friday, June 5, 2015
Cedarbrook Lodge
SeaTac, WA

BOARD MEMBERS PRESENT:

Obie O'Brien, Kittitas County Commissioner, WCIF Chair
Bill Schulte, Lewis County Commissioner, WCIF Vice-Chair
Brad Miller, Ferry County Commissioner
Helen Price Johnson, Island County Commissioner
Shannon Moore, Northshore Fire Department
Lisa Ayers, Pacific County Commissioner
Karen Skoog, Pend Oreille County Commissioner
Greg Knight, Rural Resources Community Action Council
Randy Rollins, Spokane Housing Authority
Don Dashiell, Stevens County Commissioner
Rick Homchick, Timberland Regional Library
Blair Brady, Wahkiakum County Commissioner
Jim Johnson, Walla Walla County Commissioner
Michael Largent, Whitman County Commissioner

ABSENT:

Shon Small, Benton County Commissioner
Dwight Robanske, Columbia County Commissioner
Mike Karnofski, Cowlitz County Commissioner
Wynne McCabe, Garfield County Commissioner
Jim Fields, Vera Water and Power
Karlyn Shannon, Washington State Association of Counties

OTHERS PRESENT:

Lexi Wingfield, Benton County Alternate
Lisa Ronnberg, Columbia County Alternate
Stephanie Dunn, Cowlitz County Alternate
Bob Johnson, Garfield County Commissioner Alternate
Melanie Bacon, Island County Alternate
Larry Grove, Lewis County Alternate
Rachel Patrick, Pacific County Alternate
Shelly Peters, Pend Oreille County Alternate
Amanda Carpentier, Spokane Housing Authority Alternate
Jon Kaino, WCIF Executive Director
Terri Luther, WCIF Deputy Director
Kathi Rauch, WCIF Finance Director
Kimberly Beahler, WCIF Senior Account Executive
Janée Knigge, WCIF Wellness Coordinator
John Wallen, DiMartino Associates
Alejandro Alvarez, DiMartino Associates

I. OPENING OF MEETING

WCIF Chair Obie O'Brien opened the Washington Counties Insurance Fund (WCIF) Board of Trustees' meeting at 8:05 AM and everyone present introduced themselves.

II. EXECUTIVE SESSION

At 8:07 AM, WCIF Chair O'Brien called an executive session to discuss the annual performance evaluation of WCIF Executive Director Jon Kaino in accordance with RCW 42.30.110. WCIF staff and all other non-Board members or alternates were excused. The executive session ended at 8:15AM. Upon resuming the meeting, Chair O'Brien summarized the evaluation in a positive manner and stated that Jon had the Board's full support and would continue in his position as Executive Director of WCIF. It was expressly recommended that Jon continue with the mentorship of staff and communication to the WCIF Board.

III. CHANGES OR ADDITIONS TO THE AGENDA

Motion made by Jim Johnson and seconded by Randy Rollins to approve the agenda as presented. No further discussion. Motion carried unanimously.

IV. APPROVAL OF MINUTES FOR MARCH 12, 2015 MEETING

Motion made by Bill Schulte and seconded by Helen Price-Johnson that the WCIF minutes for March 12, 2015 be approved. No further discussion. Motion carried unanimously.

V. EXECUTIVE DIRECTOR REPORT

Update on OIC Appeal

Jon Kaino reported that our hearing was held on the 27th of May and OIC's primary argument was that WCIF had no standing to appeal as the rates were filed by Premera and Group Health, not by WCIF. Jon stated that he thought the hearing went well and reminded the Board that it is the 2014 rates being argued, so the appeal decision will have no immediate impact on current plans and rates. However, if WCIF loses there may be an impact on the future rates for our non-legacy groups.

Executive Director Visits

Jon informed the Board that he is scheduling his member visits to take place starting in June and continuing throughout the summer and fall. While traveling, Jon will generally be available via email and cell phone. Terri Luther and Kathi Rauch will also normally be in the office and available to answer questions, as will the WCIF account executive staff.

Data Security Enhancements

Jon also reported that WCIF is in the process of increasing its data security to a 24/7/365 live monitoring service through the current IT provider, Intrinium. The enhanced security will provide broader protections as well as more immediate detection should WCIF experience an external breach. The Executive Committee reviewed the proposal and recommended moving forward.

HIPAA Audit

Kimberly Beahler reported that WCIF has contracted with Proteus Consulting out of Hayden, ID to perform our next HIPAA audit. The security risk analysis will include evaluation of Intrinium (WCIF's IT provider) to verify that proper security and firewalls are in place and will evaluate whether or not WCIF has correct policies and procedures in place. The process will also include a mitigation plan to fill any gaps in WCIF security.

Website RFP Update

Kimberly also reported that WCIF has selected 314media out of St. Louis, MO to provide our website re-design. Contracts are being signed and WCIF staff is looking forward to beginning the creative process in the coming weeks. Staff anticipates having a preview for the board at the August meeting.

2016 Draft Meeting Schedule

The proposed draft 2016 meeting schedule was provided to the Board for their review and feedback. The Board discussed the meeting location alternatives and Board members were asked to provide feedback on dates proposed.

VI. SERVICE CALL AND MARKETING REPORT

Terri Luther reported that the Account Executive team has concluded spring meeting visits; although a couple of groups requested later meeting dates. Also, the format of the February ACE meeting for administrators has been changed to a topical format in order to provide more value to the one on one administrative training during the face to face visits.

On the marketing front, Terri stated that there has been limited growth due to the OIC litigation situation. However, in the past two years, WCIF has received 109 RFPs. Once the OIC situation is resolved, WCIF anticipates a good deal of quoting activity and growth.

The Healthcare Reform Seminar will be held on July 29, 2015 in Yakima, WA. WCIF carrier sponsorship is covering a large portion of the meeting costs.

VII. WCIF FINANCIAL REPORTS

Jon Kaino and Kathi Rauch presented the 2015 first quarter financial statements. Thus far, WCIF is running with a surplus despite the increased litigation costs. Jon cautioned the board that 2015 may end up running at a deficit overall by year end due to the unbudgeted legal costs of the OIC appeal; however, with strong reserves, the financials for WCIF are still doing well. Also, Kathi stated that there is a new requirement through GASB 68 which requires WCIF to include the WCIF allocated portion of the net pension liability which will have an impact on our financials.

Motion made by Helen Price-Johnson and seconded by Stephanie Dunn to approve the 2015 Financial Statements as presented. No further discussion. Motion carried unanimously.

VIII. DISCUSSION ON WELLNESS PARTICIPATION DISCLOSURE POLICY

At the request of a couple of member employers, there was a discussion on releasing the names and status of employees participating the wellness program to the employers. The WCIF Board had previously put a policy in place for the wellness program that WCIF will not disclose the names of participating, partially participating, or non-participating employees. After discussion, the board unanimously agreed to continue the present policy.

IX. PRELIMINARY 2016 RENEWAL PRESENTATION

John Wallen from DiMartino Associates presented the 2016 preliminary renewal information which included updated utilization data and the general renewal outlook and timeline. As the pre-renewal information for medical will not be available for a few more weeks, the WCIF Executive Committee will meet on July 22, 2015 to review the initial renewal and make recommendations prior to the August meeting.

X. DISCUSSION AND REVIEW OF COMPARISON OF WCIF PLANS WITH PEBB PLANS

Jon Kaino reviewed a document created by WCIF which compares how WCIF medical plans compare with PEBB medical plans. The comparison includes items such as benefits, surcharges, bundled benefits, and availability of support staff. The Board gave approval to WCIF to use this document for marketing.

XI. ELECTION OF EXECUTIVE COMMITTEE MEMBER

Due to a retirement, the WCIF Executive Committee has a vacancy until the end of 2016 which needs to be filled by a non-county member group. The Board engaged in discussion with and about the potential candidates (three of the five were not present for this election).

Motion made by Helen Price-Johnson and seconded by Brad Miller to appoint Greg Knight from Rural Resources to fill the vacant position on the WCIF Executive Committee until the end of 2016. No further discussion. Motion carried unanimously.

XII. NEW BUSINESS ANNOUNCEMENTS

Executive Committee Meeting scheduled for July 22, 2015 at the DoubleTree in Seattle.

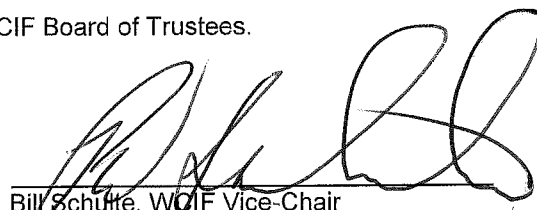
Pre Meeting Workshop and WCIF Board of Trustees Meeting
August 13 & 14, 2015 at the Cedarbrook Lodge, SeaTac

XIII. ADJOURNMENT

Chair O'Brien adjourned the meeting at 11:28AM.

MINUTES APPROVED August 14, 2015 by the WCIF Board of Trustees.


Obie O'Brien, WCIF Chair


Bill Schulte, WCIF Vice-Chair