

WASHINGTON COUNTIES INSURANCE FUND  
BOARD MEETING MINUTES  
Thursday, November 5, 2015  
TRAC Center  
Pasco, WA

BOARD MEMBERS PRESENT:

Brad Miller, Ferry County Commissioner  
Helen Price Johnson, Island County Commissioner (by phone)  
Obie O'Brien, Kittitas County Commissioner, WCIF Chair  
Bill Schulte, Lewis County Commissioner, WCIF Vice Chair  
Lisa Ayers, Pacific County Commissioner  
Karen Skoog, Pend Oreille County Commissioner  
Randy Rollins, Spokane Housing Authority  
Don Dashiell, Stevens County Commissioner  
Blair Brady, Wahkiakum County Commissioner  
Jim Johnson, Walla Walla County Commissioner  
Karlyn Shannon, Washington State Association of Counties  
Michael Largent, Whitman County Commissioner  
Jim Fields, Vera Water and Power

BOARD MEMBERS ABSENT:

Shon Small, Benton County Commissioner  
Dwight Robanske, Columbia County Commissioner  
Mike Karnofski, Cowlitz County Commissioner  
Shannon Moore, Northshore Fire Department  
Greg Knight, Rural Resources Community Action Council  
Wynn McCabe, Garfield County Commissioner  
Rick Homchick, Timberland Regional Libraries

OTHERS PRESENT:

Karlee Ainsworth, Benton County  
Lisa Ronnberg, Columbia County Alternate  
Melanie Bacon, Island County Alternate  
Larry Grove, Lewis County Alternate  
Shelly Peters, Pend Oreille County Alternate  
Amanda Carpentier, Spokane Housing Authority Alternate  
Sheila Eslinger, Walla Walla County Alternate  
Jon Kaino, WCIF Executive Director  
Kathi Rauch, WCIF Finance Director (by phone)  
Terri Luther, WCIF Deputy Director  
Kimberly Beahler, WCIF Senior Account Executive  
Janée Knigge, WCIF Wellness Coordinator  
John Wallen, DiMartino Associates  
Molly McHugh, DiMartino Associates  
Nicole Horgan, Vivacity

I. OPENING OF MEETING, WELCOME AND INTRODUCTIONS

WCIF Chair Obie O'Brien opened the Washington Counties Insurance Fund (WCIF) Board of Trustees meeting at 8:35AM and everyone present introduced themselves.

## II. CHANGES OR ADDITIONS TO THE AGENDA

Motion made by Blair Brady and seconded by Brad Miller that the agenda be approved with no changes. No further discussion. Motion carried unanimously.

## III. APPROVAL OF MINUTES FOR AUGUST 14, 2015 MEETING

Motion made by Bill Schulte and seconded by Randy Rollins that the WCIF minutes for August 14, 2015 be approved with minor grammatical corrections. No further discussion. Motion carried unanimously.

## IV. EXECUTIVE DIRECTOR REPORT

### New Board Member

Jon Kaino announced that Darline Charbonneau from Yakima Valley Libraries will be replacing Rick Homchick on the Board beginning 1/1/2016. Darlene was elected by the IAC committee in September and will attend the March meeting.

### Medicare Supplemental Renewal

The Medicare Supplemental renewal was received after the August board meeting. Jon Kaino and DiMartino Associates reviewed the renewal and recommend accepting the renewal at a 6.86% increase for the enhanced Plan F and 6.77% increase for the standard Plan G.

Motion made by Michael Largent and seconded by Randy Rollins to accept the Medicare Supplemental renewal as presented. Some discussion about enrollment demographics. Motion carried unanimously.

### Creditable Coverage Issue

Jon Kaino reported that establishing plans' creditable coverage status annually with Medicare is important for WCIF members who are over the age of 65 and still actively working as an employee. If the employee chooses to waive Part D coverage through Medicare and does not have creditable coverage in place, then Medicare assesses a 1% per month penalty on the Part D premium for each month that the employee did not have creditable coverage. The penalty stays with the employee for life. Despite some initial misinformation from Premera regarding the WCIF HSA plan, all WCIF medical plans for 2016 are creditable.

### West Board Meeting Venue Comparison

Jon Kaino presented a cost comparison of meeting venues for 2016. Currently, the June and August 2016 meetings are scheduled at the Cedarbrook Lodge. However, the board has expressed dissatisfaction with the service received from the Cedarbrook Lodge during recent meetings (issues with parking, middle of the night phone calls, dissatisfaction with food options, and room block issues). The board understands that if we change venues the deposits already submitted to the Cedarbrook for the 2016 meetings may be forfeited.

Motion made by Karen Skoog and seconded by Karlyn Shannon to keep the June meeting at the Cedarbrook and move the August meeting to the DoubleTree. After discussion, the motion was withdrawn.

Motion made by Lisa Ayers and seconded by Karen Skoog to cancel the Cedarbrook meetings for cause and request a refund of the deposit made by WCIF. The June and August Board meetings will be moved to the DoubleTree in 2016. Some discussion. Motion carried unanimously.

### Draft 2016 Meeting Schedule

With the change of meeting locations, WCIF will make changes to the draft 2016 meeting schedule and present it to the Board at the March meeting. Meeting dates will remain the same.

### Exempt Employees – New Requirements

Jon Kaino advised the Board that he had met with our attorney and discussed the new proposed federal requirements as they relate to exempt employees. Based on the current proposed regulations, it doesn't appear that the changes will impact WCIF.

### 2016 Trustee Manual Update

Jon Kaino stated that the updates to the 2016 Trustee Manual should be available on the WCIF website by the end of the year.

## V. HIPAA COMPLIANCE SUMMARY

Kimberly Beahler presented information describing what groups need to do to be in compliance with HIPAA. The most important item is for a group to determine if they are a Covered Entity or a Business Associate. Once this is determined, all groups would name a HIPAA Security Officer (a HIPAA Privacy would also be named if the group is a Covered Entity).

After naming HIPAA Officer(s), the group should conduct a HIPAA Security Risk Assessment to determine whether or not the group is in compliance with the 78 technical, physical, and administrative safeguards under the Security policies.

If a group is a Covered Entity, they will also need to confirm compliance with the Privacy policies.

The Board requested additional information and resources. WCIF is planning to provide HIPAA training at the WCIF Summit in April, and will email a list of resources to the board members to assist with compliance.

## VI. WEBSITE UPDATE

Kimberly Beahler announced that WCIF is currently transitioning to the new website. Once the new site is up, some pages (like documents and forms) will need to be populated. In the meantime, the page has placeholders for members to contact WCIF for information. The wellness portal includes an "easy" button for employees to access the web portal.

## VII. 2016 WCIF WELLNESS PROPOSAL

Janée Knigge and Nicole Horgan presented the WCIF Wellness Proposal for 2016. WCIF is proposing to:

1. Offer employers the opportunity to choose between the current \$150 deductible credit and a \$50 cash card for their employees' individual incentive.
2. Allowing an employee's annual preventive visit to meet the requirement in place of health screenings.
3. Move up the deadline for determining the 40% participation level required for the premium discount to October 1, 2016.
4. Offer an additional cash incentive (\$25) for additional wellness program participation.

Motion made by Bill Schulte and seconded by Jim Johnson to approve the 2016 WCIF Wellness Proposal as presented. Some discussion. Motion carried unanimously.

#### VIII. MARKETING REPORT

Terri Luther reported that as the board was previously informed, OIC issues put staff behind about a year in marketing efforts. Compared to last year at this time, the number of proposals is down. Proposals do continue to come in however, and it is also possible some groups may come on mid-year.

Terri also reported that the new rule expanding the small group definition to employers with up to 100 employees had been rescinded and would stay at the current 50 employees. This change also negatively impacts our marketing potential.

WCIF is working with DiMartino to develop an appropriate marketing strategy that will maximize our exposure in response to the many changes going on in the market and regulatory environment.

#### IX. DRAFT FINANCIAL POLICY

Jon Kaino presented the draft financial policy which was reviewed in Wednesday's workshop meeting. A few small clarifications to the language were suggested by the board and Jon reviewed the recommended changes from the workshop.

Motion made by Brad Miller and seconded by Blair Brady to approve the draft financial policy, with the language changes recommended at the workshop. Further discussion. Motion carried unanimously.

#### X. WCIF FINANCIAL STATEMENTS FOR PERIOD ENDING 9-30-2015

Jon Kaino presented the third quarter financial statements. It was noted that while the budget was performing better than expected, the fourth quarter expenditures are expected to be higher due to wellness grant reimbursements and costs associated with open enrollment and benefit fairs.

Motion made by Lisa Ayers and seconded by Bill Schulte to approve the WCIF financial statement for the period ending 9-30-2015. No discussion. Motion carried unanimously.

#### Form 990 Review and Approval

Motion made by Michael Largent and seconded by Lisa Ayers to approve the Form 990 tax return document as presented. No discussion. Motion carried unanimously.

#### Report on State Audit for FY 2014 – Exit Conference held September 8, 2015

Jon Kaino reported that the exit conference for the FY 2014 State Audit was held on September 8, 2015. There were no findings or management letters and it was a clean audit. Two board members were present at the Exit Conference.

#### Transition of Banking Services for 2016

Jon Kaino reported to the Board that WCIF was notified by Bank of America that they will no longer provide accounts, deposit, cash management or treasury services for WCIF. As a result, WCIF will be moving banking services to Umpqua Bank. Kathi Rauch is working toward making this transition by the end of 2015.

XI. 2016 WCIF BUDGET PROPOSAL

Jon Kaino reviewed the 2016 Budget Proposal in detail at the Wednesday workshop and recapped the proposed changes for 2016 for those who were not in attendance at the workshop.

Motion made by Randy Rollins and seconded by Bill Schulte to approve the 2016 WCIF Budget Proposal with the addition of language in the narrative specifying the number of days of operating capital in the LGIP. Some discussion. Motion carries unanimously.

XII. UTILIZATION REPORT/UPDATE

Molly McHugh and John Wallen from DiMartino Associates presented a review of the 2016 renewal and updated utilization data.

XIII. ELECTION OF WCIF OFFICERS AND EXECUTIVE COMMITTEE MEMBERS

Jon Kaino summarized the status of officers and Executive Committee members for 2016. Chair O'Brien will move to Executive Chair and Vice Chair Schulte will move to Chair in 2016. The first order of business is to elect a Vice Chair. The Board elected Don Dashiell as Vice Chair for 2016.

Jon stated that one at large position on the Executive Committee was also up for 2016. This is the position held by Jim Johnson but that position must now be filled by a non-county representative to comply with the WCIF bylaws which require at least two non-county members on the Executive Committee. The other at large position is held by Randy Rollins whose term expires on 12/31/2016. The Board elected Karlyn Shannon to fill the vacant at large position


XIV. NEXT MEETING

The next meeting of the WCIF Board of Trustees will be held March 9 & 10, 2016 at the Marcus Whitman in Walla Walla, WA. It was decided that the meeting on Wednesday, March 9 will be used to conduct board fiduciary responsibility training. Training time should begin at 1PM on Wednesday, March 9.

XV. ADJOURNMENT

Chair Obie O'Brien adjourned the meeting at 1:05PM.

MINUTES APPROVED March 10, 2016 by the WCIF Board of Trustees.

  
Bill Schulte, WCIF Chair

  
Don Dashiell, WCIF Vice Chair

