

WASHINGTON COUNTIES INSURANCE FUND  
BOARD MEETING MINUTES  
Friday, June 9, 2017  
DoubleTree Suites  
Seattle, WA

BOARD MEMBERS PRESENT:

Arne Mortensen, Cowlitz County Commissioner  
Andrew Short, Greater Columbia BHO  
Helen Price Johnson, Island County Commissioner  
Obie O'Brien, Kittitas County Commissioner  
Bobby Jackson, Lewis County Commissioner  
Lisa Olsen, Pacific County Commissioner  
Karen Skoog, Pend Oreille County Commissioner  
Greg Knight, Rural Resources Community Action Council  
Randy Rollins, Spokane Housing Authority, WCIF Vice Chair  
Don Dashiell, Stevens County Commissioner, WCIF Chair  
Jim Fields, Vera Water and Power  
Jim Johnson, Walla Walla County Commissioner  
Karlyn Shannon, Washington State Association of Counties  
Michael Largent, Whitman County Commissioner  
Darline Charbonneau, Yakima Valley Libraries

ABSENT:

Shon Small, Benton County Commissioner  
Mike Talbott, Columbia County Commissioner  
Wynne McCabe, Garfield County Commissioner  
Blair Brady, Wahkiakum County Commissioner

OTHERS PRESENT:

Lisa Ronnberg, Columbia County Alternate  
Bob Johnson, Garfield County Commissioner Alternate  
Melanie Bacon, Island County Alternate  
Larry Grove, Lewis County Alternate  
Rachel Patrick, Pacific County Alternate  
Amanda Carpentier, Spokane Housing Authority Alternate  
Shelly Peters, Walla Walla County Alternate  
Jon Kaino, WCIF Executive Director  
Kathi Rauch, WCIF Finance Director  
Terri Luther, WCIF Deputy Director  
Kimberly Beahler, WCIF Senior Account Executive  
Janée Mandery, WCIF Wellness Coordinator  
John Wallen, DiMartino Associates  
Marcus Morrell, DiMartino Associates  
Ashton Alvarez, DiMartino Associates

## I. WELCOME AND INTRODUCTIONS

WCIF Chair Don Dashiell opened the Washington Counties Insurance Fund (WCIF) Board meeting at 8:30AM and everyone present introduced themselves.

## II. EXECUTIVE SESSION

The Board went into Executive Session at 8:31AM to discuss the annual performance evaluation of the WCIF Executive Director in accordance with RCW 42.30.110. Chair Dashiell announced that the executive session would last approximately 15 minutes. WCIF and DiMartino staff were excused.

The Board came out of Executive Session at 8:43AM.

Board members thanked Jon Kaino and commended him on his work for WCIF.

## III. CHANGES OR ADDITIONS TO THE AGENDA

No changes to the agenda.

## IV. APPROVAL OF MINUTES FROM THE MEETING OF MARCH 9, 2017

Motion made by Michael Largent and seconded by Bob Johnson that the minutes from the March 9, 2017 WCIF Board meeting be approved. No further discussion. Motion carried unanimously.
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## V. EXECUTIVE DIRECTOR REPORT

### Update on IT vendor change

Jon Kaino reported on WCIF's transition to BrightWire Networks for IT services effective March 1, 2017. So far, the move has been very positive. BrightWire is currently assisting WCIF with the implementation of new HIPAA policies and procedures.

### Company vehicle replacement

Jon informed the Board that the Traverse is now over 100K miles and we will be looking to replace that vehicle this summer. Staff safety and work efficiency are the primary drivers for replacing the vehicle at this time.

### Draft 2018 Meeting Schedule

A draft of preliminary meeting dates has been provided in the packet for the Board's review. We ask that the Board review and make sure there aren't any conflicts. The Board was in favor of keeping the current schedule format of Thursday/Friday for the west side meetings.

### BSI/UNUM Proposal

Jon reminded the Board of the BSI/Unum presentation at Thursday's IAC meeting regarding an option for offering voluntary/ancillary plans. The plans do not conflict with current WCIF offerings and would be administered through SIMON. These plans would be offered on a group by group basis as voluntary options for employees. The Board was asked to approve adding these plans.

Motion made by Bobby Jackson and seconded by Karlyn Shannon to approve adding the Unum plans subject to successful contract negotiation with Unum and BSI and that the Executive Director has authority to negotiate and sign the contract on behalf of WCIF. Some discussion. Motion carried unanimously.

## VI. WELLNESS VENDOR DISCUSSION AND RECOMMENDATION

Janee Mandery provided the Board with a summary of the wellness vendor options for 2018 and provided a cost comparison of the 3 options. WCIF would like Board direction on how to move forward with the wellness program:

Option 1: Vivacity – continue current program

Option 2: ADURO – move to ADURO with onsite clinics

Option 3: ADURO – move to ADURO without onsite clinics

Discussion ensued about the onsite clinics and what the true cost of onsite clinics might be if we negotiated directly with Work Well. Maintaining the onsite clinics and maintaining the biometrics as a requirement was the consensus of the Board. Jon Kaino advised the Board that Option 2 would have the largest budget impact.

Motion made by Obie O'Brien and seconded by Bobby Jackson to authorize the Executive Director to move forward with negotiations for Option 2, moving to ADURO with onsite clinics. No further discussion. Motion carried unanimously.

## VII. SCHOOL DISTRICT MARKETING OPPORTUNITY

Jon Kaino reported that after several decades of writing school districts through WEA, Premera has termed their WEA contracts and is looking to bring on school groups directly or through an association. With the non-compete gone, WCIF now has an opportunity to write school districts through Premera.

WCIF and DiMartino have worked with Premera to create three new plans to better serve school district needs and we are asking the Board to approve the offering of these new school district plans.

Motion made by Bobby Jackson and seconded by Andrew Short to approve the offering of the three new school district plans. No further discussion. Motion carried unanimously.

## VIII. MARKETING REPORT

Terri Luther stated that she has been out marketing to brokers and the response is very positive. Several groups, including school districts, are looking at mid-year quotes. We are looking at a short window for school district plans as many schools will make benefit decisions before the end of the school year. Hopefully, we will be able to share some sold groups at the August meeting.

### 2017 WCIF Benefits Summit

Terri updated the Board on our recent Benefits Summit at Suncadia Lodge and reported that we had a successful summit this year with approximately 135 attendees including staff and partners.

## 2018 Summit Discussion

Terri provided some venue cost comparisons and advised the Board that while this is a valuable conference, the current location (Suncadia Lodge) is very expensive. With preliminary prices on some alternate locations, we could save money going with a different venue. We want to continue to host the conference at a desirable location, but also want to be aware of the cost.

Motion made by Bob Johnson and seconded by Darline Charbonneau to move forward with looking at alternate locations for 2018 and bring back a final recommendation at the August meeting. Limited discussion and clarification. Motion carried unanimously.

## IX. HIPAA SECURITY ASSESSMENT REPORT

Kimberly Beahler presented a recap of the Security Risk Assessment. Our approach this year was to look at our organization from the perspective of if we were to become a Covered Entity. There were a total of 46 risks identified, most of which can be remediated with the implementation of policies and procedures. Once we work through the implementation of the new policies and procedures, we would be able to transition to the status of Covered Entity with very minor modifications to our policies and procedures.

## X. WCIF FINANCIAL REPORTS

Jon Kaino reviewed the first quarter financial reports. Expenses are running well, but this is very common at the start of the year as expenditures are expected to rise toward the end of the year. Revenue is coming in below budgeted levels. WCIF has implemented some changes to keep expenditures down, such as eliminating out of state travel for training this year. We will continue to watch expenditures. WCIF has had surpluses the past four years, but that is not projected to continue this year, unless we experience significant mid-year growth. We are currently projecting our 2017 revenues to come in below the budgeted estimates.

Motion made by Helen Price Johnson and seconded by Obie O'Brien to approve the first quarter financials as presented. No discussion. Motion carried unanimously.

## XI. UPDATED EXPERIENCE REPORT

DiMartino Associates presented the updated experience report and utilization to date. We anticipate that we will have favorable renewals for most of our ancillary lines. However, with medical plans, we are looking at the potential for double digit increases from both carriers.

We are now looking at the Legacy group dilemma because if we continue under our current Legacy structure, it will become more difficult to remain competitive with better demographic groups. If we individually rate the Legacy groups, about 1/3 of our current groups would be paying a higher rate, while 2/3 would be paying less.

The overall goal of this change would be to remain competitive and in order to do that we can't continue to subsidize our poorer demographic groups at the expense of the groups with favorable demographics.


Motion made by Lisa Olsen and seconded by Darline Charbonneau to accept the three recommendations to: 1) allow Legacy groups to separate into the appropriate rate bands with each group rated based on their own demographics; 2) move forward on the 2018 renewal with our current medical carriers; 3) continue to actively market school district plans for 2018. Some discussion and clarification. Motion carried unanimously.

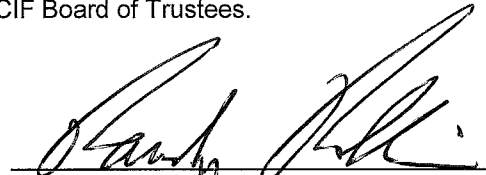
XII. NEXT MEETING - August 10 and 11, 2017 at the DoubleTree Suites at Southcenter

XIII. ADJOURNMENT

Don Dashiell adjourned the meeting at 11:50AM.

MINUTES APPROVED August 11, 2017 by the WCIF Board of Trustees.

  
Don Dashiell, WCIF Chair

  
Randy Rollins, WCIF Vice Chair