

## UNIVERSITY OF COLORADO HEALTH AND WELFARE TRUST

### MINUTES OF THE HEALTH AND WELFARE TRUST MEETING

MONDAY, NOVEMBER 8, 2010

UNIVERSITY OF COLORADO SYSTEM OFFICES  
1800 GRANT STREET, DENVER, 8<sup>TH</sup> FLOOR, ASTRONAUTS CONFERENCE ROOM

Trust Committee Chair E. Jill Pollock called the meeting to order on Monday, Sept. 13, 2010 at 3:05 p.m. Other trustees attending included Kelly Fox, Elizabeth Kissick, Anthony DeFurio and Darryl Varnado.

Other attendees included: Cindy Burley – Davis Graham and Stubbs Trust Attorney, Larry Drees – University Benefits Advisory Board Chair and Housing Technology Services Staff, Bruce Neuman – UCD Business and UBAB Member, Emily Bell – UCB Bursar's Office, Jay Dedrick – System Faculty/Staff Newsletter, Mark Stanker – Assistant Vice President for Payroll and Benefit Services, Kathy McCreary – Director of Managed Care for University of Colorado Hospital, Gena Trujillo – Director for PBS, Jeremy Hueth – System Managing Associate Counsel, Patrick Mackin – Mercer Consultant, Donald Eldhart – University Treasurer, Robert C. Kuehler – Assistant Vice President for University Controller, Brad Cornish – leading consultant from Mercer, Rae Ann Armijo – HR & Diversity Professional CU System

#### A. Approval of minutes, September 13, 2010 meeting

Chair Pollock began the meeting by reviewing the minutes from the September 13, 2010 meeting. The minutes were approved as written without objection.

#### B. Reports:

**Budget Performance: Mark Stanker, Assistant Vice President, Payroll & Benefit Services, CU, as Trust's Plan Administrator**

Budget Reports were given from three people, regarding the overall account balance, investment opportunities, and plan utilization.

- 1.) **Account Balance Report** – PBS is recommending the reporting should be given later in the month so PBS is able to provide a more accurate update.
  - a. **Medical** – Mark spoke about the driving revenue from three employers, closing at \$ 9.7 million. Attachment included.
  - b. **Balance Sheet** – Bob Kuehler presented the balance sheet as of September 30 – first quarter of the Trust. Attachment Included.
  - c. **Financial Activity** – Mark presented the budget to actuals document. The left-hand side component cites revenues first and expenses second, the first column represents the yearly budget prior to the first of the year referred to as proforma budget, second column has detail on how the information was tracked, and the third column shows actuals received, fourth column shows encumbrances, fifth column shows the percent of actuals for the quarter of where the trust is. The

document shows what has been spent from received claims in comparison to what was estimated to be spent through the first quarter of the year. Attachment included.

**2.) Treasury: Don Eldhart, University Treasurer**

- a. **Investments** – Plan to move funds to a money market fund and to figure out what can be invested, pg. 4 shows the steps and process that will be followed, Don will return to introduce investment recommendations to the board at a later time. The Trust's investment policy was adopted when initially created and mirrors the University's investment policy. Attachment included.

**3.) Plan Utilization: Brad Cornish, Mercer**

- a. The data is immature at this point. Not all the claims have been received or gone through the claims system. Therefore, the data is not one hundred percent accurate. There are missing data from the University of Colorado Hospital. It is believed that the money spent is 7.6% under what was estimated at this point.

**C. Approval of health risk assessment vendor resolution**

Gena described the process of selecting the health risk assessment vendor. There were twelve members selected across the entities (CU, UCH, UPI) to participate in the evaluation process. There were six proposals received from various vendors that were evaluated and scored by the committee and chosen based on quality and cost. The committee unanimously chose two finalists, requested additional information from both groups and selected a finalist. Health Media, Inc. is a subsidiary of Johnson and Johnson and is well regarded as a designer of sophisticated health risk assessments.

**Health Risk Assessment**

I recommend the following resolution for consideration by the University of Colorado Health and Welfare Trust Committee at the regularly scheduled meeting on November 8, 2010.

**WHEREAS**, the Trust Committee, together with the University as the Plan Sponsor of the University of Colorado Health and Welfare Plan (the "Plan"), desire to engage an independent consultant to develop, deliver and perform a health risk assessment and provide related services, including an education process;

**WHEREAS**, the University of Colorado System Administration as the Plan Administrator (the "Plan Administrator") issued a widely-publicized request for proposal for such health risk assessment and related services in August 2010 and established an evaluation panel comprised of employees and a retiree representing all three employers participating in the Trust, as well as University of Colorado faculty members;

**WHEREAS**, such review panel together with the Plan Administrator have recommended that the Trust Committee approve selection of Health Media, Inc., to develop, deliver and perform a health risk assessment and provide related services in accordance with the cost proposal attached hereto as Exhibit A;

**NOW THEREFORE BE IT RESOLVED**, the selection of Health Media, Inc., to develop, deliver and perform a health risk assessment and provide related service in accordance with the cost proposal attached hereto as Exhibit A is approved;

**PASSED AND ADOPTED**, at a Trust Committee meeting held on November 8, 2010 at which \_\_\_\_\_ Trustees were present or represented by proxy, in Denver, Colorado or participated in such meeting by telephone by a vote as follows:

The Trust Committee hereby approves to adopt the resolution for Health Media, Inc. to deliver and perform the health risk assessment and provide related services.

*Moved by Anthony DeFurio, seconded by Liz Kissick. The resolution passed 5-0.*

**D. Approval for formation of a health plan design panel resolution**

Pollock introduced and read through the health plan design resolution and the following changes were made to the original document.

Health Plan Design Panel

I recommend the following resolution for consideration by the University of Colorado Health and Welfare Trust Committee:

**WHEREAS**, the Trust Committee, acting as a fiduciary on behalf of the employees and participants of the University of Colorado Health and Welfare Plan (the "Plan"), desires to establish a process by which all employees of the University of Colorado, the University of Colorado Hospital and University Physicians, Inc., who are eligible to participate in the Plan may recommend additions, deletions and revisions to the Plan and to any other health and welfare plan that may become funded by the Trust;

**WHEREAS**, as part of such process, the Trust Committee desires to establish a health plan design panel to receive, analyze, consider and recommend to the employers participating in the Trust additions deletions and revisions to the Plan and to any other health and welfare plan that may become funded by the Trust;

**WHEREAS**, any such health plan design panel should, at a minimum, include representation from each employer participating in the Trust, the plan administrator, and the faculty of the University of Colorado Anschutz Medical Campus;

**NOW THEREFORE BE IT RESOLVED**, the Trust Committee Chair shall establish a health plan design panel to receive, analyze, consider and recommend to the employers participating in the Trust additions deletions and revisions to the Plan and to any other health and welfare plan that may become funded by the Trust;

**FURTHER RESOLVED**, such health plan design panel shall be chaired by the Trust Committee Chair and shall be comprised of employees of an employer participating in the Trust, to be named by the Trust Committee Chair, as follows:

- A minimum of four (4) faculty members from the School of Medicine at the University of Colorado at Denver, Anschutz Medical Campus, at least one (1) of which shall be from the Department of Pediatrics and one (1) of which shall be from the Department of Psychiatry;
- One representative from the School of Pharmacy at the University of Colorado at Denver, Anschutz Medical Campus;
- One representative from the Department of Psychology at the University of Colorado at Boulder;
- One representative from the School of Nursing at the University of Colorado at Colorado Springs;
- One representative from each employer participating in the Trust, of which the Trust Committee Chair shall constitute a representative;
- One representative from the University of Colorado System Administration, as the Plan Administrator;
- Such other representatives as may be deemed necessary by the Trust Committee Chair from time to time.

**FURTHER RESOLVED**, the Trust Committee Chair shall establish and communicate a process by which all employees of the University of Colorado, University of Colorado Hospital and University Physicians, Inc., who are eligible to participate in the Plan may recommend additions, deletions and revisions to the Plan and to any other health and welfare plan that may become funded by the Trust.

**PASSED AND ADOPTED**, as amended, at a Trust Committee meeting held on November 8, 2010 at which ALL Trustees were present or represented by proxy, in Denver, Colorado or participated in such meeting by telephone.

The Trust Committee hereby approves to adopt the resolution for the formation of a health plan design panel, with the amendments above.

*Moved by Kelly Fox, seconded by Darryl Varnado. The resolution passed 5-0.*

#### **E. Public comment period**

- a. Larry Drees, Chair of the University Benefits Advisory Board, provided background about UBAB. The Board took on the charge to look at the benefits plans provided to university employees on an annual basis. UBAB will continue to provide active feedback during the time of transition from fully funded to self-funded. Larry requested more information from Brad Cornish at Mercer about the Lumenos plan and the related costs with that plan.
- b. Bruce Neuman, had commentary on the Mercer report. On the backside he commented about the similarities of costs between HMOC and UANet. Bruce was surprised that Anthem has a capitation rate and would like more information about that topic. Bruce commented about the health plan design panel and his concern that the resolution did include participants from the downtown campus on the panel.

#### **F. Adjournment**

The meeting adjourned at 4:04 p.m.

*Moved* by Anthony DeFurio, seconded by Liz Kissick.