

**EGYPTIAN AREA SCHOOLS EMPLOYEE BENEFIT TRUST
BOARD OF MANAGERS/EXECUTIVE COMMITTEE MEETING NOTES
CARLYLE, ILLINOIS
DECEMBER 5, 2012**

I. CALL TO ORDER:

A joint meeting of the Board of Managers and Executive Committee of the Egyptian Area Schools Employee Benefit Trust was held on Wednesday, December 5, 2012, at Governor's Run in Carlyle. Vice-Chairman Matt Klosterman called the meeting to order at approximately 10:00 a.m. Matt asked attendees to introduce themselves. Roll call showed 71 people in attendance, including 59 representatives from 49 districts, 11 advisors and 1 guest.

The notes of the joint Board of Managers and Executive Committee meeting of September 26, 2012 were approved as submitted.

II. FINANCIAL REPORT:

Tom Dahncke reviewed the Trust's financial statements through October. For the first four months of the current fiscal year the Trust's experience was positive by over \$1.8 million, reducing the negative fund balance to about \$5.5 million. This means withdrawing employers still have a withdrawal liability, but lower than at June 30. Tom also reported that copies of the Trust's audited financial statements for its fiscal year ended June 30, 2012 were available at the meeting and on the Trust's website. These show the Trust made good financial progress over the prior year, improving the fund balance by over \$4.5 million.

III. BUSINESS ITEMS:

A. Report of TPA Services – Meritain Health.

Karen Giles reported that the winter newsletter would be issued in mid-December. She distributed information about a new mobile app from LabCard which allows members to schedule appointments and download test results. This information will also be included in the newsletter.

B. Report of Prescription Drug Services – CVS Caremark/ScripWorld.

Valerie Fish reported that the transition from Express Scripts to CVS Caremark went well, with only a few minor issues.

C. Report of Coordinated Care Services – Coordinated Health/Care.

Cyndee Bronars reported that CHC has handled about 13,000 issues for Trust members since CHC started taking calls. The primary reasons for calls include questions about benefits, pre-certification, and help with finding network providers. Cyndee stated that about 33% of members have made contact with CHC. At this point only about 20% of members have identified primary care physicians (PCPs). After the winter newsletter is distributed, CHC will mail a separate letter

to members' homes reminding them of the importance of designating a PCP and explaining how member utilization of health care services affects costs in a self-funded health plan.

D. Report of PPO Services – HealthLink.

Susan Lehne stated that she is working on a provider access map for all districts to identify areas which do not have Tier 1 providers within 40 miles. HealthLink is reaching out to providers to increase provider participation in Tier 1. Susan is also the account representative for the Trust's voluntary vision benefit program with UniCare. She reminded members that the vision plan covers only routine eye exams and services. If a medical condition, such as glaucoma, is diagnosed and requires treatment, the claim should be submitted to the individual's medical plan. Susan noted that HealthLink has updated its website. It includes a lot of useful information about health care and healthy living and opportunities to obtain discounts.

E. Report of Actuary – Optum Insight.

Jim Drennan noted that the audited financial statements confirm that the Trust's administrative expenses are only about 3.6% of total expenses, considerably lower than administrative expenses for insured plans which can be 15% to 20%.

F. Report of Flexible Benefits Administration – American Fidelity.

Liz Rogers reminded members that American Fidelity can assist districts with plan administration and compliance for their Section 125 plans and Section 403(b) plans. Districts offering the Bronze Plan can also use American Fidelity for members' Health Savings Accounts.

G. Report of Benefits Committee.

Matt Klosterman reported that the Benefits Committee originally planned to present two proposals for Board consideration. However, the proposal regarding smoking cessation benefits will be deferred to the March meeting so the Committee can consider some possible modifications to the proposal.

The second proposal is to implement an incentive for participation in a wellness program managed by CHC. Under the proposal, if an employee member engages in three wellness activities by September 30, 2013, the member will qualify for an incentive in 2014. For the Platinum, Gold and Silver Plans the incentive will be a \$100 reduction in the deductible for the 2014 calendar year. For the Bronze Plan, the incentive will be a 10% reduction in the member coinsurance for the 2014 calendar year. The specific wellness activities are: (1) designating a primary care physician with CHC; (2) having a blood draw and providing the biometric test results to CHC either on-line or by calling the CHC customer service line; and (3) completing a health risk assessment. If approved by the Board, CHC will develop a flyer to communicate the program to members, explaining why it is important, what the incentive is and the activities members need to complete to qualify for the incentive. Matt noted that there will be some cost to the Trust for this program, but the Benefits Committee believes it will have a positive impact over

the long term. The goals are to engage members in understanding their biometric numbers and to identify existing or potential medical problems early so they can be addressed and managed.

Brett Robinson (Cerro Gordo) made a motion, seconded by Jeff Strieker (Bond County), to implement the wellness program as proposed. Motion carried. CHC will develop the communication materials and a timeline for implementing the program.

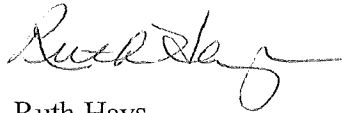
IV. NEXT MEETINGS AND ADJOURNMENT:

The remaining meetings for the year are scheduled for the following dates, beginning at 10:00 a.m.:

- Wednesday, March 20, 2013
- Wednesday, May 8, 2013.

There being no further business, the meeting was adjourned.

Respectfully submitted,



Ruth Hays

ATTENDANCE
December 5, 2012

Advisors and Guests:

Meritain – Karen Giles, Scott Giles
Coordinated Health Care – Cyndee Bronars
ScripWorld/CVS – Valerie Fish, Don Bishop
HealthLink – Susan Lehne
American Fidelity – Elizabeth Rogers
Optum Insight – Jim Drennan
Trust Consultants – Tom Dahncke, Leo Hefner
Husch Blackwell LLP – Ruth Hays
Bushue HR – Amy Storm

District Representatives: 59 representatives from the following 49 districts attended the meeting.

Altamont #10 – Donna Kroening, Susan Janz	Nashville #99 – Stefanie Bauza, Wendy Davis
Beecher City #20 – Scott Cameron	North Greene #3 – Marge Anderson, Les Stevens
Belleville #118 – Matt Klosterman	Oblong #4 – Jeff Patchett
Belleville #201 – Rich Hodson	Pana #8 – Wendy Mundell
Belleville Area Special Svcs. – Brian Arteberry	Panhandle #2 – Tammi Mixen
Benton HS #103 – Mary Blondi, Kelly Stewart	Paris #4 – Lorraine Bailey
Bond County #2 – Jeff Stricker	Salem #111 – Connie Graham
Brownstown #201 – Adam Bussard	Salem HS #600 – Brad Detering
Carlyle #1 – Joe Novsek	Sandoval #501 – Lisa VonderHaar, Jennifer Garrison
Central City #133 – Julie Beasley	Selmaville #10 – Lisa Telford
Centralia City Schools #135 – Mike Middleton	South Eastern Special Ed. – Lori Davis, Jill Keller Weems
Cerro Gordo #100 – Brett Robinson	Stewardson-Strasburg #5A – Michele Vonderheide
Dieterich #30 – Cary Jackson	Teutopolis #50 – Bill Fritcher
East Richland #1 – Larry Bussard	Trico #176 – Cathy Roe
Flora #35 – Karen Sailer	Tuscola #301 – Michael Smith
Harmony-Emge #175 – Elaine Hayden	Wabash #348 – Cindy Bishop
High Mount #116 – Mark Halwachs	Waterloo #5 – James Helton
Jacksonville #117 – Becky Dimmick, Lori Niemeier	Wesclin #3 – Paul Tockstein
Jasper County #1 – Dan Cox	West Frankfort #168 – Michelle Puckett
Kansas #3 – Leigh Ann Heltsley, Chris Long	West Washington #10 – Melinda Albers
Marissa #40 – Jane Schaeffer	Wolf Branch #113 – Denise Hoepker
Martinsville #C-3 – Jill Rogers	Wood River-Hartford #15 – Carol Elliott
Mascoutah #19 – Terry Gibbons	
MidState Special Ed. – Alison Boutcher	
Millstadt #160 – Jon Green	
Mount Vernon #80 – Linda Cruser, Sara Partridge	
Murphysboro #186 – Jan Bush, Debbie Glodo	