

# ***UUA Employee Benefits Trust Trustees Meeting***

MINUTES

MAY 4, 2010

9:30 A.M.

TELECONFERENCE

<b>ATTENDEES</b>	Trustees: Brent Wilkes, Tim Brennan, Paul Bluestein (Chair), Mindy Scharlin, Kathy Burek, Dan Brody; UUA Staff: Jim Sargent, Liz Oliver, Richard Nugent
<b>GUESTS</b>	Highmark: Dr. Rob Muscalus, Mike Moran, Meg McDaniel; from UUA: Ibrahim Essa; Rob Molla

## Agenda topics

9:30 AM                      WEBEX PRESENTATION BY HIGHMARK BLUE CROSS BLUE SHIELD                      DR. ROB MUSCALUS, MIKE MORAN

<b>DISCUSSION</b>	<p>The presentation by Dr. Muscalus, a Highmark Medical Director, was the Board's comprehensive annual update on UUA Health Plan Medical and Prescription Drug Utilization and recommendations for future action.</p> <p>The primary Highmark recommendation was to begin the multi-year process of involving members in a Health Risk Assessment program, which can then be used as the basis for shaping future intervention programs.</p> <p>The Highmark Medical Director and account manager were assigned a number of followup data gathering tasks.</p>
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11:35 AM                      BREAK

11:40 AM                      HEALTH PLAN OPERATIONAL RESULTS, 1<sup>ST</sup> Q 2010, APRIL EMERGING EXPERIENCE AND IBNR IMPACT, FY FINANCIALS                      JIM SARGENT, TIM BRENNAN

<b>DISCUSSION</b>	<p>The net assets are less than a year ago, due to the increase in the Incurred but Not Reported reserve (IBNR) for FY09 over FY08</p> <p>Income is steady and on budget; claims are slightly over. Total expenses are within 50K of budget. Net surplus is within 10K of budget.</p>
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11:45 AM                      AUDIT UPDATE                      TIM BRENNAN

<b>DISCUSSION</b>	<p>KPMG FY 2008 audit filed on April 12, 2010. Caturano FY 2009 audit filed April 15, 2010. Both were clean opinions.</p> <p>Caturano is preparing a management letter which will be discussed at a joint conference call with the EBT and the UUA Audit committee, in June.</p> <p>Caturano incurred excess costs of 11k for the FY09 audit; UUA will reimburse \$3,500.</p>
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11:55 AM                      REPORT ON HERITAGE CAPITAL MANAGEMENT AND TIMING OF CD INVESTMENTS                      TIM BRENNAN

<b>DISCUSSION</b>	<p>The Plan's assets remain in CDs and cash. Tim Brennan has instructed Heritage to create a ladder of CDs with extended maturities to improve overall return.</p>
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12:00 PM                      STRATEGIC AND TACTICAL PREPARATIONS FOR IMPLEMENTATION OF HEALTHCARE REFORM                      JIM SARGENT

<b>DISCUSSION</b>	<p>Jim updated the Board on the general timeline for Healthcare Reform, the immediate tactical concerns for 2010 and 2011, and the resources the Plan has as advisors on plan options and pricing. Pending requirements are well known and will be addressed during the planning for the January 2011 open enrollment and related pricing discussions.</p>
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12:15 PM                      POSSIBLE REVISION TO PLAN RULES FOR DEPENDENT AGE LIMIT                      JIM SARGENT

<b>DISCUSSION</b>	<p>As part of Healthcare Reform, all plans will be required to cover dependents up to 26 years old, regardless of student status or federal income tax dependent status. For the UUA plan, the mandatory effective date would be July 1, 2011. The White House has requested that plans consider moving up the implementation date to reduce the possibility that graduating college students will not lose coverage.</p>
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