



STATE OF WASHINGTON

OFFICE OF FINANCIAL MANAGEMENT

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AS APPROVED

To: Local Government Self Insurance
Health and Welfare Advisory Board

From: Shannon Stuber
Local Government Self Insurance Program

Subject: Health and Welfare Advisory Board Meeting Minutes
August 14, 2008 meeting

BOARD MEMBERS/STAFF/GUESTS PRESENT

Sharon Dehaan	City of Everett
Irene Eldridge	Service Employee International Union Local 925 (SEIU)
Ruth Hultengren	King County
Richard Rodruck	Public Utility Risk Management Services (PURMS)
Ruth Russell	University Place Schools
James Trefry	WA State Council of County and City Employees/AFSCME
Shannon Stuber	Local Government Self Insurance Program (LGSI)
Don Johnsen	Local Government Self Insurance Program (LGSI)
Sandy Armijo	State Auditors Office
Dan Potapenko	State Auditors Office
Pamela Arwood	R.L Evans
Stephanie Brown	City of Tukwila
Roger Ferris	WA Fire Commissioners Association
Becky Lee	City of Tacoma
Mike Peterson	Tacoma Schools
Thom Simard	Plan Administrators
Linda Trygstad	Grays Harbor PUD

CALL TO ORDER

Chair Dick Rodruck called meeting to order 9:30 a.m.

APPROVAL OF PREVIOUS MEETING MINUTES

The May 8, 2008 meeting minutes were approved.

BOARD MEMBER NEWS/ISSUES DISCUSSION

Board members discussed their specific program as well as general employee health benefits issues, 2008 year to date claims experience and 2009 program changes and budgets.

Shannon Stuber reviewed the past two Board discussions on the general decrease of IBNR and available funds levels relative to expenses and the particular issues of the 39

self insured employee medical benefits programs. Of continuing concern is the number of programs reducing available funds for lower premiums that have also significantly increased stop loss deductibles, in some cases from \$200 to \$450K ISL, further increasing their potential liability level. Shannon noted LGSI would be working with representatives of the State Auditor's Office to ensure health and welfare programs are using GAAP reporting for their insurance funds. She discussed the use of a separate balance sheet for an entity's self insured program account as likely the best way to approach this, given that schools and smaller entities may be using a cash basis accounting which would not fully disclose the liabilities of the program. It appeared to her that both property/liability and health benefit programs need to increase available fund levels.

Shannon also reviewed changes to the current LGSI health and welfare program oversight fee structure, the HW examination and other documents. Her intent is to involve the Board in transitioning from the current guidelines to an operations manual by early next 2009.

FUTURE MEETING SCHEDULING/BUSINESS/LOCATION

The fourth quarter Board meeting will be held October 9 at the Washington Cities Insurance Authority Training Room. Scheduling of 2009 Board meetings and election of the 2009 Board Chair will be done at the October 9 Board meeting

PUBLIC COMMENT

There were no public comments.

ADJOURN

Meeting adjourned 12:00 p.m.