Health Plan Trustee Board
Agenda

Friday, July 24, 2026, 1:30 PM

SPECIAL MEETING

203 Main Ave E.
Twin Falls, ID 83301

Members: Travis Rothweiler; Mitch Humble; Gretchen Scott; Kristen Kohntopp; Breanna Howard

1) Call Meeting to Order/Confirmation of Quorum
2) Consent Calendar
   a) **ACTION ITEM:** Request to approve June 24, 2026 and July 15, 2026, minutes.
      By: Gretchen Scott, Deputy City Manager
3) Items of Consideration
   a) **ACTION ITEM:** Request the board to set funding levels based on the actuarial report for FY 2027 for the trust.
      By: Gretchen Scott, Deputy City Manager
4) General Public Input
5) Adjournment

Any person(s) needing special accommodations to participate in the above-noticed meeting could contact Rachael Long (208) 735-7287 at least two working days before the meeting. Si Desae Esta information in Español, Por favor llama a Rachael Long al telephone (208) 735-7287.

City of Twin Falls Health Plan Trust
Minutes

Wednesday, June 24, 2026 3:40 PM
203 Main Ave E Room 303

Members: Breanna Howard, Mitch Humble (12/28), Gretchen Scott (12/29), Travis Rothweiler, Kristen Kohntopp

1. **Call to Order**
   A. The meeting was called to order at 3:40 PM.

2. **Consent Calendar**
   A. Minutes from May 20, 2026. Motion: Travis Rothweiler, seconded by Kristen Kohntopp. Motion passed unanimously. No nays.

3. **Items of Consideration**

   A. **Financial Report -** The Board then reviewed the monthly financial statements. Breanna Howard presented the balance sheet, reporting approximately $2.6 million in cash on hand and retained earnings of approximately $2.62 million. She explained that the remaining accounts payable primarily reflected normal timing differences and noted that staff continues to work with Select Health to resolve several minor billing questions and improve reporting accuracy. Trustees discussed the Trust's long-term reserve strategy and agreed that, while the actuarial reserve requirements provide a minimum funding threshold, the Board should establish its own reserve target to help stabilize future premium increases and maintain the long-term financial health of the plan. Staff was asked to gather additional information and research to support a future discussion on reserve policies.

   Breanna Howard then reviewed the profit and loss statement. She reported that employer and employee premium revenues have remained consistent, with small fluctuations resulting from COBRA participation. The Board discussed medical and prescription claims, which continue to be the Trust's largest expenses. Trustees reviewed several accounting items requiring clarification from Select Health, including claim adjustments, stop-loss credits, administrative fee allocations, and billing classifications. Staff noted that response times from Select Health have continued to be slower than expected and advised the Board that these issues would be addressed during upcoming meetings with Select Health representatives. Additional discussion clarified that a previously reported implementation credit was a one-time incentive and not an offset to ongoing administrative fees. Staff indicated that future financial reports would more clearly distinguish actual administrative costs from credits and rebates.

   Travis Rothweiler shared an independent analysis of the Trust's financial performance using several forecasting scenarios. His review focused on medical and prescription claims, excluding fixed administrative expenses to better evaluate claims trends. Based on current experience, he reported that the Trust remains in a favorable financial position and appears to be outperforming original projections, although he emphasized that future claims activity could still affect year-end results. Trustees discussed the impact of unusually high and unusually low claims months, noting that several large claims appear to be one-time events rather than ongoing expenses. The Board also discussed the value of developing a consistent financial analysis that could be used from month to month to compare budgeted and actual claims experience. Staff agreed to develop a standardized reporting tool for future meetings.

The Board also reviewed preliminary information related to renewal of the Trust's stop-loss insurance coverage. Discussion focused on the financial tradeoffs between maintaining the current $150,000 specific stop-loss threshold or increasing the threshold to $160,000 or $170,000. Trustees considered potential premium savings, the financial impact of high-cost claims, and the possibility of purchasing additional protection through laser coverage. The Board agreed additional information was needed before making renewal decisions and directed staff to continue discussions with Select Health and obtain responses to outstanding questions regarding coverage options and pricing**. Motion to accept the financial report: Travis Rothweiler, seconded by Kristen Kohntopp. Motion passed unanimously. No nays.**

4. General Public Comment

Following the financial discussion, Travis Rothweiler announced his intent to recommend officer appointments at the next meeting. He proposed Breanna Howard to serve as Chair and Gretchen Scott to serve as Vice Chair, allowing trustees time to consider the appointments before formal action. The Board also agreed that approval of the Health Plan renewal would be included on the July meeting agenda. Staff will invite representatives from Select Health to attend the July meeting to assist with renewal discussions and answer questions regarding the proposed coverage options.

No public comments were made, and no additional committee comments were noted.

The meeting was adjourned at 4:25 p.m.

City of Twin Falls Health Plan Trust

Profit and Loss by Month

October 1, 2025-May 31, 2026

Emailed Select Health - appears stop loss AGG and SPEC were switched on our invoices

	OCT 2025	NOV 2025	DEC 2025	JAN 2026	FEB 2026	MAR 2026	APR 2026	MAY 2026	TOTAL
Health Equity									
Bi-Weekly Health Equity	488.00	488.00	494.00	498.00	500.00	496.00	488.00	492.00	$3,944.00
Library - Health Equity	32.00	32.00	32.00	32.00	32.00	32.00	32.00	32.00	256.00
Total for Bi-Weekly Health Equity	**520.00**	**520.00**	**526.00**	**530.00**	**532.00**	**528.00**	**520.00**	**524.00**	**$4,200.00**
Fire Monthly - Health Equity	80.00	80.00	80.00	80.00	84.00	84.00	82.00	80.00	650.00
Total for Health Equity	**600.00**	**600.00**	**606.00**	**610.00**	**616.00**	**612.00**	**602.00**	**604.00**	**$4,850.00**
Insurance					1,625.00		4,464.00		$6,089.00
Credits Received				0.00					0.00
Total for Insurance				**0.00**	**1,625.00**		**4,464.00**		**$6,089.00**
Legal Fees			1,334.00	1,961.00	318.00		159.00		3,772.00
Stop Loss - AGG							0.00		$0.00
Bi-Weekly - Stop - AGG	52,238.12	52,238.12	52,862.48	2,119.05	2,110.74	2,094.12	2,069.19	2,085.81	$167,817.63
Library - Stop - AGG	3,329.92	3,329.92	3,329.92	132.96	132.96	132.96	132.96	132.96	10,654.56
Total for Bi-Weekly - Stop - AGG	**55,568.04**	**55,568.04**	**56,192.40**	**2,252.01**	**2,243.70**	**2,227.08**	**2,202.15**	**2,218.77**	**$178,472.19**
Cobra - Stop - AG	416.24	416.24	416.24		8.31	8.31	16.62	16.62	1,298.58
Fire Monthly - Stop - AGG	8,324.80	8,324.80	8,324.80	332.40	349.02	365.64	349.02	340.71	26,711.19
Total for Stop Loss - AGG	**64,309.08**	**64,309.08**	**64,933.44**	**2,584.41**	**2,601.03**	**2,601.03**	**2,567.79**	**2,576.10**	**$206,481.96**
Stop Loss - SPEC						-60,011.68	-417.16		-$60,428.84
Bi-Weekly - Stop SPEC	2,085.81	2,085.81	2,110.74	53,070.60	52,862.48	52,446.24	51,821.88	52,238.12	$268,721.68
Library - Stop - SPEC	132.96	132.96	132.96	3,329.92	3,329.92	3,329.92	3,329.92	3,329.92	17,048.48
Total for Bi-Weekly - Stop SPEC	**2,218.77**	**2,218.77**	**2,243.70**	**56,400.52**	**56,192.40**	**55,776.16**	**55,151.80**	**55,568.04**	**$285,770.16**
Cobra - Stop - SPEC	16.62	16.62	16.62		208.12	208.12	416.24	416.24	1,298.58
Fire Monthly - Stop - SPEC	332.40	332.40	332.40	8,324.80	8,741.04	8,985.87	8,741.04	8,532.92	44,322.87
Total for Stop Loss - SPEC	**2,567.79**	**2,567.79**	**2,592.72**	**64,725.32**	**65,141.56**	**4,958.47**	**63,891.92**	**64,517.20**	**$270,962.77**
Total for Expenses	**161,909.00**	**248,333.07**	**339,679.12**	**261,701.74**	**243,340.65**	**442,454.72**	**445,084.09**	**483,776.26**	**$2,626,278.65**
Net Operating Income	**301,558.33**	**216,000.60**	**127,276.88**	**214,344.26**	**245,514.35**	**33,894.57**	**22,464.20**	**-14,792.97**	**$1,146,260.22**
Other Income									
Implementation Credit	50,000.00								50,000.00

City of Twin Falls Health Plan Trust

Profit and Loss by Month

October 1, 2025-May 31, 2026

	OCT 2025	NOV 2025	DEC 2025	JAN 2026	FEB 2026	MAR 2026	APR 2026	MAY 2026	TOTAL
Income									
Cobra Premiums Emailed Select Health				9,118.00		1,854.00			10,972.00
Employee Premiums	34,336.83	34,327.17	34,419.50	34,368.50	33,965.00	34,812.29	34,632.29	34,601.29	275,462.87
Employer Premiums	428,526.50	429,400.50	431,930.50	432,483.50	454,224.00	439,056.00	432,302.00	433,768.00	3,481,691.00
Health Equity Admin Fees	604.00	606.00	606.00	76.00	666.00	627.00	614.00	614.00	4,413.00
Total for Income	**463,467.33**	**464,333.67**	**466,956.00**	**476,046.00**	**488,855.00**	**476,349.29**	**467,548.29**	**468,983.29**	**$3,772,538.87**
Gross Profit	**463,467.33**	**464,333.67**	**466,956.00**	**476,046.00**	**488,855.00**	**476,349.29**	**467,548.29**	**468,983.29**	**$3,772,538.87**
Expenses									
Admin Fees									
HUB International	6,426.00	6,426.00	6,426.00	6,426.00	6,426.00	6,426.00	6,426.00	6,426.00	51,408.00
Select Health									
Bi-Weekly Select Health	1,255.00	1,255.00	1,270.00	1,275.00	1,270.00	1,260.00	1,245.00	1,255.00	$10,085.00
Library - Select Health	80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00	640.00
Total for Bi-Weekly Select Health	**1,335.00**	**1,335.00**	**1,350.00**	**1,355.00**	**1,350.00**	**1,340.00**	**1,325.00**	**1,335.00**	**$10,725.00**
Cobra - Select Health	10.00	10.00	10.00		5.00	5.00	10.00	10.00	60.00
Fire Monthly - Select Health	200.00	200.00	200.00	200.00	210.00	220.00	210.00	205.00	1,645.00
Total for Select Health	**1,545.00**	**1,545.00**	**1,560.00**	**1,555.00**	**1,565.00**	**1,565.00**	**1,545.00**	**1,550.00**	**$12,430.00**
Total for Admin Fees	**7,971.00**	**7,971.00**	**7,986.00**	**7,981.00**	**7,991.00**	**7,991.00**	**7,971.00**	**7,976.00**	**$63,838.00**
Claims									
Medical Claims	50,999.27	116,635.66	212,121.81	98,374.81	127,201.40	334,295.88	180,448.56	249,208.84	$1,369,286.23
Adjustments Emailed Select Health								19,250.00	19,250.00
Stop Loss Credit Emailed Select Health to understand where stop loss credits should be applied (AGG or Spec)							-312.89	-2,968.94	-3,281.83
Total for Medical Claims	**50,999.27**	**116,635.66**	**212,121.81**	**98,374.81**	**127,201.40**	**334,295.88**	**180,135.67**	**265,489.90**	**$1,385,254.40**
RX Claims	32,404.36	53,134.54	46,990.15	81,330.84	34,846.66	88,996.34	182,292.71	139,613.06	659,608.66
Total for Claims	**83,403.63**	**169,770.20**	**259,111.96**	**179,705.65**	**162,048.06**	**423,292.22**	**362,428.38**	**405,102.96**	**$2,044,863.06**
Contractual Services - Windsor	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	24,000.00
Dues & Subscriptions - Quickbooks	57.50	115.00	115.00	1,134.36					1,421.86

City of Twin Falls Health Plan Trust

Profit and Loss by Month

October 1, 2025-May 31, 2026

	OCT 2025	NOV 2025	DEC 2025	JAN 2026	FEB 2026	MAR 2026	APR 2026	MAY 2026	TOTAL
Interest Income	2,645.41	2,680.96	3,992.46	4,758.77	4,262.53	4,905.39	5,094.69	4,739.50	33,079.71
Total for Other Income	**52,645.41**	**2,680.96**	**3,992.46**	**4,758.77**	**4,262.53**	**4,905.39**	**5,094.69**	**4,739.50**	**$83,079.71**
Net Other Income	**52,645.41**	**2,680.96**	**3,992.46**	**4,758.77**	**4,262.53**	**4,905.39**	**5,094.69**	**4,739.50**	**$83,079.71**
Net Income	**354,203.74**	**218,681.56**	**131,269.34**	**219,103.03**	**249,776.88**	**38,799.96**	**27,558.89**	**-10,053.47**	**$1,229,339.93**

City of Twin Falls Health Plan Trust

Balance Sheet

As of May 31, 2026

	TOTAL
Assets	
Current Assets	
Bank Accounts	
Depositor Account	2,136,439.59
Trust Checking Account	508,716.22
Total for Bank Accounts	**$2,645,155.81**
Accounts Receivable	**$0.00**
Total for Current Assets	**$2,645,155.81**
Total for Assets	**$2,645,155.81**
Liabilities and Equity	
Liabilities	
Current Liabilities	
Accounts Payable	**$17,000.90**
Total for Current Liabilities	**$17,000.90**
Total for Liabilities	**$17,000.90**
Equity	
Retained Earnings	1,398,814.98
Net Income	1,229,339.93
Total for Equity	**$2,628,154.91**
Total for Liabilities and Equity	**$2,645,155.81**

City of Twin Falls Health Plan Trust
Minutes

Wednesday, July 15, 2026 3:35 PM
203 Main Ave E Room 303

Members: Breanna Howard, Mitch Humble (12/28), Gretchen Scott (12/29), Travis Rothweiler, Kristen Kohntopp (via Microsoft teams)

Guests: Troy Vitek, Josh Baird, Shawn Barigar, Mitchell Brooks II, Toni Price, Donna Fiala, Kylie McNew, Paul Fallisi, Steve Purkapile, Mark Scheiber, Susan McGrath Bowman

1. **Call to Order**
   A. The meeting was called to order at 3:35 PM.

2. **Consent Calendar**
   A. No Action

3. **Items of Consideration**

   A. **<u>Preliminary discussion on the long-term plan for the HPT parameters for new benefits for employees -</u>** The Board began with a discussion regarding the Health Plan Trust's long-term strategy for maintaining a financially sustainable benefit program while continuing to provide competitive employee benefits. Trustees emphasized the importance of evaluating emerging healthcare risks early so that future renewal decisions could be made proactively rather than reactively. Staff noted that the Health Plan Trust has been positioned conservatively during its first year of operation and that maintaining strong reserves will provide flexibility as new healthcare trends and treatment costs continue to evolve. **Presentation only no discussion.**

   B. **<u>Select Health Administrative Fees and Pharmacy Credits -</u>** Representatives from HUB International reviewed discussions with Select Health regarding administrative fees, pharmacy rebate accounting, and stop-loss renewal.

   Staff reported that Select Health declined to reduce its five percent administrative fee increase but agreed to continue the administrative fee rate guarantee through the October 1, 2027 renewal. Staff also explained changes to the pharmacy administration structure beginning October 1, 2026. Rather than offsetting administrative fees with pharmacy rebates, Select Health will charge a separate pharmacy administration fee and the Health Plan Trust will retain one hundred percent of future pharmacy rebates. Trustees discussed the benefit of the revised structure, noting that it will provide greater transparency in the Trust's financial statements by separately reporting actual administrative costs and pharmacy rebate revenue.

The Board also discussed the timing of quarterly pharmacy rebate payments and how rebates should be treated during budgeting. Representatives from HUB International and the Trust's actuary advised that rebate amounts should be viewed as estimates based upon historical utilization and should not be relied upon as guaranteed revenue when establishing contribution rates. **Presentation only no discussion.**

C. **Current Expenses for the Health Plan Trust -** Breanna Howard discussed the importance of accurately reflecting administrative expenses, pharmacy rebates, and other financial activity in future reports. Trustees discussed maintaining financial reporting that clearly distinguishes actual administrative expenses from rebates and credits to improve long-term financial analysis.

Paul Fallisi, the Trust's actuary, then presented his updated actuarial funding analysis using claims experience through June 2026. Mr. Fallisi explained that the Health Plan Trust continues to perform better than originally projected and that the updated expected claims remained nearly identical to the estimates he presented earlier in the year. He reported that while current experience would support a reduction in contribution rates, he recommended maintaining a conservative funding approach due to uncertainty within the stop-loss marketplace and continued growth in catastrophic medical costs.

Mr. Fallisi reviewed several funding scenarios, including maintaining current contribution levels, and explained how lower stop-loss costs combined with conservative claims funding would allow the Trust to continue strengthening the retained earnings while protecting against future claim volatility. Trustees discussed the value of building reserves during favorable years to reduce the impact of future catastrophic claims and premium fluctuations.

D. **Review and Approval of Stop Loss Carrier Contract for the 2027 Plan Year -** Representatives from HUB International presented the annual stop-loss renewal proposals. Staff reported that SBR marketed the Trust's stop-loss coverage to thirteen carriers and received competitive proposals from Tokio Marine HCC, Berkshire, and Sun Life.

The Board reviewed Select Health's revised renewal proposal and the proposal submitted by Tokio Marine HCC. Discussion focused on the reduction in fixed stop-loss costs, maintenance of the existing $150,000 specific deductible, aggregate protection, the absence of new lasers, reimbursement procedures for large claims, and renewal rate guarantees. Trustees also discussed how independent stop-loss coverage differs from Select Health's integrated funding process and reviewed how reimbursement funding would function under the proposed arrangement.

Following discussion, the Board determined that the Tokio Marine HCC proposal provided the strongest combination of financial protection and cost savings.

Motion: Travis Rothweiler moved to approve Tokio Marine HCC as the stop-loss carrier for the 2027 Health Plan Trust plan year. Breanna Howard seconded the motion. **Motion passed unanimously. No nays.**

E. **Select and Confirm the Third-Party Administrator Contract for the 2027 Benefit Plan Year -** Following approval of the stop-loss carrier, Trustees continued discussion regarding specialized catastrophic coverage for organ transplants and gene and cell therapies.

Steve Purkapile, from HUB International explained that organ transplant claims present unique financial risks because members may remain on transplant waiting lists through multiple plan years, increasing the likelihood of significant stop-loss exposure. Representatives also reviewed the rapid growth of gene and cell therapies, noting that individual treatments may cost several million dollars and that specialized carve-out coverage has become an increasingly common risk management strategy among self-funded employers.

Trustees discussed the estimated annual costs of both programs, how the coverages would coordinate with stop-loss insurance, and the financial risks associated with not purchasing the additional protection. The Board also discussed the evolving nature of gene and cell therapies and the expectation that additional covered therapies will continue to be added over time.

Motion: Mitch Humble moved to approve the Organ Transplant Carve-Out Program for the 2027 Health Plan Trust plan year. Breanna Howard seconded the motion. **Motion passed unanimously. No nays.**

Motion: Mitch Humble moved to approve the Gene and Cell Therapy Carve-Out Program for the 2027 Health Plan Trust plan year. Breanna Howard seconded the motion. **Motion passed with four affirmative votes and one abstention (Travis Rothweiler).**

Following approval of the carve-out programs, the Board considered renewal of the Select Health Third-Party Administrator Agreement. Trustees discussed continuing Select Health as the Trust's administrator while moving stop-loss coverage to Tokio Marine HCC. Staff also reviewed other renewal information, including dental, life, disability, COBRA administration, and employee assistance program renewals, and discussed modifying COBRA premium administration so that future payments are made directly through the Health Plan Trust.

Motion: Gretchen Scott moved to approve the Select Health Third-Party Administrator Agreement for the 2027 Health Plan Trust plan year. **Mitch Humble seconded the motion. Motion passed unanimously. No nays.**

Before concluding the meeting, representatives from HUB International informed the Board of recent financial challenges experienced by another Idaho public-sector self-funded health plan. Trustees discussed the importance of actuarial oversight, maintaining adequate reserves, and continuing conservative financial management practices to protect the long-term financial stability of the City's Health Plan Trust.

4. General Public Comment

No public comments were made, and no additional committee comments were noted.

The meeting was adjourned at 5:05 p.m.

Date: Friday, July 24, 2026

To: Health Plan Board Trustees

From:

ACTION ITEM

Request:

Request the board to set funding levels based on the actuarial report for FY 2027 for the trust.

Time Estimate:

Background:

Approval Process:

Budget Impact:

Regulatory Impact:

History:

Analysis:

Conclusion:

Attachments:

None