KAIROS HEALTH ARIZONA, INC.

Minutes of the Meeting of the Board of Directors
April 19, 2018

A meeting of the board of directors of Kairos Health Arizona, Inc., was held on April 19, 2018 at 333 E Osborn Rd, Suite 100, Phoenix, AZ 85012.

Members present: Lana Berry (via teleconference)
Sandy Cooper
Rudy Rodriguez
David Tharp

Members absent: David Lykins
Pam Sitton

Staff present: John Ashton: Ashton Tiffany, LLC
Mike Tiffany: Ashton Tiffany, LLC
Tracy Foss: Ashton Tiffany, LLC
Jennifer Darnall: Ashton Tiffany, LLC
Tanya Edwards: Ashton Tiffany, LLC
Jennifer Gabriel: Ashton Tiffany, LLC
Lori Jundt: Ashton Tiffany, LLC
Jeremy Larson: Ashton Tiffany, LLC
Tara Zika: Ashton Tiffany, LLC
Jane Schemers: Ashton Tiffany, LLC
Wes Gates: Ashton Tiffany, LLC
Hannah Olson: Ashton Tiffany, LLC
Norm Hall: Ashton Tiffany, LLC
Madeline Zobel: BCBSAZ
Tom Marreel: MSI
Terri O'Brien: MSI
Patrick Kohnen: Claremont Capital Management, LLC
Tom Palmer: Claremont Capital Management, LLC

A. Opening of the Meeting

1. Call to order

   Rudy Rodriguez called the meeting to order at 11:15 a.m.

2. Welcome visitors

   Bobby Fendley: Fendley Benefits, broker
   Marijon Anderson: Trust member services
   Nathan Myrvold: CVS representative
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B. General Business

1. A motion was made to approve the agenda for April 19, 2018.

    David Tharp, moved
    Lana Berry, seconded
    Motion passed

2. A motion was made for approval of the board meeting minutes of February 8, 2018

    David Tharp, moved
    Sandy Cooper, seconded
    Motion passed

3. Management Report

    • 2018/2019 renewal and onboarding
    • Business development update
    • Educational item
    • Future meetings


    Lori Jundt presented the preliminary financial statements for the period ending February 28, 2018. Total assets were $37,193,649, consisting primarily of cash and cash equivalents and investments. Total liabilities were $27,865,810, consisting primarily of claims payable and IBNR, as well as self-funded members account balances. Net position as of February 28, 2018, excluding the self-funded members' net position, was $9,327,839. Year to date increase in Kairos net position was $1,362,374.

5. Claims Report

    Tom Marreel presented the claims report through February 28, 2018.

C. Old Business

1. 2018/2019 vision rates

    Ms. Edwards stated that subsequent to the February board meeting, staff was able to negotiate lower rates though VSP with no changes in coverages. Given
the decrease in rates, and in the interest of time, staff distributed the re-negotiated rates to the membership.

A motion was made to ratify the 2018/2019 vision rates as presented.

Sandy Cooper, moved
David Tharp, seconded
Motion passed

D. New Business

1. 2018/2019 Ashton Tiffany, LLC, Contract

Mr. Ashton presented the proposed 2018/2019 Ashton Tiffany, LLC contract. He stated that the board approved the 2018/2019 Budget—Rev. 0, which included a fee for Ashton Tiffany that represented a 4 percent increase over the current fee. Taking into consideration the recent hires brought on to service Kairos, staff believes that the increase is fair and appropriate. He further stated that the contract has been reviewed by outside legal counsel on behalf of the pool.

A motion was made to approve the 2018/2019 Ashton Tiffany, LLC, contract as presented.

Sandy Cooper, moved,
David Tharp, seconded
Motion passed

2. 2018/2019 contract and policies

Ms. Foss presented the 2018/2019 contract and policy summary identifying the vendors that provide services to the pool. The summary included a description of services, fees/rates, and a high-level overview of key terms and conditions. All proposed rates have been contemplated in the 2018/2019 budget—Rev. 0, which was approved at the previous board meeting.

A motion was made to approve the 2018/2019 contracts and policies as presented.

David Tharp, moved
Sandy Cooper, seconded
Motion passed
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E. Executive Session

A motion was made to enter executive session at 12:54 p.m.

David Tharp, moved
Sandy Cooper, seconded
Motion passed

A motion was made to exit executive session at 12:57 p.m.

David Tharp, moved
Sandy Cooper, seconded
Motion passed

F. Open Session

1. A motion was made for approval of the minutes of the February 8, 2018 executive session.

Sandy Cooper, moved
David Tharp, seconded
Motion passed

2. A motion was made to ratify the additional payment to the IRS of $25,900 for the PLR user fee.

Sandy Cooper, moved
David Tharp, seconded
Motion passed

G. Adjournment

A motion was made to adjourn the meeting at 1:00 p.m.

[Signature]

Received and approved by Rudy Rodriguez
Board President
Kairos Health Arizona, Inc.