

**State and School Employees' Life and Health Insurance Plan
Health Insurance Management Board
Regular Monthly Meeting
November 28, 2012**

The regular monthly meeting of the State and School Employees Health Insurance Management Board convened on Wednesday, November 28, 2012, in Room 139 in the Woolfolk Building located at 501 North West Street in Jackson, Mississippi, at 9:00 a.m. The presiding officer was Mr. Kevin J. Upchurch, Chairman of the Board. A quorum was present.

Members Present:

Voting

Mr. Kevin Upchurch
Dr. Eric Clark
Dr. Hank Bounds
Mr. Mike Chaney (*Designee, Mr. Jay Eads*)
Mr. Larry Fortenberry
Ms. DeAnne Mosley

Non-Voting

The Honorable Videt Carmichael

Members Absent:

Mr. Christopher Burkhalter
Mr. Liles Williams
Ms. Pat Robertson
Dr. Lynn House
(*Represented by Ms. Gracie Sanders*)

The Honorable Herb Frierson
The Honorable Gary Chism
The Honorable Eugene Clarke

Department of Finance and Administration Staff Present:

Ms. Rita Wray
Mr. Richard Self
Ms. Cindy Bradshaw
Ms. Cheryl Turner
Ms. Edie Ivey
Mr. Steve May
Mr. Curt Hubbard
Mr. Blake Nowell
Ms. Ashley Harrell
Ms. Susan Lancaster

Attorney General's Office Staff Present:

Ms. Romaine Richards, Esquire

Call to Order

The meeting was chaired and called to order by Mr. Kevin J. Upchurch, Chairman of the Board, who opened the meeting with prayer.

Approval of the Minutes of the Regular Meeting on October 24, 2012

The minutes of the Board's regular monthly meeting of October 24, 2012, were provided to all Board members for their review prior to the meeting. A motion was made by Dr. Eric Clark to approve the minutes as presented. Mr. Larry Fortenberry seconded the motion. The motion passed by a 5 – 0 vote, with members Bounds, Clark, Eads (designee for member Chaney), Fortenberry and Mosley voting affirmatively.

Actuarial Analysis of Other Post-Employment Benefits (OPEB) Liability

Chairman Upchurch recognized Mr. Tom Cavanaugh, Chief Executive Officer, and Mr. Edward Koebel, Senior Actuary, with Cavanaugh Macdonald Consulting. Mr. Cavanaugh and Mr. Koebel presented an updated valuation of the State's liability for other post-employment benefits (OPEB) under the Plan as of June 30, 2012. Handouts entitled *GASB 43/45 June 30, 2012 OPEB Valuation* were provided to Board members for their review.

2013 Plan Document

Chairman Upchurch recognized Ms. Cindy Bradshaw, Deputy Director with the Office of Insurance, who discussed the draft 2013 *Plan Document*, a copy of which had been provided the Board members for their review prior to the meeting. Ms. Bradshaw reminded Board members that the *Plan Document* contains the terms and conditions related to the operation and administration of the State and School Employees' Life and Health Insurance Plan, and needed to be updated to reflect the benefit changes recently approved by the Board, including benefit and notification changes required by the *Patient Protection and Affordable Health Care Act*. Ms. Bradshaw further advised that the *Plan Document* would be accessible again this year on the Plan's website in lieu of mailing the document to each participant. She explained that participants would receive a written notice describing how to access the *Plan Document* on the Plan's website, as well as be provided instructions on how to receive a paper copy if they so desired.

A motion was made by Dr. Hank Bounds to approve the 2013 *Plan Document*. The motion was seconded by Mr. Larry Fortenberry. The motion passed by a 5 – 0 vote, with members Bounds, Clark, Eads (designee for member Chaney), Fortenberry and Mosley voting affirmatively.

Financial Statements

Chairman Upchurch recognized Mr. Richard Self, State Insurance Administrator with the Office of Insurance, who briefly reviewed the financial statements for the State and School Employees' Life and Health Insurance Plan and the Children's Health Insurance Program for the period ending October 31, 2012. Copies of the financial statements were provided to Board members for their review prior to the meeting.

Mr. Self reported that the Plan's current reserves exceeded the Board's minimum reserve funding requirements, and advised that based on current and projected spending trends, the Board may want to consider revising the reserve funding policy in the future. Ms. Rita Wray, Deputy Executive Director with the Department of Finance and Administration requested that staff research information regarding health plan reserve funding policies employed by other States, and provide recommendations at a later date for the Board to consider.

General Schedule

Mr. Self reviewed the schedule of major activities and actions to be taken by the Board for the next several months.

Old Business

Mr. Self reminded Board members that they had previously voted to approve entering into contract negotiations for a one-year extension to the Wellness and Health Promotion Services Contract with WebMD Health Services Group, Inc., subject to successful negotiations for any potential service and/or pricing revisions. He advised that contract negotiations had resulted in an extension to the contract under which WebMD agreed to several service enhancements, including but not limited to, providing two additional wellness coordinators, hosting two employer-based wellness challenges, and expanding communication and site visit efforts, all at no additional cost to the Plan. Mr. Self added that WebMD had also offered to fund a participation promotion incentive campaign that would provide for iPads® to be awarded to randomly drawn participants who complete certain health and wellness activities, such as completion of health risk assessments, in an effort to increase the engagement of Plan participants in the *Motivating Mississippi – Keys to Living Healthy* wellness program. As this enhancement was not included in the aforementioned extension amendment, Mr. Self advised that the Board may want to consider executing another amendment with WebMD to address the proposed incentive campaign. Several Board members expressed concerns that possible misperceptions, relative to the funding source for the awarded items, could result from participants receiving incentives of such high value.

A motion was made by Dr. Hank Bounds to decline the proposal by WebMD Health Services Group, Inc., to fund the participation promotion incentive campaign. The motion was seconded by Ms. DeAnne Mosley. The motion passed by a 6 – 0 vote, with members

Bounds, Clark, Eads (designee for member Chaney), Fortenberry, Mosley and Upchurch voting affirmatively.

New Business

Mr. Self advised the Board that under the third party claims administration services contract, Blue Cross and Blue Shield of Mississippi is required to conduct an annual satisfaction survey of Plan participants. Copies of the *State and School Employees' Health Insurance Plan 2012 Satisfaction Survey* were distributed to Board members for their review. Mr. Self reported that the 2012 survey was very favorable, and that satisfaction levels in most categories had improved again this year.

Adjournment

Chairman Upchurch announced that the next regular meeting of the State and School Employees Health Insurance Management Board is scheduled for 9:00 a.m., January 23, 2013, in Room 139, located at the Woolfolk Building.

As there was no further business, the meeting was adjourned at 10:25 a.m.

A handwritten signature in cursive script, reading "Kevin J. Upchurch", written over a horizontal line.

Kevin J. Upchurch
Chairman

State and School Employees Health Insurance Management Board