

**State and School Employees' Life and Health Insurance Plan
Health Insurance Management Board
Regular Monthly Meeting
January 23, 2013**

The regular monthly meeting of the State and School Employees Health Insurance Management Board convened on Wednesday, January 23, 2013, 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
Mr. Mike Chaney (*Designee, Ms. Michelle Partridge*)
Ms. DeAnne Mosley
Mr. Christopher Burkhalter
Ms. Pat Robertson
Mr. Larry Fortenberry

Non-Voting

Members Absent:

Mr. Liles Williams
Dr. Hank Bounds
(*Represented by Ms. Cheryl Mowdy*)
Dr. Lynn House
(*Represented by Ms. Gracie Sanders*)

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

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
Ms. Lisa Crumpton
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 November 28, 2012

The minutes of the Board's regular monthly meeting of November 28, 2012, were provided to all Board members for their review prior to the meeting. A motion was made by Mr. Larry Fortenberry to approve the minutes as presented. Ms. Pat Robertson seconded the motion. The motion passed by a 6 – 0 vote, with members Burkhalter, Clark, Fortenberry, Partridge (designee for member Chaney), Fortenberry and Mosley voting affirmatively.

Minnesota Life Insurance Letter of Understanding

Chairman Upchurch recognized Mr. Richard Self, State Insurance Administrator, with the Office of Insurance who advised the Board that the Letter of Understanding with Minnesota Life Insurance Company for the Plan's group term life insurance policy will expire on December 31, 2013. Mr. Self advised that Minnesota Life Insurance Company had proposed a renewal which would extend the term of the Letter or Understanding and continue the policy for four additional years which would include an option to renew for one additional year. Mr. Self stated that staff recommends that the Board consider appointing a subcommittee to review the proposed renewal, for the purpose of providing the Board with their recommendations at a subsequent meeting.

Subcommittee Appointments

Chairman Upchurch announced the following subcommittee appointments for review of the proposed life insurance renewal:

Mr. Larry Fortenberry
Mr. Christopher Burkhalter
Dr. Lynn House

Direct Contracting Administrator Contract

Chairman Upchurch recognized Ms. Cindy Bradshaw, Deputy Director, with the Office of Insurance who advised that the Board's Direct Contracting Administrator Contract with Advanced Health Systems will expire December 31, 2013, and that the contract includes an option to renew for one additional year at the Board's discretion. Ms. Bradshaw further advised that the contract includes pricing for the optional fifth year; eliminating the need for further negotiation should the Board elect to exercise this option. She further stated that the Office of Insurance staff recommends that the Board exercise this option and extend the contract for the fifth year.

A motion was made by Dr. Eric Clark to approve the extension of the Direct Contracting Administrator Contract with Advanced Health Systems through December 31, 2014. Mr. Christopher Burkhalter seconded the motion. The motion passed by a 6 – 0 vote, with members Burkhalter, Clark, Fortenberry, Partridge (designee for member Chaney), Fortenberry and Mosley voting affirmatively.

Decision Support System Contract

Mr. Self advised that the Board's Decision Support System Contract with Truven Health Analytics (through the Mississippi Department of Information and Technology Services) will expire December 31, 2013, and that the contract includes an option to renew for one additional year at the Board's discretion. Mr. Self further advised that the contract includes pricing for the optional fifth year; eliminating the need for further negotiation should the Board elect to exercise this option. He further stated that the Office of Insurance staff recommends that the Board exercise this option and extend the contract for the fifth year.

A motion was made by Mr. Larry Fortenberry to approve the extension of the Decision Support System Contract with Truven Health Analytics through December 31, 2014. Mr. Christopher Burkhalter seconded the motion. The motion passed by a 6 – 0 vote, with members Burkhalter, Clark, Fortenberry, Partridge (designee for member Chaney), Fortenberry and Mosley voting affirmatively.

Financial Statements

Chairman Upchurch recognized Mr. Steve May, Director of Accounting and Analysis, 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 months of November and December 2012. Copies of the financial statements were provided to Board members for their review prior to the meeting.

General Schedule

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

New Business

Chairman Upchurch advised the Board that he had received a letter from Senator Will Longwitz requesting that the Board consider Massage Therapy as a potential benefit to be covered under the Plan. Chairman Upchurch requested that staff add this service to the list of potential benefit changes for the Board to consider for Calendar Year 2014.

Old Business

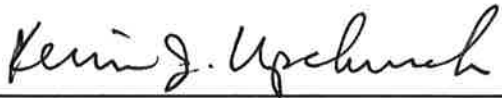
Mr. Self provided the Board with copies of a document prepared by Mr. Thomas J. Cavanaugh, FSA, FCA, MAAA, EA, entitled *New GASB Rules*, which briefly summarizes

GASB Statements 67 and 68 addressing accounting for public sector pensions plans. Mr. Self advised that these new Statements do not directly impact the Plan, but that the summary was provided by Mr. Cavanaugh in response to information previously requested by several Board members. Chairman Upchurch recognized Ms. Pat Robertson, Executive Director with the Mississippi Public Employees' Retirement System, who provided additional information relative to how the new Statements may affect local State entities and their accounting for pension liabilities.

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., February 27, 2013, in Room 139, located at the Woolfolk Building.

As there was no further business, the meeting was adjourned at 9:26 a.m.



Kevin J. Upchurch
Chairman
State and School Employees Health Insurance Management Board