

**State and School Employees' Life and Health Insurance Plan
Health Insurance Management Board
Regular Monthly Meeting
November 19, 2014**

The regular monthly meeting of the State and School Employees Health Insurance Management Board convened on Thursday, November 19, 2014, 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
Mr. Christopher Burkhalter
Mr. Mike Chaney (*Represented by Designee, Mr. Bob Williams*)
Dr. Eric Clark
Ms. Pat Robertson
Mr. Liles Williams

Non-Voting

Members Absent:

Dr. Hank Bounds	The Honorable Videt Carmichael
Mr. Larry Fortenberry	The Honorable Gary Chism
Ms. DeAnne Mosley	The Honorable Eugene Clark
Dr. Carey Wright (<i>Represented by Ms. Gracie Sanders</i>)	The Honorable Herb Frierson

Department of Finance and Administration Staff Present:

Mr. Richard Self
Ms. Cindy Bradshaw
Mr. Steve May
Mr. Curt Hubbard
Ms. Amanda Murphy
Mr. Chris Shaman
Ms. Lori Webb
Ms. Claire Whittington
Mr. Ryan Jones

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 22, 2014

The minutes of the Board's regular monthly meeting of October 22, 2014 were provided to all Board members for their review prior to the meeting. A motion was made by Mr. Chris Burkhalter for the Board to approve the minutes as presented. Ms. Pat Robertson seconded the motion. The motion passed by a 5 – 0 vote, with members Burkhalter, Clark, Robertson, Mr. Bob Williams (designee for member Chaney), and Mr. Liles Williams voting affirmatively.

Fiscal Year 2014 Financial Audit Report

Chairman Upchurch recognized Mr. Timothy T. Burns, CPA/Partner with BKD, LLP to present the results of BKD's financial audit of the State and School Employees' Life and Health Insurance Plan for fiscal year 2014. A copy of the report entitled "*State of Mississippi Selected Funds of the State and School Employees' Life and Health Insurance Plan, Independent Auditor's Report and Combined Financial Statements of Funds Selected for Audit June 30, 2014*", including BKD's management letter, were provided to Board members prior to the meeting.

Ms. Robertson made the motion to accept the report as submitted to the Board. Mr. L. Williams seconded the motion. The motion passed by a 5 – 0 vote, with members Burkhalter, Clark, Robertson, Mr. Bob Williams (designee for member Chaney), and Mr. L. Williams voting affirmatively.

HIPAA Exemption Election

Chairman Upchurch recognized Mr. Richard Self, State Insurance Administrator with the Office of Insurance, who advised that staff recommends that the Board continue to elect exemption of the State and School Employees' Life and Health Insurance Plan from certain federal regulations under the Health Insurance Portability and Accountability Act (HIPAA). Mr. Self explained that although the Board has consistently elected to generally comply with the intent of the HIPAA requirements voluntarily, it has nonetheless voted annually to exempt the Plan from regulation under these provisions for the past seventeen years. He advised that should the Board elect to continue this exemption for 2015, a letter would be provided to the federal government as notification of this election, and the notice would be included in the *2015 Plan Document*.

Mr. Burkhalter moved to approve the exemption election. The motion was seconded by Ms. Robertson. The motion passed by a 5 – 0 vote, with members Burkhalter, Clark, Robertson, Mr. B. Williams (designee for member Chaney), and Mr. L. Williams 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 for the month of October 2014. Copies of the financial statements were provided to Board members for their review prior to the meeting. Mr. May pointed out that the Plan's medical spend for the current year has decreased over the prior year levels, and explained that the decrease was primarily due to the January 2014 addition of the nationwide BlueCard network, as well as an improvement in the in-state hospital access through the AHS State Network. Mr. Self explained that due to this recent favorable medical expenditure trend, the Plan was expected to end the year significantly better than originally projected.

General Schedule

Ms. Cindy Bradshaw, Deputy Director for the Office of Insurance, reviewed the schedule of major activities and actions to be taken by the Board for the next several months.

Old Business

Chairman Upchurch recognized Mr. Richard Self, who provided an update on how the tobacco use premium surcharge would be administered, and distributed a brief written summary of the process to all Board members. Mr. Self requested that the Board approve expanding *Tobacco Use Premium Surcharge* section in the *2015 Plan Document* to include the language in the summary.

Dr. Clark made the motion to include in the *2015 Plan Document* the recommended language from the tobacco use premium surcharge summary, and that participants be required to complete a new attestation form annually. Ms. Robertson seconded the motion. The motion passed by a 5 – 0 vote, with members Burkhalter, Clark, Robertson, Mr. B. Williams (designee for member Chaney), and Mr. L. Williams voting affirmatively.

Chairman Upchurch reminded the Board that HB 542 from the 2014 Regular Session of the Mississippi Legislature mandated that the Board conduct a study on the treatment of autism and provide the results to the Legislature by December 1, 2014. Copies of the report entitled, *Evaluation of Health Insurance Coverage for the Treatment of Autism Spectrum Disorders*, were distributed to Board members for review and discussion. Mr. Self discussed the process the staff followed in conducting the study, including the work and input from the contracted vendor, Hayes, Inc., as well as the information provided by the Mississippi Department of Education. Ms. Cindy Bradshaw, Deputy Director provided a brief overview of the report, including conclusions and recommendations.

Ms. Robertson made the motion that the Board authorize the Chairman to submit the autism report on behalf of the Board to the Legislature. Mr. Burkhalter seconded the motion. The motion passed by a 5 – 0 vote, with members Burkhalter, Clark, Robertson, Mr. B. Williams (designee for member Chaney), and Mr. L. Williams voting affirmatively.

A motion was made by Mr. Burkhalter to close the meeting to consider going into an executive session to discuss a matter of potential litigation. Mr. L. Williams seconded the motion. The motion passed by a 5 – 0 vote, with members Burkhalter, Clark, Robertson, Mr. B. Williams (designee for member Chaney), and Mr. L. Williams voting affirmatively.

The public was excused from the room while the Board went into closed session. Board members, staff of the Department of Finance and Administration, and staff from the Attorney General's Office remained in the room. In closed session, a motion was made by Mr. Burkhalter to go into executive session to discuss a matter of potential litigation. The motion was seconded by Mr. B. Williams (designee for member Chaney). The motion passed by a 5 – 0 vote, with members Burkhalter, Clark, Robertson, Mr. B. Williams (designee for member Chaney), and Mr. L. Williams voting affirmatively.

Chairman Upchurch reopened the meeting and announced publicly that the Board had voted to enter into executive session to discuss a matter of potential litigation. The public was excused from the room and the Board entered into executive session at approximately 9:47 a.m. Board members, staff of the Department of Finance and Administration, and staff from the Attorney General's Office remained in the room.

A motion to adjourn the executive session and reopen the meeting was made by Mr. B. Williams. The motion was seconded by Mr. Burkhalter and passed by a 5 – 0 vote, with members Burkhalter, Clark, Robertson, Mr. B. Williams (designee for member Chaney), and Mr. L. Williams voting affirmatively. The executive session ended at approximately 10:17 a.m., and members of the public returned to the room. Chairman Upchurch announced that no action was taken during executive session.

Mr. Burkhalter made the motion to terminate contract negotiations for health care transparency services with Compass Healthcare Advisers, and to enter into contract negotiations with Castlight Health, Inc., to provide health care transparency services, and that subject to successful contracts negotiations, for the Chairman of the Board to execute the contract on behalf of the Board. Mr. L. Williams seconded the motion. The motion passed by a 5 – 0 vote, with members Burkhalter, Clark, Robertson, Mr. B. Williams (designee for member Chaney), and Mr. L. Williams voting affirmatively.

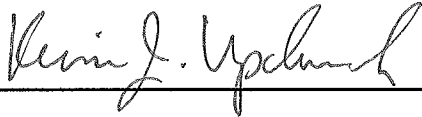
New Business

Ms. Bradshaw briefly reviewed the annual survey conducted by Blue Cross and Blue Shield of Mississippi, and reported an overall 95% participant satisfaction rate.

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., on Wednesday, January 28, 2015, in Room 139, located at the Woolfolk Building.

As there was no further business, the meeting was adjourned at 10:21 a.m.



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