

**State and School Employees' Life and Health Insurance Plan
Health Insurance Management Board
Regular Monthly Meeting
February 25, 2015**

The regular monthly meeting of the State and School Employees Health Insurance Management Board convened on Wednesday, February 25, 2015, in Room 139 in the Woolfolk Building located at 501 North West Street in Jackson, Mississippi, at 11:00 a.m., having been rescheduled due to inclement weather. The presiding officer was Mr. Kevin J. Upchurch, Chairman of the Board. A quorum was present.

Members Present:

Voting

Mr. Kevin Upchurch
Mr. Mike Chaney
Mr. Christopher Burkhalter *(via conference call)*
Dr. Eric Clark *(via conference call)*
Mr. Larry Fortenberry *(via conference call)*
Ms. DeAnne Mosley *(via conference call)*
Mr. Liles Williams *(via conference call)*

Non-Voting

Members Absent:

Dr. Hank Bounds
Ms. Pat Robertson
Dr. Carey Wright

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

Department of Finance and Administration Staff Present:

Mr. Richard Self
Ms. Cindy Bradshaw
Mr. Curt Hubbard
Ms. Kathy Kehle
Mr. Steve May
Ms. Amanda Murphy
Mr. Chris Shaman
Ms. Claire Whittington

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. Due to the inclement weather, members Burkhalter, Clark, Fortenberry, Mosley, and Williams participated in the meeting via conference call.

Approval of the Minutes of the Regular Meeting on January 28, 2015

The minutes of the Board's regular monthly meeting of January 28, 2015, were provided to all Board members for their review prior to the meeting. A motion was made by Mr. Liles Williams to approve the minutes as presented. Mr. Mike Chaney seconded the motion. The motion passed by a 6 – 0 vote, with members Burkhalter, Chaney, Clark, Fortenberry, Mosley, and Williams voting affirmatively.

Calendar Year 2014 Actuarial Report Preliminary Projections

Chairman Upchurch recognized Mr. Wm. Lynn Townsend, FSA, MAAA, consulting actuary for the Board, who presented an overview of the financial status of the Plan for CY 2014, as well as projections of active employee rates for FY 2016. Copies of the report entitled "*Actuarial Report Calendar Year 2014 Preliminary Projections*" were provided to Board members for their review prior to the meeting. Several potential premium rate scenarios were included in this report. Mr. Townsend noted that the Plan continued to experience a favorable reduction in non-drug trend, primarily due to savings on out-of-state claims through the Blue Card national network, savings on in-state claims through increased participation by providers in the AHS State Network, in addition to other cost containment measures implemented by the Board. Mr. Townsend explained that these actions have resulted in the Plan's reserves being significantly higher than previously projected. Dr. Clark suggested that the Board reconsider the need for the planned July 1, 2015 premium increase, and requested that the Board review the Plan's reserve policy at a subsequent meeting, with consideration to establishing a more conservative target.

Mr. Chaney made the motion to allow Chairman Upchurch to submit a supplemental letter to the Legislative Budget Office advising them that the Board does not intend to implement a premium increase effective July 1, 2015. Dr. Eric Clark seconded the motion. The motion passed by a 6 – 0 vote, with members Burkhalter, Chaney, Clark, Fortenberry, Mosley, and 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 January 2015. Copies of the financial statements were provided to Board members for their review prior to the meeting.

General Schedule

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

Old Business

There was no old business for the Board to consider.

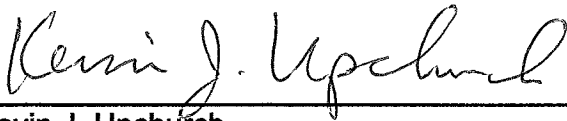
New Business

There was no new business for the Board to consider

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., March 25, 2015, in Room 139, located at the Woolfolk Building.

As there was no further business, the meeting was adjourned at 11:54 a.m.



Kevin J. Upchurch
Chairman

State and School Employees Health Insurance Management Board