

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

The regular monthly meeting of the State and School Employees Health Insurance Management Board convened on Wednesday, March 25, 2015, in Room 139 in the Woolfolk Building located at 501 North West Street in Jackson, Mississippi, at 9:01 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
Dr. Eric Clark
Mr. Mike Chaney
Mr. Larry Fortenberry
Ms. Pat Robertson
Mr. Liles Williams

Non-Voting

Members Absent:

Dr. Hank Bounds
Ms. Deanne Mosley
Dr. Carey Wright (*Represented by Mr. Todd Ivey*)

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
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.

Approval of the Minutes of the Regular Meeting on February 25, 2015

The minutes of the Board's regular monthly meeting of February 25, 2015, 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. Mr. Chris Burkhalter seconded the motion. The motion passed by a 6 – 0 vote, with members Burkhalter, Chaney, Clark, Fortenberry, Robertson, and Williams voting affirmatively.

Potential Benefit Changes for Calendar Year 2016

Chairman Upchurch recognized Ms. Cindy Bradshaw, Deputy Director with the Office of Insurance, who outlined the process and schedule for consideration of proposed Plan benefit changes for 2016, and briefly discussed the draft list of potential changes. A copy of this list had been provided to Board members prior to the meeting. Ms. Bradshaw advised that the Board will need to indicate which of the potential benefit changes listed they would like for the staff to analyze, and explained that other proposed changes could be added to the list if the Board so desired. The following potential benefit changes were discussed:

- Consider changes to prescription drug benefits, deductibles, and copayments
- Consider incentivizing participation in maternity education program through richer maternity benefits
- Consider changes to medical deductible, coinsurance, and out-of-pocket maximums
- Consider office visit medical copayments
- Consider additional coverage for telemedicine/telehealth services
- Consider modifications to bariatric surgery guidelines
- Consider modifications to emergency room copayment structure/amounts
- Consider removal of pre-certification requirements for outpatient MRI's and CT scans
- Consider modification to chiropractic benefit limit

A motion was made by Mr. Fortenberry to approve for staff evaluation the list of potential 2016 benefit changes as presented. Mr. Mike Chaney seconded the motion. The motion

passed by a 6 – 0 vote, with members Burkhalter, Chaney, Clark, Fortenberry, Robertson, and Williams voting affirmatively.

Discussion was held to consider allowing retirees who terminated coverage with the Plan be eligible for coverage at a later date provided the retiree maintained health insurance coverage during the lapse of coverage with the Plan. A motion was made by Mr. Fortenberry to add this item to the list of potential benefit changes for staff to evaluate. Mr. Chaney seconded the motion. The motion passed by a 6 – 0 vote, with members Burkhalter, Chaney, Clark, Fortenberry, Robertson, and Williams voting affirmatively.

Calendar Year 2014 Actuarial Report Highlights

Chairman Upchurch recognized Mr. Wm. Lynn Townsend, FSA, MAAA, consulting actuary for the Board, who presented highlights of his calendar year 2014 analysis of the State and School Employees' Life and Health Insurance Plan. Mr. Townsend's presentation included an overview of the financial status of the Plan as of the end of 2014, as well as projections of the Plan's financial status for 2015, 2016, 2017, and 2018, under various premium rate scenarios. Copies of Mr. Townsend's "*CALENDAR YEAR 2014 ACTUARIAL REPORT Highlights*", as well as his complete report entitled "*ACTUARIAL REPORT CALENDAR YEAR 2014*," were provided to Board members for their review prior to the meeting.

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 March 2015. Copies of the financial statements were provided to Board members for their review prior to the meeting.

General Schedule

Ms. Bradshaw 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, State Insurance Administrator with the Office of Insurance, who discussed the status of legislation that directly impacted the Plan. Mr. Self advised that HB873, which removed the Board's authority to establish a tobacco surcharge, was signed into law by the Governor. He added that despite the removal of the surcharge, the staff would continue implementing the Board's directive for tobacco awareness and cessation programs as a vital component of the Plan's *Motivating Mississippi – Keys to Living Healthy* wellness initiatives. Mr. Self explained that the 2015 *Plan Document* would need to be amended in order to reflect the elimination of the surcharge. A motion was made by Mr. Chris Burkhalter to revise the language in the Plan Document. Mr. Liles Williams seconded the motion. The motion passed by a 5 – 0 vote, with members Burkhalter, Clark, Robertson, Williams, and Upchurch voting affirmatively. Members Chaney and Fortenberry left the meeting prior to this vote.

Mr. Self advised that HB885, mandating insurance coverage for screening, diagnosis, and treatment for children suffering from autism spectrum disorders, had been passed by the Legislature and was heading to the Governor. Mr. Self reminded the Board that the Plan already provides coverage for the treatment of autism spectrum disorders, but would need to revise its medical policy to ensure compliance with the new law as it pertains to coverage for applied behavior analysis therapy.

Mr. Self added that HB952 had likewise been passed, explaining that this legislation prohibits higher copayments, deductibles, or coinsurance for patient-administered anti-cancer medications. He explained that the Plan's pharmacy benefit structure currently provides the same level of cost sharing for oncology drugs as it does for all other covered drugs, when purchased at a pharmacy. He added that oncology medications administered in a physician's office are covered under the Plan's medical benefits, rather than under the pharmacy benefit structure, which can result in a differential in the participant's cost sharing. Mr. Self advised that staff would review what changes, if any, would need to be made to the Plan's benefit structure in order to comply with HB952, if it becomes law.

Mr. Self advised that HB952 also included language that authorized the Board to accept bids for bundled surgical services that include assistance in locating a surgeon, setting up initial consultation, travel, a negotiated single case rate bundle and payment for orthopedic, spine, bariatric, cardiovascular and general surgeries. He explained that the Board already has authority to contract with providers to bundle such services, but that the Legislature had expressed an interest in the Board including bundled surgical services as an option for participants where appropriate.

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., April 22, 2015, in Room 139, located at the Woolfolk Building.

As there was no further business, the meeting was adjourned at 10:31 a.m.



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