

**State and School Employees' Life and Health Insurance Plan
Health Insurance Management Board
Regular Monthly Meeting
June 24, 2015**

The regular monthly meeting of the State and School Employees Health Insurance Management Board convened on Wednesday, June 24, 2015, 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. Glenn Boyce *(Via Phone)*
Mr. Mike Chaney *(Represented by Designee Mr. Bob Williams)*
Dr. Eric Clark
Mr. Larry Fortenberry
Ms. DeAnne Mosley
Ms. Pat Robertson
Mr. Liles Williams

Non-Voting

The Honorable Eugene Clarke

Members Absent:

Mr. Christopher Burkhalter
Dr. Carey Wright

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

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
Mr. Chuck McIntosh

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. Chairman Upchurch welcomed new Board member, Dr. Glenn Boyce, with the Institutions of Higher Learning, who joined the meeting via telephone. Chairman Upchurch also recognized Board member Dr. Eric Clark, reminding everyone of Dr. Clark's upcoming June 30, 2015 retirement, and thanking him for his many years of service to the State and School Employees' Life and Health Insurance Plan and the citizens of Mississippi. Dr. Clark introduced Ms. Deborah Gilbert, who has been appointed as Interim Executive Director for the Mississippi Community College Board, and who will also begin serving on the Health Insurance Management Board effective July 1, 2015. Chairman Upchurch welcomed Ms. Gilbert to the Board.

A motion was made by Mr. Bob Williams (designee for member Chaney) to close the meeting to consider going into an executive session to discuss a matter of potential litigation. Mr. Larry Fortenberry seconded the motion. The motion passed by a 7 – 0 vote, with members Boyce, Clark, Fortenberry, Mosley, Robertson, B. Williams, and 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. B. Williams to go into executive session to discuss a matter of potential litigation. The motion was seconded by Mr. Fortenberry. The motion passed by a 7 – 0 vote, with members Boyce, Clark, Fortenberry, Mosley, Robertson, B. Williams, and 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 9:05 a.m. Board members, staff of the Department of Finance and Administration, and staff from the Attorney General's Office remained in the room, along with Special Assistant Attorney General Jackie Ray and attorney Mr. Robert Malouf.

A motion to adjourn the executive session and reopen the meeting was made by Mr. Bob Williams. The motion was seconded by Ms. Pat Robertson and passed by a 7 – 0 vote, with members Boyce, Clark, Fortenberry, Mosley, Robertson, B. Williams, and L. Williams voting affirmatively. The executive session ended at approximately 9:35 a.m., and members of the public returned to the room.

Chairman Upchurch announced that during the executive session, potential litigation was discussed and that Dr. Eric Clark had made a motion for the Board to cooperate with the Attorney General's Office and exercise the appropriate confidentiality and nondisclosure agreement relative to the litigation. Ms. Deanne Mosley seconded the motion. The motion passed by a 7 – 0 vote with members Boyce, Clark, Fortenberry, Mosley, Robertson, B. Williams, and L. Williams voting affirmatively.

Approval of the Minutes of the Regular Meeting on May 27, 2015

The minutes of the Board's regular monthly meeting of May 27, 2015, were provided to all Board members for their review prior to the meeting. A motion was made by Mr. Bob Williams to approve the minutes as presented. Ms. Robertson seconded the motion. The motion passed by a 7 – 0 vote, with members Boyce, Clark, Fortenberry, Mosley, Robertson, B. Williams, and L. Williams voting affirmatively.

2014 Prescription Drug Claims and Performance Review Report

Chairman Upchurch recognized Mr. Greg Rucinski, President of TRICAST, to present the results of TRICAST's recently completed review of Catamaran's calendar year 2014 performance as the pharmacy benefit manager for the State and School Employees' Health Insurance Plan. A copy of TRICAST's report entitled "*Prescription Benefit Management Audit - Specific Findings Report*", as well as Catamaran's response to the report, was distributed to Board members prior to the meeting. Mr. Rucinski discussed the review process and the key results, noting that Catamaran had met or exceeded certain contractual performance guarantees, while underperforming in two of the minimum discount guarantees. This underperformance, in addition to a copayment coding error noted, resulted in a refund of approximately \$177,000 due back to the Plan. Catamaran has acknowledged these findings and agreed to refund the amount due.

Selection of Health Management Vendor

Chairman Upchurch recognized Ms. Cindy Bradshaw, Deputy Director for the Office of Insurance, who briefly discussed the contract with ActiveHealth Management, Inc., for medical (health) management services that will expire on December 31, 2015. Ms. Bradshaw reminded Board members that at its October 2014 meeting, the Board authorized staff to issue a Request for Proposals (RFP) for these services for a contract to be effective January 1, 2016. Ms. Bradshaw advised that staff, working with the Board's subcommittee consisting of Chris Burkhalter, Dr. Eric Clark, and Pat Robertson, had completed the RFP process and determined that ActiveHealth Management had submitted the best proposal to provide health management services to the Board. Dr. Clark moved that the Board approve entering into contract negotiations with ActiveHealth Management, Inc., to provide health management services effective January 1, 2016, and subject to successful contract negotiations for the Chairman of the Board to execute the contract on behalf of the Board. Mr. Fortenberry seconded the motion. The motion passed by a 6 – 0 vote, with members Boyce, Clark, Fortenberry, Robertson, B. Williams, and L. Williams voting affirmatively. Member Deanne Mosley abstained from voting.

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 May 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, who reviewed the schedule of major activities and actions to be taken by the Board for the next several months.

Old Business

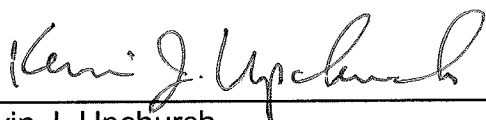
Chairman Upchurch recognized Ms. Pat Robertson who provided a brief update on some of the recent changes in the Governmental Accounting Standards Board (GASB) rules and regulations relative to the Other Post-Employment Benefits (OPEB) reporting, and the potential impact to the local employer units. There was no other 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., July 22, 2015, in Room 139, located at the Woolfolk Building. As there was no further business, the meeting was adjourned at 9:53 a.m.



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