

**State and School Employees' Life and Health Insurance Plan
Health Insurance Management Board
Regular Monthly Meeting
August 26, 2015**

The regular monthly meeting of the State and School Employees Health Insurance Management Board convened on Wednesday, August 26, 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. Glen Boyce
Mr. Christopher Burkhalter
Mr. Mike Chaney
Ms. Pat Robertson
Mr. Liles Williams
Dr. Carey Wright

Non-Voting

The Honorable Videt Carmichael
The Honorable Herb Frierson

Members Absent:

Ms. Deborah Gilbert *(Represented by Mr. Kell Smith)*
Mr. Larry Fortenberry
Ms. Deanne Mosley

The Honorable Gary Chism
The Honorable Eugene Clarke

Department of Finance and Administration Staff Present:

Mr. Richard Self
Ms. Cindy Bradshaw
Mr. Curt Hubbard
Mr. Steve May
Mr. Chris Shaman
Ms. Amanda Murphy
Ms. Christina Young
Mr. Freddie Phillips
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.

Approval of the Minutes of the Regular Meeting on July 22, 2015

The minutes of the Board's regular monthly meeting of July 22, 2015 were provided to all Board members for their review prior to the meeting. A motion was made by Mr. Mike Chaney to approve the minutes as presented. Mr. Liles Williams seconded the motion. The motion passed by a 6 – 0 vote, with members Boyce, Burkhalter, Chaney, Robertson, Williams, and Wright voting affirmatively.

Preliminary Actuarial Report Fiscal Year 2015

Chairman Upchurch recognized Mr. Wm. Lynn Townsend, FSA, MAAA, Consulting Actuary for the Board, who presented an overview of the financial results and current status of the Plan as of June 30, 2015. A copy of Mr. Townsend's report entitled "*PRELIMINARY ACTUARIAL REPORT FISCAL YEAR 2015*" was distributed to Board members for their review.

Benefit Changes for 2016

Chairman Upchurch recognized Ms. Cindy Bradshaw, Director, Benefits and Participant Services with the Office of Insurance, who presented the proposed benefit changes for the State and School Employees' Life and Health Insurance Plan to be effective January 1, 2016, including the projected savings and/or additional costs associated with each proposed change. A handout entitled *Evaluation of Potential Benefit Changes for Calendar Year 2016* was provided to the Board prior to the meeting.

Ms. Bradshaw presented the following staff recommendations:

1. Adjust Prescription Drug Retail and Mail Copayments – Staff does not recommend changes to the pharmacy copayment or pharmacy deductible levels at this time.
2. Adjust Contraceptive Coverage to include Plan coverage without cost-sharing for certain brand contraceptives when a generic is not available or not medically appropriate – Required by the Patient Protection and Affordable Care Act (PPACA)
3. Incentivize Participation in Maternity Education Program – Staff recommends incentivizing engagement in this program by providing 100% coverage for physician maternity services for only those participants who participate in the maternity management program.
4. Adjust Medical Deductibles, Coinsurance, and Out-of-Pocket Maximums – Staff does not recommend changes to the Plan's deductibles, coinsurance, or Out-of-Pocket Maximums at this time.

5. Add Office Visit Copayment Benefit for Select Coverage – Staff recommends adding a \$25 copayment benefit for primary care provider (PCP) office visits, not subject to a deductible or coinsurance (Option 3 on the Chart), with such benefit to be available in Select coverage only. Copayment benefits are not available to High Dollar High Plans such as Base due to federal restrictions.
6. Add Telemedicine Services – Staff recommends that the Board authorize the 2016 release of a Request for Proposals for telemedicine services, with such benefits to be available in both Select and Base coverages.
7. Revise Bariatric Surgery Guidelines – Staff does not recommend any changes to the bariatric surgery guidelines at this time.
8. Remove Pre-Certification Requirements for Outpatient MRIs and CT Scans – Staff recommends eliminating the certification requirement for imaging services.
9. Modify Chiropractic Benefit Limit – Staff recommends removal of the calendar year dollar limit for chiropractic services and implementing instead a limit of 30 visits per calendar year.
10. Revise Eligibility Rules for Retirees - Staff does not recommend revising retiree eligibility rules at this time. Staff recommends that the potential cost and impact to the State's Other Post-Employment Benefits (OPEB) liability be evaluated prior to considering relaxing the retiree eligibility rules.
11. Emergency Room Copayment – Staff does not recommend any changes to the emergency room copayment at this time.

Ms. Bradshaw reported to the Board that the proposed 2016 benefit changes had been presented to the State and School Employees Health Insurance Advisory Council at their August 19, 2015 meeting. Ms. Bradshaw advised that the Advisory Council voted to accept all staff recommendations and communicate same to the Board.

A motion was made by Mr. Mike Chaney to accept staff and Advisory Council recommendations for all items. Ms. Pat Robertson seconded the motion. The motion passed by a 6 – 0 vote, with members Boyce, Burkhalter, Chaney, Robertson, Williams, and Wright voting affirmatively.

Fiscal Year 2017 Actuarial Report Preliminary Projections

Chairman Upchurch recognized Mr. Wm. Lynn Townsend, FSA, MAAA, Consulting Actuary for the Board, who presented the preliminary projections of the Plan's financial operations over the next four years, including trend assumptions and various scenarios for future premium rate increases.

Mr. Chris Burkhalter moved that the Board approve a 0% rate increase for all premium classes other than Medicare Primary participants, who would receive a 5.5% rate reduction effective January 1, 2016. Mr. Chaney seconded the motion. The motion passed by a 6 – 0 vote, with members Boyce, Burkhalter, Chaney, Robertson, Williams, and Wright voting affirmatively.

Mr. Burkhalter moved that the Board approve for Chairman Upchurch to provide the Legislative Budget Office (LBO) with a proposed 3% premium rate increase projection effective January 1, 2017, for LBO's FY 2017 budgeting purposes. Ms. Robertson seconded the motion. The motion passed by a 6 – 0 vote, with members Boyce, Burkhalter, Chaney, Robertson, Williams, and Wright 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 July 2015. Copies of the financial statements were provided to Board members for their review prior to the meeting.

General Schedule

Chairman Upchurch recognized Ms. Bradshaw 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 new business for the Board to consider.

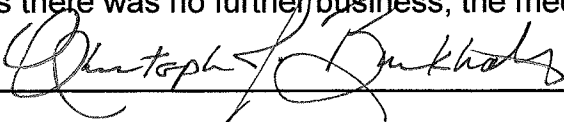
New Business

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., September 23, 2015, in Room 139, located at the Woolfolk Building.

As there was no further business, the meeting was adjourned at 10:29 a.m.



Kevin J. Upchurch
Chairman

Christopher J. Burkhalter
Vice-Chairman

State and School Employees Health Insurance Management Board