

# **State and School Employees Health Insurance Management Board**

## **Standing Monthly Meeting January 25, 2017**

### **Minutes**

The standing monthly meeting of the State and School Employees Health Insurance Management Board convened on Wednesday, January 25, 2017, in Room 139 in the Woolfolk Building located at 501 North West Street in Jackson, Mississippi, at 9:02 a.m. The presiding officer was Ms. Laura D. Jackson, Chairman of the Board. A quorum was present.

#### **Voting Members Present**

Ms. Laura Jackson, Chairman  
Mr. Christopher Burkhalter, Vice-Chairman  
Mr. Mike Chaney  
Mr. Larry Fortenberry  
Ms. DeAnne Mosley  
Mr. Liles Williams

#### **Non-Voting Members Present**

None

#### **Voting Members Absent**

Dr. Glenn Boyce (*Represented by Ms. Susan Erickson*)  
Dr. Andrea Mayfield  
Ms. Pat Robertson  
Dr. Carey Wright (*Represented by Ms. Gracie Sanders*)

#### **Non-Voting Members Absent**

The Honorable Videt Carmichael  
- Chairman, Senate Insurance Committee  
The Honorable Gary Chism  
- Chairman, House Insurance Committee  
The Honorable Eugene Clarke  
- Chairman, Senate Appropriations Committee  
The Honorable John Read  
- Chairman, House Appropriations Committee

#### **Department of Finance and Administration Staff Present:**

Mr. Richard Self  
Ms. Cindy Bradshaw  
Ms. Amanda Murphy  
Ms. Julia Bryan  
Mr. Rick Fava  
Mr. Chris Shaman

#### **Attorney General's Office Staff Present:**

Ms. Romaine Richards, Esquire

## **Call to Order**

The meeting was chaired and called to order by Ms. Laura D. Jackson, Chairman of the Board.

### **Agenda Item 1: Minutes of the Standing Board Meeting of November 16, 2016**

Chairman Jackson announced that minutes of the Board's standing monthly meeting of November 16, 2016, had been provided to all Board members for their review in advance of today's meeting. A motion was made by Mr. Liles Williams for the Board to approve the minutes as presented. Mr. Chris Burkhalter seconded the motion. The motion passed by a 6 – 0 vote, with members Burkhalter, Chaney, Fortenberry, Jackson, Mosley, and Williams voting affirmatively.

### **Agenda Item 2: Election of Vice-Chairman**

Chairman Jackson advised that election of a vice-chairman was in order. A motion was made by Mr. Larry Fortenberry to elect Mr. Christopher Burkhalter as Vice-Chairman to the State and School Employees Health Insurance Management Board. Mr. Chaney seconded the motion. The motion passed by a 5 – 0 vote, with members Chaney, Fortenberry, Jackson, Mosley, and Williams voting affirmatively, and member Burkhalter abstaining.

### **Agenda Item 3: Fiscal Year 2016 Financial Audit Report**

Chairman Jackson recognized Mr. Timothy T. Burns, CPA and 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 2016. Copies of the report entitled "*State of Mississippi Specified Elements of Selected Funds of the State and School Employees' Life and Health Insurance Plan, Independent Auditor's Reports and Combined Schedule of Specified Financial Statement Elements June 30, 2016*", and BKD's management letter, were provided to Board members prior to the meeting. Mr. Burns reported that Plan received an unmodified, or "clean", opinion again this year, and that no findings were noted. No further action was needed or taken by the Board.

### **Agenda Item 4: Actuarial Services Contract**

Chairman Jackson recognized Mr. Richard Self, State Insurance Administrator with the Office of Insurance, who advised the Board that the Actuarial Services Contract with Mr. Wm. Lynn Townsend, FSA, MAAA, which began October 1, 2013, will expire on September 30, 2017. Mr. Self reminded the Board that the Contract includes an option to renew for one additional year at the Board's discretion, at the guaranteed pricing already provided for in the agreement. Mr. Self stated that staff recommended that the Board exercise the one-year option, and extend the Contract through September 30, 2018. A motion was made by Mr. Williams to exercise the one-year renewal option in the Actuarial Services Contract with Wm. Lynn Townsend to extend the agreement through September 30, 2018. Mr. Chaney seconded the motion. The motion passed by a 6 – 0 vote, with members Burkhalter, Chaney, Fortenberry, Jackson, Mosley, and Williams voting affirmatively.

**Agenda Item 5: Consulting Services Contract**

Chairman Jackson recognized Mr. Self, who advised the Board that Consulting Services contract with PricewaterhouseCoopers, LLP, which began October 1, 2013, will expire on September 30, 2017. Mr. Self reminded the Board that the Contract includes an option to renew for one additional year at the Board's discretion, at the guaranteed pricing already provided for in the agreement. Mr. Self stated that staff recommended that the Board exercise the one-year option, and extend the Contract through September 30, 2018. A motion was made by Mr. Fortenberry to exercise the one-year renewal option in the Consulting Services Contract with PricewaterhouseCoopers, LLP to extend the agreement through September 30, 2018. Mr. Burkhalter seconded the motion. The motion passed by a 6 – 0 vote, with members Burkhalter, Chaney, Fortenberry, Jackson, Mosley, and Williams voting affirmatively.

**Agenda Item 6: Life Insurance Letter of Understanding/Policy**

Chairman Jackson recognized Mr. Self, who advised the Board that the Letter of Understanding (LOU) with Minnesota Life Insurance Company, by which the company provides a policy of group term life and accidental death and dismemberment (AD&D) insurance coverage to the State and School Employees' Life Insurance Plan, will expire on December 31, 2017. Mr. Self reminded the Board that the LOU includes an option to renew for one additional year at the Board's discretion, at the guaranteed premiums already provided for in the agreement. Mr. Self stated that staff recommended that the Board exercise the one-year option, and extend the LOU, and the life and AD&D insurance coverage, through December 31, 2018. A motion was made by Mr. Fortenberry to exercise the one-year renewal option in the Letter of Understanding with Minnesota Life Insurance Company and to renew the group term life and accidental death and dismemberment coverage under the Group Policy GP-33683 for one year through December 31, 2018. Mr. Williams seconded the motion. The motion passed by a 6 – 0 vote, with members Burkhalter, Chaney, Fortenberry, Jackson, Mosley, and Williams voting affirmatively.

**Agenda Item 7: Financial Statements**

Chairman Jackson recognized Mr. Self, who briefly reviewed the financial statements for the State and School Employees' Life and Health Insurance Plan for the months of November and December 2016. Copies of the financial statements were provided to Board members for their review prior to the meeting.

**Agenda Item 8: General Schedule**

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

**Agenda Item 9: Old Business**

There was no old business for the Board to consider.

**Agenda Item 10: New Business**

Chairman Jackson recognized Mr. Mike Chaney, who advised that Deanne Mosley was leaving the State Personnel Board in February to become Executive Director of the Mississippi Bar Association. Chairman Jackson joined Mr. Chaney in expressing the Board's appreciation to Ms. Mosley for her service to the State of Mississippi, and for her contributions as a member of the State and School Employees Health Insurance Management Board.

**Adjournment**

Chairman Jackson announced that the next standing meeting of the State and School Employees Health Insurance Management Board is scheduled for 9:00 a.m., on Wednesday, February 22, 2017, in Room 139, located at the Woolfolk Building in Jackson, Mississippi.

As there was no further business, the meeting was adjourned at 9:27 a.m.

A handwritten signature in cursive script that reads "Laura D. Jackson". The signature is written in dark ink and is positioned above a horizontal line.

Laura D. Jackson  
Chairman  
State and School Employees Health Insurance Management Board