

State and School Employees Health Insurance Management Board

Minutes of the Standing Monthly Meeting February 28, 2018

The standing monthly meeting of the State and School Employees Health Insurance Management Board convened on Wednesday, February 28, 2018, 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 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. Mark Formby
Mr. Larry Fortenberry
Mr. Kelly Hardwick
Dr. Andrea Mayfield *(via phone)*
Ms. Pat Robertson *(via phone)*

Non-Voting Members Present

None

Voting Members Absent

Dr. Glenn Boyce *(Represented by Ms. Susan Erickson)*
Dr. Carey Wright *(Represented by Dr. Washington Cole, IV)*

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. Latasha Holmes
Ms. Amanda Murphy
Ms. Terri Ashley
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 January 24, 2018

Chairman Jackson announced that minutes of the Board's standing monthly meeting of January 24, 2018, had been provided to all Board members for their review in advance of today's meeting. A motion was made by Mr. Kelly Hardwick for the Board to approve the minutes as presented. Mr. Larry Fortenberry seconded the motion. The motion passed by a 6 – 0 vote, with members Burkhalter, Chaney, Formby, Fortenberry, Hardwick, and Robertson voting affirmatively. Dr. Mayfield did not vote.

Agenda Item 2: Calendar Year 2017 Actuarial Report Preliminary Projections

Chairman Jackson recognized Mr. Wm. Lynn Townsend, FSA, MAAA, consulting actuary for the Board, who presented preliminary projections from his actuarial analysis of the State and School Employees' Life and Health Insurance Plan for calendar year 2017. A copy of the report entitled "*Preliminary Actuarial Report and Financial Projections Calendar Year 2017*" was provided to Board members for their review prior to the meeting. Mr. Townsend also distributed a supplemental page to his report, summarizing additional trend rate scenarios. Mr. Townsend discussed historical and projected trend rates, and provided projected premium rate adjustment needs as indicated to meet the Plan's stated funding objective. A motion was made by Mr. Mike Chaney to rescind and replace the July 1, 2018 5% active employee rate increase previously approved by the Board with a 3% rate increase to likewise be effective July 1, 2018. Mr. Kelly Hardwick seconded the motion. The motion passed by a 7 – 0 vote, with members Burkhalter, Chaney, Formby, Fortenberry, Hardwick, Mayfield, and Robertson voting affirmatively.

Agenda Item 3: Decision Support Services Contract

Chairman Jackson recognized Mr. Richard Self, State Insurance Administrator with the Office of Insurance, who advised the Board that the contract with Truven Health Analytics LLC, for decision support services, which began January 1, 2015, will expire on December 31, 2018. Mr. Self stated that staff recommends that the Board exercise the one-year option, and extend the contract through December 31, 2019. Mr. Self advised that guaranteed pricing for the one-year option is included in the current contract, thus eliminating the need for further negotiation. A motion was made by Mr. Fortenberry that the Board exercise the one-year option and extend the contract through December 31, 2019. Mr. Mark Formby seconded the motion. The motion passed by a 7 – 0 vote, with members Burkhalter, Formby, Fortenberry, Hardwick, Mayfield, Robertson, and Mr. Bob Williams (designee for member Chaney, who left the meeting prior to the vote) voting affirmatively.

Agenda Item 4: Requests for Proposals for Claims and Performance Audit Services

Chairman Jackson recognized Ms. Cindy Bradshaw, Deputy Director with the Office of Insurance, who advised the Board that the contract with Claim Technologies, Inc. (CTI) for claims and performance audit services, which began on January 1, 2014, will expire on December 31, 2018. Mr. Bradshaw stated that to ensure that the Board has an auditor under contract, and that the selected auditor will be ready to provide services by January 1, 2019, the staff would need to initiate a procurement process within the next few months. Ms. Bradshaw stated that staff is requesting to release two Requests for Proposals (RFP), with one RFP to procure claims and performance audit services related to the Plan's third party medical claims administrator (TPA) contract, and a separate RFP to procure claims and performance audit services related to the Plan's pharmacy benefit manager (PBM) contract. A motion was made by Mr. Fortenberry to issue two separate Requests for Proposals for claims and performance audit services for the TPA and the PBM contracts respectively, and for the Chairman to appoint a Claims and Performance Review Services RFP Board subcommittee. Mr. Formby seconded the motion. The motion passed by a 7 – 0 vote, with members Burkhalter, Formby, Fortenberry, Hardwick, Mayfield, Robertson, and Williams voting affirmatively. Subsequent to the motion, Chairman Jackson appointed Mr. Kelly Hardwick, Dr. Andrea Mayfield, and Mr. Bob Williams (designee for member Chaney) to the Claims and Performance Review Services RFP Board subcommittee.

Agenda Item 5: Financial Statements

Chairman Jackson recognized Ms. Latasha Holmes, Director of Budget and Accounting, who briefly reviewed the financial statements for the State and School Employees' Life and Health Insurance Plan for the month of January 2018. Copies of the financial statements were provided to Board members for their review prior to the meeting.

Agenda Item 6: 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. Ms. Bradshaw also advised the Board that invitations to the July 18, 2018 Strategic Planning Meeting to be held at the Muse Center at Hinds Community College would be forthcoming.

Agenda Item 7: Old Business

There was no old business for the Board to consider.

Agenda Item 8: New Business

There was no new business for the Board to consider.

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, March 28, 2018 in Room 139, located at the Woolfolk Building in Jackson, Mississippi.

As there was no further business, the meeting was adjourned at 9:54 a.m.



Laura D. Jackson
Chairman

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