

State and School Employees Health Insurance Management Board

Minutes of the Standing Monthly Meeting March 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. 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)*
Mr. Larry Fortenberry
Dr. Carey Wright *(Represented by Dr. Felicia Gavin)*

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 February 28, 2018

Chairman Jackson announced that minutes of the Board's standing monthly meeting of February 28, 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. Chris Burkhalter seconded the motion. The motion passed by a 6 – 0 vote, with members Burkhalter, Chaney, Formby, Hardwick, Mayfield, and Robertson voting affirmatively.

Agenda Item 2: Actuarial Report Calendar Year 2017

Chairman Jackson recognized Mr. Wm. Lynn Townsend, FSA, MAAA, consulting actuary for the Board, who discussed his calendar year 2017 actuarial 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 2017, as well as projections of the Plan's financial status through Calendar Year 2021, including assumed premium rate adjustments necessary to meet the Plan's stated funding objective. Copies of Mr. Townsend's "CY17 ACTUARIAL REPORT HIGHLIGHTS", as well as his complete report entitled "ACTUARIAL REPORT CALENDAR YEAR 2017," were provided to Board members for their review prior to the meeting. A motion was made by Mr. Mike Chaney to rescind and replace the July 1, 2018 3% increase in health insurance premium rates for active employees previously approved by the Board with a 3% rate increase to be effective January 1, 2019. Mr. Kelly Hardwick seconded the motion. The motion passed by a 6 – 0 vote, with members Burkhalter, Chaney, Formby, Hardwick, Mayfield, and Robertson voting affirmatively.

Agenda Item 3: Minnesota Life Insurance Policy Renewal

Chairman Jackson recognized Mr. Richard Self, State Insurance Administrator with the Office of Insurance, who advised the Board that the current policy and Letter of Understanding between Minnesota Life Insurance Company and the State and School Employees Health Insurance Management Board will expire December 31, 2018. Minnesota Life has proposed to renew the current policy and has provided the Board with a five-year rate guarantee. Working with Segal, the Board's consultants, and with Mr. Lynn Townsend, the Board's actuary, staff has analyzed the proposal and recommends that the Board renew the Plan's life insurance policy with Minnesota Life Insurance Company. A motion was made by Mr. Chris Burkhalter to approve the life insurance policy renewal and to authorize the Chairman to execute a revised Letter of Understanding. Mr. Mike Chaney seconded the motion. The motion passed by a 6 – 0 vote, with members Burkhalter, Chaney, Formby, Hardwick, Mayfield, and Robertson voting affirmatively.

Agenda Item 4: Potential Benefit Changes for Calendar Year 2019

Chairman Jackson 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 2019, and briefly discussed the 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:

1. Cost sharing changes to prescription drug benefits
2. Cost sharing changes to medical benefits
3. Coverage for non-surgical treatment of obesity
 - a. Therapy
 - b. Prescription drug
4. Expanding bariatric surgery coverage
5. Cognitive therapy benefits
6. Preventive/Wellness Coverage
 - a. USPSTF Guidelines
 - b. Screening for cardiovascular disease

Mr. Kelly Hardwick made the motion to authorize the staff to begin a focused evaluation and analysis of items 1, 2, 3, 5, and 6, with the flexibility to evaluate additional items should the interest and need arise. Mr. Chris Burkhalter seconded the motion. The motion passed by a 6 – 0 vote, with members Burkhalter, Chaney, Formby, Hardwick, Mayfield, and Robertson voting affirmatively.

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

Agenda Item 7: Old Business

There was no old business for the Board to consider.

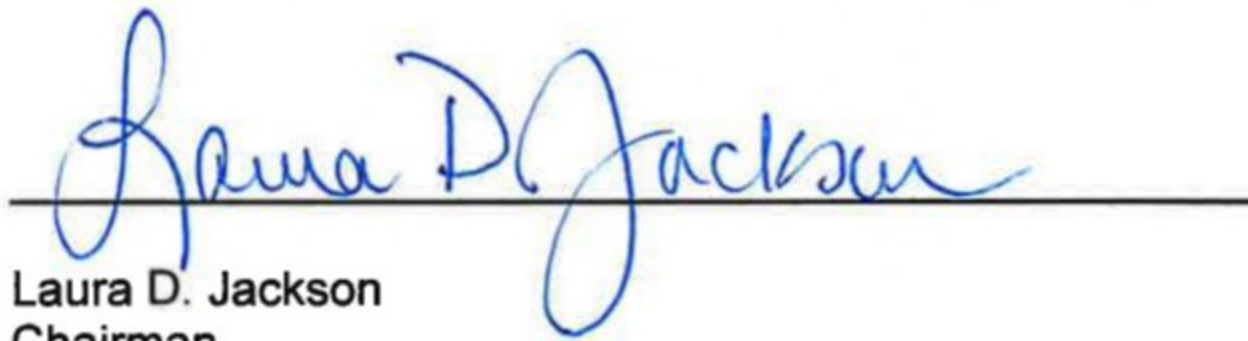
Agenda Item 8: New Business

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, April 25, 2018 in Room 139, located at the Woolfolk Building in Jackson, Mississippi.

As there was no further business, the meeting was adjourned at 9:43 a.m.



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