

State and School Employees Health Insurance Management Board

Minutes of the Standing Monthly Meeting April 25, 2018

The standing monthly meeting of the State and School Employees Health Insurance Management Board convened on Wednesday, April 25, 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 *(and his designee, Mr. Bob Williams)*
Mr. Mark Formby
Mr. Larry Fortenberry
Mr. Kelly Hardwick
Dr. Andrea Mayfield *(via telephone)*
Ms. Pat Robertson *(via telephone)*

Non-Voting Members Present

The Honorable John Read
- Chairman, House Appropriations Committee

Voting Members Absent

Dr. Glenn Boyce *(Represented by Ms. Susan Erickson)*
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

Department of Finance and Administration Staff Present:

Mr. Richard Self
Ms. Cindy Bradshaw
Ms. Latasha Holmes
Ms. Amanda Murphy
Ms. Terri Ashley
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 March 28, 2018

Chairman Jackson announced that minutes of the Board's standing monthly meeting of March 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. Mark Formby seconded the motion. The motion passed by a 7 – 0 vote, with members Burkhalter, Formby, Fortenberry, Hardwick, Mayfield, Robertson, and Bob Williams (designee for member Chaney, who was not present for the vote) voting affirmatively.

Agenda Item 2: 2017 Medical Claims Administration Audit

Chairman Jackson recognized Ms. Michelle Suckow, HIA, ACS, AIRC, Vice President with Claim Technologies, Inc. (CTI), to present the results of CTI's recently completed audit of Blue Cross & Blue Shield of Mississippi's (BCBSMS) calendar year 2017 performance as the third party medical claims administrator for the State and School Employees' Health Insurance Plan. A copy of CTI's report entitled "*Comprehensive Claim Administration Audit - Claims and Performance Review Report*", as well as BCBSMS's response to the report, was distributed to Board members prior to the meeting. Ms. Suckow discussed the audit process and the key results, and advised the Board that BCBSMS had once again posted high levels of administrative performance, meeting or exceeding all contractual performance standards. No further action was needed or taken by the Board.

Agenda Item 3: 2017 Prescription Benefit Management Audit

Chairman Jackson recognized Mr. Greg Rucinski, President of TRICAST, Inc., a subcontractor of CTI, to present the results of TRICAST's recently completed audit of Prime Therapeutic, LLC's (Prime) calendar year 2017 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 Prime's response to the report, was distributed to Board members prior to the meeting. Mr. Rucinski discussed the audit process and the key results, and noted that Prime had met or exceeded all contractual performance standards. No further action was needed or taken by the Board.

Agenda Item 4: OPEB Actuarial Services Contract

Chairman Jackson recognized Mr. Richard Self, State Insurance Administrator with the Office of Insurance, who advised Board members that the Board's contract with Cavanaugh Macdonald Consulting, LLC, to provide the annual actuarial valuation of the State's other post-employment benefits (OPEB), will expire on June 30, 2018. Mr. Self stated that Cavanaugh Macdonald also currently serves as the pension actuarial company for the Public Employees' Retirement System (PERS), from which many of the actuarial assumptions and data used in the OPEB analysis are derived. He advised the Board that at their meeting yesterday, the PERS Board of Trustees decided to award a new actuarial contract to Cavanaugh Macdonald, the result of a comprehensive Request for Proposal (RFP) process, which will extend their contractual relationship for at least another five (5) years. Mr. Self reminded the Board that rather than conduct its own RFP process, the Board has traditionally elected to contract for OPEB actuarial services with the actuarial firm selected by PERS, thus avoiding duplication of effort and taking advantage of the cost efficiencies associated with using the same firm. Mr. Self advised that the staff recommends that the Board continue this practice, and authorize the Chairman to negotiate a new contract with Cavanaugh Macdonald. A motion was made by Mr. Chris Burkhalter to authorize the Chairman to negotiate and, contingent upon successful negotiations, execute a new contract for OPEB actuarial services with Cavanaugh Macdonald. Mr. Larry Fortenberry 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 5: Financial Statements

Chairman Jackson recognized Ms. Latasha Holmes, Director of Budget and Accounting 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 March 2018. Copies of the financial statements were provided to Board members for their review prior to the meeting. No further action was needed or taken by the Board.

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. No further action was needed or taken by the Board.

Agenda Item 7: Old Business

There was no old business for the Board to consider.

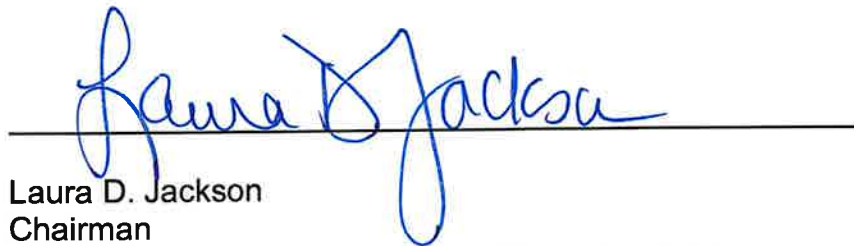
Agenda Item 8: New Business

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, May 23, 2018 in Room 139, located at the Woolfolk Building in Jackson, Mississippi.

As there was no further business, the meeting was adjourned at 9:23 a.m.



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