

State and School Employees Health Insurance Management Board

Standing Monthly Meeting August 23, 2018

Minutes

The standing monthly meeting of the State and School Employees Health Insurance Management Board convened Thursday, August 23, 2018, in Room 139 in the Woolfolk Building located at 501 North West Street in Jackson, Mississippi, at 9:05 a.m. The presiding officer was Ms. Laura D. Jackson, Chairman of the Board. A quorum was present.

Voting Members Present

Ms. Laura D. Jackson, Chairman
Mr. Mike Chaney *(Represented by Mr. Bob Williams)*
Mr. Larry Fortenberry *(Via telephone)*
Mr. Kelly Hardwick
Mr. Ray Higgins
Dr. Andrea Mayfield *(Via telephone)*

Non-Voting Members Present

None

Voting Members Absent

Mr. Christopher Burkhalter, Vice-Chairman
Mr. Mark Formby
Dr. Alfred Rankins *(Represented by Ms. Susan Erickson)*
Dr. Carey Wright *(Represented by Ms. Donna Nester)*

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. 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 July 25, 2018 Standing Monthly Board Meeting

Chairman Jackson announced that the minutes of the Board's July 25, 2018 standing monthly meeting had been provided to all Board members for their review in advance of today's meeting. A motion was made by Mr. Kelly Hardwick to approve the minutes as presented. Mr. Bob Williams (designee for member Chaney) seconded the motion. The motion passed by a 6 – 0 vote, with members Fortenberry, Hardwick, Higgins, Jackson, Mayfield, and Williams voting affirmatively.

Agenda Item 2: Fiscal Year 2018 Actuarial Report Preliminary Projections

Chairman Jackson recognized Mr. Wm. Lynn Townsend, FSA, MAAA, Consulting Actuary for the Board, who presented an overview of the financial status of the Plan as of June 30, 2018, as well as projections for Plan assets, liabilities, and funding status through calendar year 2021. A copy of Mr. Townsend's report entitled "*Preliminary Actuarial Report & Financial Projections Fiscal Year 2018*" had been provided to all Board members for their review in advance of today's meeting. Mr. Townsend advised Board members that his actuarial projections were based on an overall 3.2% net trend, and included the January 1, 2019 3% rate increase previously approved by the Board at their March 2018 meeting. He further advised that the trend and rate increase assumptions included in the report were projected to result in compliance through the end of Fiscal Year 2022 with the Board's policy objective of maintaining a surplus at least equal to one-half (1/2) of one month's Plan expenditures. Mr. Hardwick moved that the Board approve for Chairman Jackson to provide the Legislative Budget Office (LBO) with a proposed 3% premium rate increase projection effective January 1, 2020, for LBO's FY 2020 budgeting purposes. Mr. Larry Fortenberry seconded the motion. The motion passed by a 6 – 0 vote, with members Fortenberry, Hardwick, Higgins, Jackson, Mayfield, and Williams voting affirmatively.

Agenda Item 3: Benefit Changes for 2019

Chairman Jackson recognized Ms. Cindy Bradshaw, Deputy Director, with the Office of Insurance, who presented the proposed benefit changes for 2019. Ms. Bradshaw explained the proposed benefit changes and the projected savings or additional costs to the Plan associated with each one. A handout entitled *Evaluation of Potential Benefit Changes for Calendar Year 2019* had been provided to all Board members for their review in advance of today's meeting. Ms. Bradshaw reported to the Board that the proposed 2019 benefit changes had been presented to the State and School Employees Health Insurance Advisory Council at their August 15, 2018 meeting. Ms. Bradshaw advised that the Advisory Council voted to accept all staff recommendations and communicate same to the Board.

Ms. Bradshaw presented the following staff recommendations:

1. Modify Prescription Drug Coverage

Staff recommends not changing the prescription drug deductibles or copayments, and implementing a more restrictive formulary structure in 2019.

2. Modify Medical Deductibles, Coinsurance and Out-of-Pocket Maximums

A. Modify deductibles, coinsurance, copayments

Staff does not recommend implementing any changes to the Plan's medical deductibles, coinsurance or copayment amounts at this time.

B. Modify Out-of-Pocket Maximums

Staff does not recommend implementing any changes to the out-of-pocket maximums at this time.

3. Modify Telemedicine Benefit to include Behavioral Health Services

Staff recommends adding behavioral health services via telemedicine at the regular Plan benefits subject to the applicable deductibles and coinsurance.

4. Modify Wellness/Preventive Benefits

Staff recommends removing coverage for vitamin D, and modifying the vaccine benefits to include coverage of the appropriate shingles vaccination beginning at age 50 or above.

5. Modify Coverage for Non-surgical Treatment of Obesity

Staff recommends modifying the Weight Management Program participation mandate for bariatric surgery, and removing the obesity treatment exclusion to provide for limited weight management coverage under wellness/preventive benefits for services by providers participating in the Plan's obesity treatment network.

6. Modify Coverage for Cognitive Therapy

Staff recommends removing the Plan exclusion and adding coverage for cognitive therapy.

A motion was made by Mr. Hardwick to accept the staff and Advisory Council recommendations and for the Board to approve all items as presented. Mr. Williams seconded the motion. The motion passed by a 6 – 0 vote, with members Fortenberry, Hardwick, Higgins, Jackson, Mayfield, and Williams voting affirmatively.

Agenda Item 4: 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 July 2018. Copies of the financial statements were provided to Board members for their review prior to the meeting.

Agenda Item 5: General Schedule

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

Agenda Item 6: Old Business

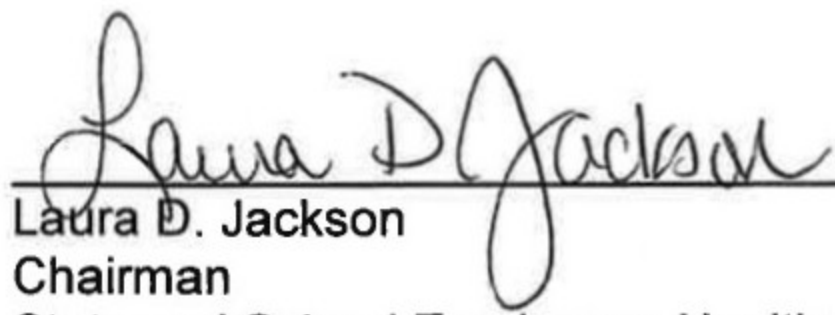
There was no old business for the Board to consider.

Agenda Item 7: New Business

There was no new business for the Board to consider.

Adjournment

Chairman Jackson announced that the next meeting of the State and School Employees Health Insurance Management Board is scheduled for 9:00 a.m., September 26, 2018, in Room 139, located at the Woolfolk Building. As there was no further business, the meeting was adjourned at 9:43 a.m.

A handwritten signature in cursive script, reading "Laura D. Jackson", is written over a horizontal line.

Laura D. Jackson
Chairman

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