

State and School Employees Health Insurance Management Board

Minutes of the Standing Monthly Meeting January 23, 2019

The standing monthly meeting of the State and School Employees Health Insurance Management Board convened on Wednesday, January 23, 2019, in Room 139 in the Woolfolk Building located at 501 North West Street in Jackson, Mississippi, at 9:03 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
Mr. Ray Higgins
Dr. Alfred Rankins *(via phone)*

Non-Voting Members Present

None

Voting Members Absent

Dr. Andrea Mayfield
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. 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 28, 2018

Chairman Jackson announced that minutes of the Board's standing monthly meeting of November 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. Mike Chaney seconded the motion. The motion passed by a 7 – 0 vote, with members Burkhalter, Chaney, Formby, Fortenberry, Hardwick, Higgins, and Rankins 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. Hardwick seconded the motion. The motion passed by a 6 – 0 vote, with members Chaney, Formby, Fortenberry, Hardwick, Higgins, and Rankins voting affirmatively, and member Burkhalter abstaining.

Agenda Item 3: Request for Proposals for Decision Support Services

Chairman Jackson recognized Mr. Richard Self, State Insurance Administrator with the Office of Insurance, who advised the Board that the Decision Support Services Contract with IBM Watson Health (formerly Truven Health Analytics) will expire on December 31, 2019. Mr. Self stated that in order to ensure the Board has a contractor under contract, and that the selected contractor will be ready to provide services by January 1, 2020, staff will need to begin the procurement process in the upcoming months. A motion was made by Mr. Chris Burkhalter to approve the development and release of a Request for Proposals for Decision Support Services, and for the Chairman to appoint a subcommittee to work with staff on this procurement process. Mr. Hardwick seconded the motion. The motion passed by a 7 – 0 vote, with members Burkhalter, Chaney, Formby, Fortenberry, Hardwick, Higgins, and Rankins voting affirmatively. Chairman Jackson appointed Mr. Chris Burkhalter, Mr. Ray Higgins, and Dr. Carey Wright to the Decision Support Services RFP Board Subcommittee.

Executive Session

At this time, Chairman Jackson announced that there was a need to enter into a closed session. A motion was made by Mr. Burkhalter that the meeting be closed for the Board to consider going into executive session. Mr. Hardwick seconded the motion. The motion passed by a 7 – 0 vote, with members Burkhalter, Chaney, Formby, Fortenberry, Hardwick, Higgins, and Rankins voting affirmatively.

The public was excused from the room while the Board went into closed session. Board members, staff of the Department of Finance and Administration, and staff from the Attorney General's Office remained in the room. A motion was made by Mr. Burkhalter that the Board go into executive session in accordance with the Mississippi Open Meetings Act to discuss potential litigation. Mr. Formby seconded the motion. The motion passed by a 7 – 0 vote, with members Burkhalter, Chaney, Formby, Fortenberry, Hardwick, Higgins, and Rankins voting affirmatively.

Chairman Jackson reopened the meeting and announced publicly that the Board had voted to enter into executive session so that the Attorney General's Office could update Board members on potential litigation. The public was excused from the room and the Board entered into executive session at approximately 9:09 a.m. Board members, staff of the Department of Finance and Administration, staff from the Attorney General's Office, remained in the room. No action was taken by the Board in executive session. A motion to adjourn the executive session and reopen the meeting was made by Mr. Burkhalter. The motion was seconded by Mr. Chaney and passed by a 6 – 0 vote, with members Burkhalter, Chaney, Formby, Fortenberry, Hardwick, and Higgins voting affirmatively. Dr. Rankins exited the meeting during the executive session. The executive session ended at approximately 9:57 a.m. and members of the public returned to the room. Chairman Jackson announced that no action was taken during executive session.

Agenda Item 4: Pharmacy Benefit Manager Contract

Chairman Jackson recognized Mr. Richard Self, who advised the Board that the pharmacy benefit manager (PBM) contract with Prime Therapeutics, LLC, will expire on December 31, 2019, and includes an option to renew for additional year at the Board's discretion. Mr. Self reminded the Board that this contract provides for pharmacy benefit management administration services, including network pharmaceutical pricing through financial arrangements with pharmacies. Mr. Self stated that staff recommends that the Board exercise this option and extend the contract for the fifth year. He explained that should the Board choose not to extend the contract, staff will need to initiate the development of a Request for Proposals very soon in order to ensure that the selected contractor will be ready to provide services by January 1, 2020. A motion was made by Mr. Fortenberry to approve entering into contract negotiations to execute the one-year extension to the Pharmacy Benefit Manager Contract with Prime Therapeutics, and subject to successful contract negotiations, for the Chairman of the Board to execute the appropriate contract amendment on behalf of the Board. Mr. Chaney seconded the motion. The motion passed by a 6 – 0 vote, with members Burkhalter, Chaney, Formby, Fortenberry, Hardwick, and Higgins voting affirmatively.

Agenda Item 5: Third Party Medical Claims Administration Services Contract

Chairman Jackson recognized Mr. Richard Self, State Insurance Administrator with the Office of Insurance, who advised the Board that the third party medical Claims) contract with Blue Cross & Blue Shield of Mississippi (BCBSMS) will expire on December 31, 2020, and includes

an option to renew for additional year at the Board's discretion. Mr. Self reminded the Board that this contract provides comprehensive medical claims administration and provider network services, to include maintaining a system for processing and adjudicating medical claims from hospitals, physicians, diagnostic laboratories and imaging services, and other providers according to Plan benefits and medical policy, managing enrollment and eligibility of Plan participants, maintaining accumulators for deductibles, coinsurance, and annual out-of-pocket limits including amounts paid for pharmacy benefits administered by the Plan's pharmacy benefit manager, etc. Mr. Self stated that staff recommends that the Board exercise this option and extend the contract for the fifth year. He explained that should the Board choose not to extend the contract, staff will need to initiate the development of a Request for Proposals very soon in order to ensure that the selected contractor will be ready to provide services by January 1, 2021. A motion was made by Mr. Hardwick to approve entering into contract negotiations to execute the one-year extension to its Third Party Medical Claims Administration Contract with BCBSMS, and subject to successful contract negotiations, for the Chairman of the Board to execute the appropriate contract amendment on behalf of the Board. Mr. Burkhalter seconded the motion. The motion passed by a 6 – 0 vote, with members Burkhalter, Chaney, Formby, Fortenberry, Hardwick, and Higgins voting affirmatively.

Agenda Item 6: 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 months of November and December 2018. Copies of the financial statements were provided to Board members for their review prior to the meeting.

Agenda Item 7: 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 the February meeting would be held in Room 204 of the Woolfolk Annex and that notification of this change would be sent prior to the meeting.

Agenda Item 8: Old Business

There was no old business for the Board to consider.

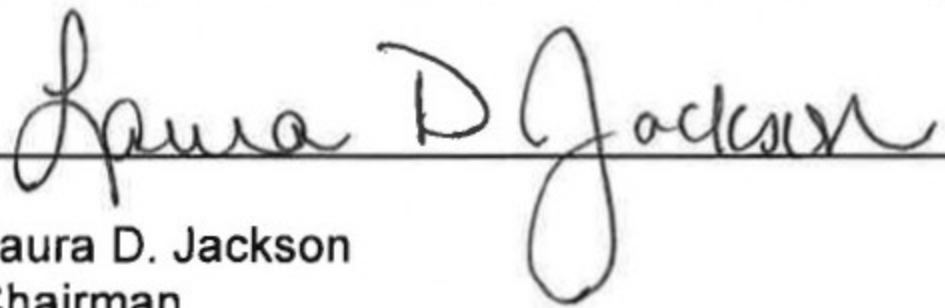
Agenda Item 9: New Business

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, February 27, 2019 in Room 204, located at the Woolfolk Annex in Jackson, Mississippi.

As there was no further business, the meeting was adjourned at 10:10 a.m.

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

Laura D. Jackson
Chairman

State and School Employees Health Insurance Management Board