

State and School Employees Health Insurance Management Board

Standing Monthly Meeting March 23, 2022

The standing monthly meeting of the State and School Employees Health Insurance Management Board convened Wednesday, March 23, 2022, in the Office of Insurance Conference Room, Suite 901B, in the Woolfolk Building located at 501 North West Street in Jackson, Mississippi, at 9:03 a.m. Due to COVID-19 social distancing guidelines, the meeting was held virtually using Microsoft Teams®. A dial-in number was available upon request for the public to listen to the meeting. The presiding officer was Ms. Liz Welch, Chairman of the Board. A quorum was present.

Voting Members Present

Ms. Liz Welch, Chairman
Mr. Christopher Burkhalter, Vice Chairman
Mr. Mike Chaney *(Represented by Mr. Cris Zebert)*
Mr. Mark Formby
Mr. Larry Fortenberry
Mr. Kelly Hardwick
Mr. Ray Higgins
Dr. Alfred Rankins *(Via Teams)*
Mr. Kell Smith

Non-Voting Members Present

The Honorable Walter Michel - Chairman
Senate Insurance Committee

Voting Members Absent

Dr. Carey Wright

Non-Voting Members Absent

The Honorable Briggs Hopson – Chairman,
Senate Appropriations Committee
The Honorable Henry Zuber – Chairman
House Insurance Committee
The Honorable John Read – Chairman,
House Appropriations Committee

Department of Finance and Administration Staff Present:

Ms. Cindy Bradshaw
Ms. Angela Inman
Ms. Amanda Murphy
Ms. Christina Young *(Via phone)*

Attorney General's Office Staff Present:

Ms. Liz Bolin, Esquire

Call to Order

The meeting was chaired and called to order by Ms. Liz Welch, Chairman of the Board.

Agenda Item 1: Minutes of the February 23, 2022 Standing Monthly Board Meeting

Chairman Welch announced that the minutes of the Board's February 23, 2022 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 for the Board to approve the minutes for February as presented. Mr. Mark Formby seconded the motion. The motion passed by a 8 – 0 vote, with members Burkhalter, Chaney, Formby, Fortenberry, Hardwick, Higgins, Rankins, and Smith voting affirmatively.

Agenda Item 2: Selection of Third Party Administrator

Chairman Welch recognized Ms. Cindy Bradshaw, State Insurance Administrator, who reminded the Board that the contract for the third party administrator expires on December 31, 2022. At the February 12, 2021 meeting the Board approved staff continuing with the Request for Proposals (RFP) process to have a vendor selected and in place with an effective date of January 1, 2023. As a member of the subcommittee, Mr. Chris Burkhalter made the motion that the Board approve entering into contract negotiations with Blue Cross & Blue Shield of Mississippi to provide third party medical claims administration services for the State and School Employees Health Insurance Plan, and subject to successful contract negotiations, for the Chair of the Board to execute the contract on behalf of the Board. Mr. Ray Higgins second the motion. The motion passed by a 8 – 0 vote, with members Burkhalter, Chaney, Formby, Fortenberry, Hardwick, Higgins, Rankins, and Smith voting affirmatively.

Agenda Item 3: Renewal of Medical Claims and Performance Audit Services

Chairman Welch recognized Ms. Bradshaw, State Insurance Administrator, who advised the Board of the terms of the contract with Claims Technologies, Inc. (CTI) for medical claims and performance review services is from January 1, 2019 through December 31, 2022, with an option to renew for one additional year at the Board's discretion. Staff recommends that the Board exercise the one-year option, and extend the contract through December 31, 2023. Guaranteed pricing for this one-year option is included in the current contract, eliminating the need for further negotiation. Should the Board choose not to extend the contract, staff will need to initiate the development of a Request for Proposal. Mr. Larry Fortenberry made the motion that the Board exercise the one-year renewal option and extend the contract through December 31, 2022. Mr. Burkhalter seconded the motion. The motion passed by a 8 – 0 vote, with members Burkhalter, Chaney, Formby, Fortenberry, Hardwick, Higgins, Rankins, and Smith voting affirmatively.

Agenda Item 4: Renewal of Pharmacy Claims and Performance Audit Services

Chairman Welch recognized Ms. Bradshaw, State Insurance Administrator, who advised the Board of the terms of the contract with PillarRx Consulting, LLC for pharmacy claims and performance review services is from January 1, 2019 through December 31, 2022, with an option to renew for one additional year at the Board's discretion. Staff recommends that the Board exercise the one-year option, and extend the contract through December 31, 2023. Guaranteed pricing for this one-year option is included in the current contract, eliminating the need for further negotiation. Should the Board choose not to extend the contract, staff will need to initiate the development of a Request for Proposal. Mr. Formby made the motion that the Board exercise the one-year renewal option and extend the contract through December 31, 2023. Mr. Kell Smith seconded the motion. The motion passed by a 8 – 0 vote, with members Burkhalter, Chaney, Formby, Fortenberry, Hardwick, Higgins, Rankins, and Smith voting affirmatively.

Agenda Item 5: Actuarial Report Calendar Year 2021

Chairman Welch recognized Mr. Wm. Lynn Townsend, FSA, MAAA, consulting actuary for the Board, who discussed his Calendar Year 2021 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 2021, as well as projections of the Plan's financial status through Calendar Year 2024, including assumed premium rate adjustments necessary to meet the Plan's stated funding objective. Copies of Mr. Townsend's report entitled "*ACTUARIAL REPORT CALENDAR YEAR 2021*," were provided to Board members for their review prior to the meeting. No action was required or taken by the Board on this item. Chairman Welch left the meeting during Mr. Townsend's presentation and was represented by Vice-Chairman Chris Burkhalter.

Agenda Item 6: Potential Benefit Changes for Calendar Year 2023

Vice-Chairman Burkhalter recognized Ms. Angela Inman, Deputy Director, Office of Insurance, who outlined the process and schedule for consideration of proposed Plan benefit changes for 2023, and briefly discussed the list of potential changes. A copy of this list had been provided to Board members prior to the meeting. Ms. Inman 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. Consider changes to prescription drug benefits
 - a. Coverage tiers, copayments, deductibles
 - b. Mail order drugs
 - c. Brand drugs with coupons
 - d. Formulary and/or drug class restrictions
 - e. Specialty medications

2. Consider changes to medical benefits
 - a. Deductibles, coinsurance, copayments
 - b. Out-of-pocket maximums
3. Consider changes to wellness/preventive benefits
 - a. ACA requirements
 - b. USPSTF recommendations
 - c. Other
4. Consider eliminating the precertification penalty for participants
5. Review legislation regarding hearing aids for children
6. Review legislation regarding tobacco surcharge and incentives for employees who participate
7. Review requests from school districts to opt back into the life insurance program offered through the State Health Plan.

Mr. Mark Formby requested that the Board consider adding benefits for the treatment of dental conditions due to birth defects to the list for staff to review. Ms. Bradshaw added items #5, 6, and 7 due to recent legislation and requests to review. A motion was made by Mr. Formby to amend the list initially presented (#1, 2, 3, and 4) and add items #5, 6, and 7, along with the request from Mr. Formby, and to authorize the staff to begin a focused evaluation and analysis of all items with the flexibility to evaluate additional items should the interest and need arise. Mr. Fortenberry seconded the motion. The motion passed by a 6 – 0 vote, with members Formby, Fortenberry, Higgins, Rankins, Smith, and Zebert (Designee for member Chaney) voting affirmatively. Members Chaney and Hardwick left prior to the vote.

Agenda Item 7: Financial Statements

Vice-Chairman Burkhalter recognized Ms. Inman, Deputy Director, Office of Insurance, who briefly reviewed the financial statements for the State and School Employees' Life and Health Insurance Plan for the month of February 2022. Copies of the financial statements were provided to the Board members for review prior to the meeting. No action was required or taken by the Board on this item.

Agenda Item 8: General Schedule

Vice-Chairman Burkhalter recognized Ms. Inman, Deputy Director, 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 9: Old Business

There was no old business for the Board to consider.

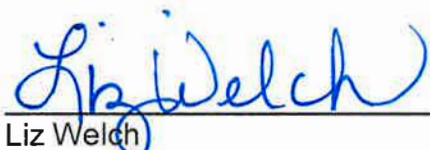
Agenda Item 10: New Business

There was no new business for the Board to consider.

Adjournment

Vice-Chairman Burkhalter 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 27, 2022.

As there was no further business, the meeting was adjourned at 10:29 a.m.



Liz Welch
Chairman

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