

State and School Employees Health Insurance Management Board

Standing Monthly Meeting July 27, 2022

The standing monthly meeting of the State and School Employees Health Insurance Management Board convened Wednesday, July 27, 2022, in Room 117 of the Woolfolk Building located at 501 North West Street in Jackson, Mississippi, at 9:05 a.m. The meeting was held in person with some Board members and vendors joining the meeting virtually using Microsoft Teams®. 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
Dr. Kim Benton *(Represented by Dr. Felicia Gavin via Teams)*
Mr. Mark Formby
Mr. Larry Fortenberry *(Via Teams)*
Mr. Kelly Hardwick
Dr. Alfred Rankins
Mr. Kell Smith *(Via Teams)*

Non-Voting Members Present

The Honorable John Read – Chairman,
House Appropriations Committee

Voting Members Absent

Mr. Mike Chaney
Mr. Ray Higgins

Non-Voting Members Absent

The Honorable Briggs Hopson – Chairman,
Senate Appropriations Committee
The Honorable Walter Michel – Chairman
Senate Insurance Committee
The Honorable Henry Zuber – Chairman
House Insurance Committee

Department of Finance and Administration Staff Present:

Ms. Cindy Bradshaw
Mr. Chris Shaman
Ms. Angela Inman
Ms. Amanda Murphy
Ms. Alicia Coleman *(Via Teams)*
Ms. Carlotta Edwards *(Via Teams)*
Ms. Krista Robinson *(Via Teams)*
Ms. Stacie Sheriff *(Via Teams)*

Attorney General's Office Staff Present:

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 June 22, 2022 Standing Monthly Board Meeting

Chairman Welch announced that the minutes of the Board's June 22, 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. Mark Formby for the Board to approve the minutes for June as presented. Mr. Kelly Hardwick seconded the motion. The motion passed by a 7 – 0 vote, with members Burkhalter, Formby, Fortenberry, Gavin (designee for member Benton), Hardwick, Rankins, and Smith voting affirmatively.

Agenda Item 2: Pharmacy Benefit Manager Audit

Chairman Welch recognized Ms. Kelly Tanner, Director of Auditing, PillarRx Consulting, LLC, to present the results of Pillar's recently completed audit of CVS Caremark's calendar year 2021 performance as the pharmacy benefit manager for the State and School Employees' Health Insurance Plan. A copy of Pillar's report entitled "*Prescription Benefit Management Audit*", as well as their summary document was distributed to Board members prior to the meeting. Ms. Tanner discussed the audit process and the key results. No action was required or taken by the Board on this item.

Agenda Item 3: Legal Services Contract

Chairman Welch recognized Ms. Cindy Bradshaw, State Insurance Administrator for the Office of Insurance, who advised the Board that the Plan is increasingly subject to massive federal laws and regulations many of which have substantial penalties and fines. Staff feels that the Board and staff would benefit from the services of attorneys with expertise in this area to assist in providing guidance. Mr. Hardwick made the motion to approve staff entering into a legal services contract with an attorney or firm with substantial health insurance experience. Mr. Formby seconded the motion. The motion passed by a 7 – 0 vote, with members Burkhalter, Formby, Fortenberry, Gavin, Hardwick, Rankins, and Smith voting affirmatively.

Mr. Chris Burkhalter, Mr. Mike Chaney, and Mr. Kelly Hardwick were appointed to serve on the subcommittee for the Legal Services procurement process.

Agenda Item 4: Fiscal Year 2024 Budget Request

Chairman Welch recognized Ms. Cindy Bradshaw, State Insurance Administrator with the Office of Insurance who presented the State and School Employees' Life and Health Insurance Plan's Fiscal Year 2024 budget request. A copy of the budget document was distributed to Board members for their review prior to the meeting. Ms. Bradshaw explained that the proposed budget assumes a level budget for most administrative activities. The budget

includes projected claims and claims related expenses, as well as all other expenditures expected to be incurred for the upcoming fiscal year. A motion was made by Dr. Al Rankins to approve the Fiscal Year 2024 Budget Request as presented. Mr. Burkhalter seconded the motion. The motion passed by a 7 – 0 vote, with members Burkhalter, Formby, Fortenberry, Gavin, Hardwick, Rankins, and Smith voting affirmatively.

Agenda Item 5: Financial Statements

Chairman Welch recognized Ms. Angela 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 June 2022. Copies of the financial statements from June 2022 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 6: General Schedule

Chairman Welch recognized Mr. Chris Shaman, 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 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 Welch 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, August 24, 2022, in Room 117.

As there was no further business, the meeting was adjourned at 9:46 a.m.



Liz Welch
Chairman

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