

# State and School Employees Health Insurance Management Board

## Standing Monthly Meeting August 24, 2022

The standing monthly meeting of the State and School Employees Health Insurance Management Board convened Wednesday, August 24, 2022, at 9:02 a.m., 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  
Dr. Kim Benton *(Represented by Dr. Felicia Gavin via Teams)*  
Mr. Mike Chaney *(Via Teams) (Represented by Mr. Bob Williams)*  
Mr. Kelly Hardwick  
Dr. Alfred Rankins *(Via Teams)*  
Mr. Kell Smith

### Non-Voting Members Present

The Honorable John Read – Chairman,  
House Appropriations Committee  
The Honorable Walter Michel – Chairman  
Senate Insurance Committee

### Voting Members Absent

Mr. Christopher Burkhalter, Vice Chairman  
Mr. Mark Formby  
Mr. Larry Fortenberry  
Mr. Ray Higgins

### Non-Voting Members Absent

The Honorable Briggs Hopson – Chairman,  
Senate Appropriations 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. Carlotta Edwards *(Via Teams)*  
Ms. Krista Robinson *(Via Teams)*  
Ms. Stacie Sheriff *(Via Teams)*  
Ms. Christina Young *(Via Teams)*

### **Attorney General's Office Staff Present:**

Ms. Liz Bolin

## **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 July 27, 2022 Standing Monthly Board Meeting**

Chairman Welch announced that the minutes of the Board's July 27, 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 July as presented. Mr. Mike Chaney seconded the motion. The motion passed by a 6 – 0 vote, with members Chaney, Gavin (designee for member Benton), Hardwick, Rankins, Smith, and Welch voting affirmatively.

## **Agenda Item 2: Selection of Consulting Services Vendor**

Chairman Welch recognized Ms. Cindy Bradshaw, State Insurance Director, reminded the Board that staff was authorized to issue a Request for Proposals (RFP) for Consulting Services for a contract to be effective October 1, 2022, and assigned a subcommittee consisting of Mr. Ray Higgins, Dr. Alfred Rankins, and Mr. Kell Smith. The RFP was issued in June with the proposals being received in July. Following evaluation of the proposals, the finalists were interviewed by staff and the subcommittee. A motion was made by Mr. Kell Smith for the Board to approve entering into contract negotiations with Gallagher Benefit Services, Inc. to provide consulting services for the State and School Employees' Life and Health insurance Plan, and subject to successful contract negotiations, for the Chairman of the Board to execute the contract on behalf of the Board. Mr. Hardwick seconded the motion. The motion passed by a 6 – 0 vote, with members Gavin, Hardwick, Rankins, Smith, Welch, and Williams (designee for member Chaney) voting affirmatively.

## **Agenda Item 3: Fiscal Year 2022 Actuarial Report Preliminary Projections**

Chairman Welch recognized Mr. Wm. Lynn Townsend, FSA, MAA, to discuss his preliminary actuarial analysis of the State and School Employees' Life and Health Insurance Plan for the period ending June 30, 2022. A copy of Mr. Townsend's report entitled, *FY22 Preliminary Actuarial Report Projections*, was provided to the Board for review prior to today's meeting. Mr. Townsend provided information on the Plan's financial results and current status, as well as the projected financial impact of premium rate increases and trend assumptions for subsequent time periods. Mr. Hardwick moved that the Board approve a 6% health insurance premium rate increase for the non-Medicare coverage classes to be effective January 1, 2023, and for Chairman Welch to provide the Legislative Budget Office (LBO) with a proposed 7% premium rate increase projection effective January 1, 2024, for LBO's FY 2024 budgeting purposes. Mr. Williams seconded the motion. The motion passed by a 6 – 0 vote, with members Gavin, Hardwick, Rankins, Smith, Welch, and Williams voting affirmatively.

## **Agenda Item 4: 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 July 2022. Copies of the financial statements from July 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 5: 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 6: Old Business**

Chairman Welch recognized Mr. Hardwick who served on the CVS – PrudentRX subcommittee with Mr. Chaney and Mr. Larry Fortenberry. The subcommittee and staff met with CVS to discuss the PrudentRX Program. After dialogue with CVS and careful review of the information provided, the subcommittee does not recommend proceeding with the implementation of this program at this time. Mr. Hardwick stated the subcommittee wanted to provide this decision so staff would not consider this program in their analysis for potential benefit changes for 2023.

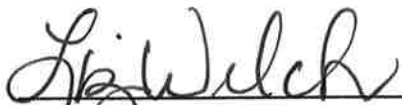
**Agenda Item 7: New Business**

Chairman Welch recognized Ms. Bradshaw who stated that staff had received two requests from school districts to be allowed to come back into the life insurance program offered by the State and School Employees Health Insurance Plan. The requests have been reviewed and evaluated by our staff and Minnesota's Life actuary. It has been determined that it would be beneficial to the Plan to allow these schools' active and retiree participants to enter the life plan. The two school districts making this request are Laurel School District and Pascagoula Gautier Schools.

**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, September 28, 2022, in Room 117.

As there was no further business, the meeting was adjourned at 10:03 a.m.



Liz Welch  
Chairman

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