

State and School Employees Health Insurance Management Board

Standing Monthly Meeting

August 28, 2024

The standing monthly meeting of the State and School Employees Health Insurance Management Board convened Wednesday, August 28, 2024, in Room 117 of the Woolfolk Building located at 501 North West Street in Jackson, Mississippi, at 9:02 a.m. 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
Mr. Mark Formby
Dr. Felicia Gavin
Mr. Kelly Hardwick
Mr. Ray Higgins *(via Teams)*
Dr. Alfred Rankins *(via Teams)*
Mr. Kell Smith *(Represented by Mr. Jason Carter)*

Non-Voting Members Present

The Honorable Walter Michel – Chairman,
Senate Insurance Committee
The Honorable Jerry Turner – Chairman
House Insurance Committee

Voting Members Absent

Non-Voting Members Absent

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

Department of Finance and Administration Staff Present:

Mr. Bert Emrick
Ms. Liz Bolin, Esquire
Ms. Karen McKlemurry
Ms. Carlotta Edwards *(via Teams)*
Ms. Makleisha Logan-Hite *(via Teams)*
Ms. Lori Paes *(via Teams)*

Attorney General's Office Staff Present:

Ms. Suzanne Hudson, 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 July 24, 2024 Standing Monthly Board Meeting

Chairman Welch announced that the minutes of the Board's July 24, 2024, 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 July as presented. Mr. Kelly Hardwick seconded the motion. The motion passed by a 8 – 0 vote, with members Burkhalter, Chaney, Formby, Gavin, Hardwick, Higgins, Rankins, and Carter (for member Smith) voting affirmatively.

Agenda Item 2: Fiscal Year 2024 Actuarial Report Preliminary Projections

Chairman Welch recognized Mr. Lynn Townsend, FSA, MAAA, Consulting Actuary for the Board, who discussed his preliminary actuarial analysis of the State and School Employees' Life and Health Insurance Plan for the period ending June 30, 2024. Mr. Townsend had prepared a document entitled, *FY24 Actuarial Report Preliminary Projections*, which provides 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. Chris Burkhalter made a motion to approve the actual health insurance premium rate changes to be effective January 1, 2025, and to approve the premium rate change assumption for January 1, 2026 to be provided to the Legislative Budget Office for FY 2026 budgeting purposes only. Mr. Hardwick made a motion to approve the premium rate change assumption for Legislative Budget Office budgeting purposes. Mike Chaney seconded the motion, which passed by a 8 – 0 vote, with members Burkhalter, Chaney, Formby, Gavin, Hardwick, Higgins, Rankins, and Carter (for member Smith) voting affirmatively.

Agenda Item 3: Benefit Changes for 2025

Chairman Welch recognized Mr. Bert Emrick, State Insurance Administrator, who stated that the Board had previously approved a list of potential benefit changes to be evaluated for implementation in 2025. Staff continues analysis on several of the proposed benefit changes with consultants, vendors, and the Plan's consulting actuary. The potential financial and programmatic impact are still being reviewed for these items. The current results were compiled and presented to the State and School Employees Health Insurance Plan Advisory Council. A copy of the analysis of the proposed benefit changes, including the Advisory Council's recommendations, was provided to the Board in advance of today's meeting.

Mr. Emrick presented the following staff recommendations:

1) Modify Prescription Drug Coverage

Staff does not have a recommendation

2) Modify Medical Deductibles, Coinsurance, Copayments, Out-of-Pocket Maximums

Staff recommends increasing the Base Family Deductible to \$3,300 as required under Federal Law. A motion was made by Mr. Kelly Hardwick to increase the Base Family Deductible to \$3,300, and Mr. Mark Formby seconded the motion. The motion passed by a 8 – 0 vote, with members Burkhalter, Chaney, Formby, Gavin, Hardwick, Higgins, Rankins, and Carter (for member Smith) voting affirmatively.

a. **Modify Coinsurance Maximums – Select and Base Coverage:** Staff does not recommend changes.

b. **Modify Out-of-Pocket Limits:** Staff does not recommend changes.

c. **Modify Copayments for Specialists and Mental Health Office Visits – Select Coverage Discussion:** Staff does not recommend changes.

3) Cover Hearing Aids for Children

4) Cover Weight Loss Drugs

Staff recommends continued analysis and development based on direction from the Advisory Council and the Board.

5) Eliminate precertification penalties for participants

Agenda Item 4: Financial Statements

Chairman Welch recognized Mr. Emrick, who briefly reviewed the financial statements for the State and School Employees' Life and Health Insurance Plan for the month of July 2024. Copies of the financial statements from July 2024 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. Bert Emrick, 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 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 25, 2024, in Room 117.

As there was no further business, the meeting was adjourned at 10:20 a.m.



Liz Welch
Chairman

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