

SC PUBLIC EMPLOYEE BENEFIT AUTHORITY- BOARD OF DIRECTORS

Health Care Policy Committee- MINUTES [adopted 10/16/13]

202 Arbor Lake Drive, Columbia SC, Main Conference Room 2nd Floor

Wednesday, September 18, 2013 – 9:00 a.m.

Health Care Committee Members Present:

Mr. Joe "Rocky" Pearce, Chairman (in person)
Ms. Stacy Kubu (in person)
Mr. Audie Penn (in person)
Mr. Steve Heisler (in person)
Mr. Art Bjontegard (in person)

Additional Board Members Present:

Mr. Frank Fusco (in person)
Mrs. Peggy Boykin (in person)

Others present for all or a portion of the meeting:

David Avant, Lil Hayes, Stephen Van Camp, Travis Turner, Laura Smoak, & Virginia Wetzel from the South Carolina Public Employee Benefit Authority (PEBA); Wayne Pruitt & Donald Tudor with the Retiree Association of SC; Mike Madalena with Gabriel, Roeder, Smith & Company (GRS); and Brooks Goodman with Blue Cross Blue Shield of South Carolina.

AGENDA

1. CALL TO ORDER; ADOPTION OF PROPOSED AGENDA

Chairman Pearce called the meeting to order at 9:00 a.m. Ms. Hayes confirmed meeting notice compliance with the Freedom of Information Act. Mr. Penn moved to adopt the proposed agenda. Ms. Kubu seconded, with the unanimous vote to approve.

2. Approval of Meeting Minutes- August 1, 2013

Chairman Pearce asked for amendments to the August 1, 2013, Health Care Policy Committee meeting minutes. There being none, Chairman Pearce asked for a motion to approve the minutes. Mr. Penn moved to approve the minutes. Mr. Heisler seconded. The meeting minutes were unanimously approved.

3. Three Year Health Plan/ Vision (In notebook materials)

PEBA Interim Director, David Avant, introduced Mike Madalena, PEBA's actuarial consultant who presented an overview of PEBA's three year health plan/ vision. He addressed the current state health plan structure; potential health care benefit strategies and related activities for 2013 through 2015; and potential 2016 plan design alterations. Mr. Avant advised committee members that they will be reviewing and approving the 2015 Health Plan Budget during their October 2013 Committee meeting in preparation for its submittal to the Office of State Budget in November 2013. Discussion followed. Mr. Pearce referred to Brooks Goodman with Blue Cross Blue Shield who summarized his organization's programs that are supporting better health outcomes through managed health care and incentives. Mr. Pearce summarized the discussion by concluding that the Committee would like to recommend a grandfathered plan version, and an ACA compliant health plan version for 2015 that includes health incentives; being consumer driven; a savings plan expansion and incorporates benefit structure changes. The Committee stressed the communication for wellness incentives are a priority.

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4. PEBA Strategic Plan (In notebook materials)

Action:

Mr. Pearce asked for a motion to approve the Board's Strategic Plan that was approved by the Board on August 21, 2013. There being no amendments to the plan, Mr. Bjontegard moved to approve and Mr. Heisler seconded. Unanimously approved.

5. Health Care Policy Committee Charter (In notebook materials)

Action:

Mr. Pearce asked for a motion to approve the Committee's Charter. There being no amendments, Mr. Heisler moved to approve and Mr. Penn seconded. Unanimously approved.

6. Old Business

MUSC PCMH Pilot

PEBA staff indicated that plan details are still being finalized. The target completion date is the last week of September 2013. Final plan details will be presented to the Committee during their October 2013 meeting.

Network Expansion

Mr. Fusco requested an update on the potential expansion of the State Health Plan's provider network availability to the private sector. Mr. Avant advised that legislative authority must be granted to the Board to implement an expansion and that PEBA will be scheduling a public information session to allow for input from major providers, stakeholders, and the public regarding the expansion. The Committee will be reviewing the input gathered at their next meeting to determine the pursuit of the expansion.

7. New Business

Blue Choice

Mr. Avant and Mr. Turner explained that the premiums for the State's HMO plan offered through Blue Choice will be increasing significantly for plan year 2014. Blue Choice will be sending out a letter to currently enrolled plan subscribers announcing the premium increases prior to the open enrollment period set to begin October 1, 2013.

Upcoming Meetings:

- Health Care Policy Committee Meeting: October 16, 2013
- Public Information Session: Medicare Advantage. October 2, 2013, 10:00 AM – 12:30 PM.
- Public Information Session: Network Provider Expansion. Date and time have yet to be determined.
- Committee to meet with Catamaran. Date and time to be determined.
- November Health Care Policy Committee Meeting: Staff was directed to provide a report based on their communications with the SC Office of Research and Statistics regarding health data analysis.

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8. Adjournment

There being nothing further to discuss, Chairman Pearce requested a motion to adjourn. Mr. Heisler moved to adjourn and Ms. Kubu seconded. The committee unanimously voted to adjourn at 12:10 p.m.