



Meeting minutes | Board of Directors retreat

Wednesday, August 20, 2025 | 10:00 a.m.

Wampee Conference Center | 2213 Pinopolis Road, Pinopolis, SC 29469

Minutes approved October 22, 2025

Board members present for all or a portion of the meeting: Ms. Amanda Blankenship, Ms. Jennifer Blumenthal, Mr. Calvin Elam, Mr. Steve Heisler, Sheriff Steve Mueller, Chairman Joe “Rocky” Pearce, Mr. Alex Shissias, and Mr. Ed Walton.

Board members absent: Ms. Paige Lewis, Mr. Steve Matthews, and Mr. John Sowards

Others present for all or a portion of the meeting: Peggy Boykin, Robby Brown, Amber Carter, Heather Muller, Laura Smoak, Rob Tester, Travis Turner, Justin Werner, and Heather Young from the South Carolina Public Employee Benefit Authority (PEBA); Tripp Jennings, Matt Shaffer, and Carmen Wilson from BlueCross BlueShield of South Carolina; Santo Anzaldi, Mike Ando, Amber Compton, Dan Foster, Jim Fowler, Courtney Herring, Joni Lozano, and Travis Tate from CVS Caremark, and Mike Madalena, PEBA Consultant.

I. Call to order

Chairman Rocky Pearce called the PEBA Board of Director’s (Board) Retreat to order at 10:00 a.m., and stated that the public meeting notice was posted in compliance with the Freedom of Information Act.

II. Approval of meeting minutes- June 5, 2025

Mr. Calvin Elam made a motion, which was seconded by Sheriff Steve Mueller, and passed unanimously, to approve the minutes from the June 5, 2025, Board meeting.

III. Health Care Policy Committee key measures

Mr. Rob Tester, Insurance Policy Director, provided strategic key measures for the State Health Plan (SHP), and stated that there are 539,719 total participants in the SHP, including 206,567 active subscribers, and 95,272 retirees.

Mr. Tester reviewed the SHP financial analysis as of June 2025, and noted that the projected 2025 total loss ratio equals 97 percent. Mr. Tester added that the cash/liability ratio as of December 2024 was 1.69 percent, which exceeded the 1.4 percent benchmark.

Mr. Tester discussed 2024 average monthly total premiums; the 2024 average annual deductible; and the 2024 average annual gross plan cost per active employee, all of which compared very favorable to other large public and private sector employers.

Ms. Laura Smoak, Analytics and Health Initiatives Director, reviewed the Plan's outcomes and benchmarking in the national Healthcare Effectiveness Data and Information Set (HEDIS) performance measures.

Mr. Tester concluded the presentation by discussing enrollment measures in the State Health Plan's optional programs including Dental Plus, the State Vision Plan, Optional Life insurance, and Supplemental Long-Term Disability.

IV. Trend and State Health Plan cost drive review

Like health plans nationwide, the State Health Plan continues to face challenges related to continuous growth in claims expenditure. Mr. Tester and Mr. Mike Madalena, consultant to PEBA, reviewed the special characteristics of the Plan's current cost drivers and discussed methods available to contain these factors.

V. Healthcare trends in employer sponsored insurance

Post-COVID, the health insurance business has faced ever-more-difficult circumstances. Mr. Matt Shaffer, Senior Vice President at BCBSSC, and the Plan's executive contact at Blue Cross, described the challenges now facing the industry and the outlook ahead.

VI. 2025 Pharmacy Benefit Manager procurement and transition

The current Pharmacy Benefit Manager (PBM) contract with Express Scripts expires at the end of 2025, and state procurement rules obligated PEBA to competitively re-solicit this agreement, representing one of the State Health Plan's two major contracts. This solicitation resulted in a change in the Plan's PBM, with CVS Caremark beginning January 1, 2026.

Mr. Madalena discussed changes in PEBA's approach for this procurement, and Ms. Smoak provided insight related to previous and future implementation efforts. Additionally, CVS Caremark personnel Jim Fowler, Chief Sales Officer, and Mike Ando, Vice President, Implementations, introduced PEBA to the company and discussed transition details.

The PEBA Board Retreat receded until 9:30am on Thursday, August 21, 2025