



Meeting minutes | Health Care Policy Committee

Wednesday, October 22, 2025 | 9:30 a.m.

202 Arbor Lake Dr., Columbia, SC 29223 | First Floor Conference Room

Minutes approved December 4, 2025

Board members present for all or a portion of the meeting: Mr. Steve Heisler, PEBA Board Chairman Joe “Rocky” Pearce, and Committee Chairman Alex Shissias.

Board members present for all or a portion of the meeting via virtual means: Mr. John Sowards

Others present for all or a portion of the meeting: Lee Allen, Peggy Boykin, Robby Brown, Phyllis Buie, Amber Carter, Heather Kirby, Heather Muller, Laura Smoak, Rob Tester, Katie Turner, Travis Turner, Justin Werner, and Heather Young from the South Carolina Public Employee Benefit Authority (PEBA); Jesse Epting, Dr. Tripp Jennings, and Carmen Wilson from BlueCross BlueShield of South Carolina; Dr. David Louder from the Medical University of South Carolina; Nikki Zelenovich from Wondr Health; Richard Lomax from Novo Nordisk; Noah Barker from The Mullikin Law Firm; William Hunt from Abbott Diabetes Care; and Rebecca Rochester from the State Retirees Association of South Carolina.

Others present for all or a portion of the meeting via virtual means: Jessica Moak and Angie Warren from PEBA.

I. Call to order

Chairman Alex Shissias called the PEBA Health Care Policy Committee (Committee) meeting to order at 9:30 a.m., and stated that the public meeting notice was posted in compliance with the Freedom of Information Act.

II. Approval of meeting minutes – March 12, 2025

Mr. Steve Heisler made a motion, which was seconded by Chairman Alex Shissias, and passed unanimously, to approve the minutes from the March 12, 2025, Committee meeting as presented.

III. MUSC Plan annual update

In this annual review of the Medical University of South Carolina (MUSC) Health Plan, Dr. David Louder, Executive Director of the MUSC Health Alliance, discussed the latest financial performance, and stated that the 2024 financial performance for the MUSC Health Plan shows a decrease of 10 years in the risk adjusted total loss ratio between the MUSC Health Plan and the State Health Plan, due to recent performance and plan design changes. Dr. Louder also presented the Plan’s 2024 quality metrics, addressed performance opportunities, and discussed the overall status of the MUSC plan.

Dr. Louder reviewed the growth of the MUSC Health Plan and further integration with Tideland Health in Georgetown and Horry counties, and concluded by discussing clinical services across the State.

IV. Wondr Health program review

Mr. Rob Tester, Insurance Policy Director, stated that PEBA introduced the weight management program Naturally Slim (now known as Wondr Health) to its membership in September 2018. Mr. Tester introduced Ms. Nikki Zelenovich, Wondr's Senior Vice-President of Client Success, who stated that Wondr is a behavioral change health program focusing on improving weight and overall health for members.

Ms. Zelenovich stated that Wondr uses a holistic approach to good health and weight management and addresses the root causes of weight gain such as managing hormones, stress, and sleep. Participants develop sustainable habits such as goal setting and tracking of progress. Ms. Zelenovich advised that along with the core curriculum there are personalized physical activity and personalized eating behavior strategies designed to help each participant individually.

Ms. Zelenovich discussed findings from a statistical analysis of participant outcomes from September 2018 through September 2024, and noted that there have been 102,913 participants in the Wondr program, and in 2025, there are over 9,000 participants in the program. Ms. Zelenovich stated that the average weight loss is four percent, with 38 percent of participants improving in sleep, 65 percent reporting mood improvement, and 65 percent reporting energy improvement.

Ms. Zelenovich concluded by reviewing participant breakdown, engagement, clinical results, and program testimonials by PEBA participants.

V. State Health Plan budget requirements approval for 2027

Mr. Tester reviewed the State Health Plan (SHP) Budget Requirements for 2027, and reported that there is no increase required for 2027 to sustain the current State Health Plan. It is projected that the 4.6 percent employer only rate increase effective January 1, 2026, will be adequate to maintain the Plan through 2027. It was noted that funding in the amount of \$34.525 million was appropriated for the January-June 2026 period, and a similar amount will be required in the upcoming budget for the July-December 2026 period to make agencies and school districts whole for the rate increase.

Mr. Tester stated that staff recommends the deletion of Proviso 108.12 which suspends the statutory sweep of Plan surplus funds at year end into the OPEB (retiree health) account. Mr. Tester reminded the Committee that this proviso was in response to the COVID lockdown and the delay of health care services at that time. With the delay, any year-end surplus was overstated, and it was necessary to retain those funds to pay for later-delivered care. There is no longer evidence of any material delay in care, and as such the proviso is no longer needed.

Mr. Tester turned the discussion to contributing and mitigating factors, specifically noted that the main contributing factor is the Plan's continued high expenditure trends in both the medical and

pharmacy sides. Medical trend this year through September equals a 7.0 percent increase in payments per member over the same period in 2024. On the pharmacy side, Plan pharmacy expenditure is up 9.5 percent per member year-over-year through September 2025, with specialty pharmacy being the primary prescription drug trend driver. It was noted that a considerable amount of the Plan's pharmacy trend is attributed to Medicare primary members.

Mr. Tester detailed three mitigating factors including the new Pharmacy Benefits Manager (PBM) contract with CVS Caremark effective January 1, 2026, and direct-contracted networks and unit cost neutrality in hospital pricing for 2026, both which are anticipated to provide positive financial results. In addition, limiting the supply of GLP-1s to 30 days per fill, and placing a new prior approval process for GLP-1s to require documentation that a patient's condition qualifies them to obtain the prescription under the terms of the Plan is also a mitigating factor in the 2027 rate requirements.

Mr. Heisler made a motion, which was seconded by Mr. John Sowards, and passed unanimously, to recommend that the PEBA Board approve the preliminary budget requirements for the 2027 State Health Plan as presented for submission in the state budget process.

VI. Old business/Director's report

Ms. Peggy Boykin, Executive Director, expressed her appreciation to Mr. Tester and staff for their efforts in compiling the data analytics needed to estimate the State Health Plan requirements and rates two years in advance. Ms. Boykin added that PEBA's budget hearing with the Governor's office is scheduled for Thursday, October 30, 2025.

VII. Adjournment

There being no further business, and upon a motion by Mr. Heisler, which was seconded by Chairman Shissias, and approved unanimously, the Committee meeting adjourned at 10:27 a.m.