



STATE OF LOUISIANA
DIVISION OF ADMINISTRATION
OFFICE OF GROUP BENEFITS



MINUTES
Office of Group Benefits
Policy and Planning Board Meeting
Monday, September 21, 2015

CALL TO ORDER

The meeting was called to order 10:07 a.m. by Ms. Nancy DeWitt.

Pledge of Allegiance was led by Mr. Barry Blumberg.

ROLL CALL

Present

Rep Robert Billiot
Barry Blumberg
Deborah Copeland
Rikki Nicole David
Nancy Dewitt
Luke DiMattia
Korey Harvey
Scott McKnight
Seth Smith
Harold Williams

Absent

Melissa Lee
Lettie Lowe-Ardoin
Sen Gregory Tarver

10 present and 3 absent representing a quorum.

OLD BUSINESS

The minutes of March 9, 2015 were presented for approval. A motion was made by Seth Smith, seconded by Scott McKnight, to accept the minutes presented. There being no objections, the minutes were approved.

The minutes of the July 15, 2015 were presented for approval. A motion was made by Barry Blumberg, seconded by Rep Billiot, to accept the minutes presented. There being no objections, the minutes were approved.

CEO REPORT

This report will become part of the minutes for this meeting.

Additional comment noted that OGB will conduct HR training on the OGB Plan Recognized Qualified Life Events in December 2015. The life events will be effective on January 1, 2016.

FINANCIAL REPORT

OGB's actuary, Scott Hildebrandt with Gallagher Benefit Services, provided a financial overview.

Improvement in the Fund Balance has resulted from the changes made to the plan of benefits and the rate increase which was implemented in July 2015. The unaudited fund balance for June 30, 2015 is \$122.4M. The fund balance for June 30, 2016 is projected to be \$145.0M, which is within the target range.

The cumulative annual effective rate increase for OGB's self-funded plans from FY2013 – FY2016 was 1.535%.

NEW BUSINESS

No new business was addressed.

OTHER BUSINESS

The board discussed the option of having a meeting in December to obtain updated financial information and status on annual enrollment. With the limited number of available meeting dates and after further discussion, a motion was made by Scott McKnight to forgo the December 2015 in-person meeting and for the CEO to provide the members with updated financial information, annual enrollment numbers, as well as the minutes from the September 21, 2015 meeting for review and electronic approval by members. The motion was seconded by Seth Smith. There being no objections, the motion passed.

PUBLIC COMMENTS

No public comments were made.

ADJOURNMENT

A motion to adjourn was made by Barry Blumberg, seconded by Scott McKnight, there being no further business of the board, the meeting adjourned at 11:15 am.



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Office of Group Benefits
CEO Summary Report
September 21, 2015

Legislative Updates

Act 146

OGB met with Legislative staff to discuss the transition of a new board for January 1, 2016. Nine of the new board members will be appointed by the Senate, House and Governor. The current two elected positions will remain on the board until June 30, 2016, pursuant to rule-making.

Administrative Updates

Third Party Administrator Contract

Blue Cross and Blue Shield of Louisiana was notified on June 3, 2015 that they were the successful bidder. Contract will be effective on January 1, 2016. OGB is continuing to work on the deliverables and performance guarantees for this contract.

Fully Insured HMO RFP

Vantage was the only qualified bidder. Contract is being reviewed by Legal.

Medicare Advantage RFP

Vantage and Peoples Health were the qualified bidders. Contracts are under review by Legal.

Department of Insurance Audit

The Department of Insurance (DOI) is required to audit OGB every 5 years, per La.R.S. 42:851.N. The actuarial audit was finalized in April 2015 and the operational audit is ongoing.

Ordinary Rule Revisions

The Ordinary Rule will be amended to adopt language associated with the Affordable Care Act, primarily related to HIPAA Special Enrollment events. Also, the Rule is being updated to incorporate the changes per Act 146. There are no changes to deductibles, co-pays, or co-insurance for the 2016 Self-Insured Health Plans.

The Rule was published on August 20, 2015. OGB did not receive any request for a public hearing or any comments on the Rule. Therefore, a public hearing will not be held.

Same-Sex Spouse and Eligible Dependent Enrollment

OGB offered a limited enrollment period ending August 11, 2015 for members who were married prior to the Supreme Court ruling of June 26, 2015. During the limited enrollment, OGB enrolled 39 spouses and 8 dependent children. Any member married after June 26 will have same enrollment rights afforded other marriages.

Annual Enrollment

Dates:

- October 1-November 15 for Actives/Non-Medicare members
- October 15-December 7 for Medicare members

Annual Enrollment Meetings for Members:

- Active/Non-Medicare meetings: 20 meetings
- Retirees with Medicare meetings: 20 meetings
- Webinar will be available for both groups

Improved Automated Call Distribution:

Vendors will be the front line for calls on benefit plans; OGB will manage eligibility questions/concerns.

Excellus Breach

Excellus is a network of BCBS which is situated in upstate New York. Excellus has indicated that a data breach occurred. OGB has been notified that 62 plan members were affected by this breach. The information breached has not been definitely determined. The members affected will be notified by Excellus and will be offered two free years of credit monitoring and identity theft protection.

BCBS contract negotiations with Woman's Hospital

Currently, BCBS of Louisiana is in negotiations with Woman's Hospital. There are several significant matters that have hampered successful negotiations. Those matters relate primarily to the following:

- The expansion of the BCBS Quality Blue program
- The design of benefits by ASO groups to steer members to the most cost efficient, quality providers
- The inclusion of Woman's Hospital as a Preferred Provider

Both sides are continuing to negotiate as each recognizes the importance of working towards a mutual agreement. The contract remains in effect and there has been no initiative by either party to terminate the current ongoing contract. It is important to note that contracts with the physicians who perform services at Woman's Hospital are separate contracts.

Population Health Updates

Live Better Louisiana

As of August 17, 2015, approximately 21,000 members have taken advantage of the on-site wellness check-ups. 773 statewide clinics have been held. In order to receive the \$120 annual credit for the 2016 plan year, members must complete both the check-up and the on-line Personal Health Assessment (PHA).

The findings of the wellness screenings revealed more than 5,600 members who were identified as having three or more Metabolic Syndrome risk factors, and approximately 16,700 were identified as being overweight.

- Over 6,000 newly identified with pre-hypertension
- Over 2,000 newly identified with pre-diabetes
- Over 4,000 newly identified with dyslipidemia

Diabetes Prevention Program (DPP)

Following the well screenings, members who are diagnosed at risk for developing Type 2 diabetes become eligible for the Diabetes Prevention Program. This program involves a personal health coach who engages with the member through weekly on-line health sessions. The program has produced positive results. Participants have achieved and maintained greater than 5% weight loss.

We have seen increased member engagement in wellness and in health care consumerism, such as,

- Increase in generic versus brand drug utilization (6% since 2013)
- Increase in enrollment of higher deductible plans (400 enrollees to 7,500)
- Increase in participation in the Disease Management Program (9.1% increase from 2014)*

*Members in the Disease Management Program have experienced lower hospital admissions and emergency room visits than eligible members who do not participate in the program.