

MINUTES
POLICY AND PLANNING BOARD MEETING
OFFICE OF GROUP BENEFITS

June 15, 2006

CALL TO ORDER

Mr. Aubrey Temple, chairman, called the meeting of the Policy and Planning Board to order.

ROLL CALL

Members Present

Dr. James Calvin
Dr. Barbara Cicardo
Mr. Russell Culotta
Mr. Buford Huckleberry
Mr. Charles Lazare
Mr. Jimmy LeBlanc
Mr. James Lee
Mr. Hubert Lincecum
Mr. Jackie Self
Mr. Aubrey Temple

Members Absent

Dr. Merline Broussard*
Mr. Mark Brown
Sen. James David Cain
Mr. Scott Kipper
Rep. Tank Powell
Mr. William Quinlan

Roll call indicated 10 board members present, representing a quorum.

* Dr. Broussard monitored the meeting via telephone, but she did not participate in any Board actions.

APPROVAL OF MINUTES OF MARCH 9, 2006 BOARD MEETING

The minutes of the March 9, 2006 meeting were presented for approval.

A motion was made by Mr. Lee, seconded by Mr. Lincecum to accept the minutes as presented. There being no objections, the minutes were approved as presented.

ANNUAL OPEN ENROLLMENT RESULTS

Mr. Teague reported on enrollment gains and losses for the 2006-07 plan year as a result of Annual Enrollment. Following are the gains and loss per plan:

Several Board members expressed concern about OGB never receiving claims data information from LSU regarding the Definity plan. The Memorandum of Understanding that LSU and OGB entered into states that OGB would receive this information. Mr. Culotta stated that OGB needed to be more adamant about having LSU provide the information. Mr. Teague advised the Board that he would setup a meeting with the LSU representative to discuss the exchanging of the required reports.

Mr. Teague reported that OGB now has a new consulting actuary, Mercer, and he introduced Mr. Tom Tomzyk, the actuary that will work with OGB.

DISCUSSION OF OPERATIONAL ACTIVITIES

Mr. Teague discussed the key claims indicator reports as well as the April and May fiscal reports, making note of the May \$63.9-million cash balance.

DISCUSSION OF ADDITIONAL PLAN OFFERINGS FOR RETIREES

Mr. Teague reported on upcoming plan offerings for retirees, including Tricare Supplemental Plan for retired military veterans, which will be advantageous for plan members, OGB and the state. OGB will be seeking proposals for Medicare Advantage Plans so that those eligible will have coverage equal to OGB at a lower cost.

DISCUSSION OF PLAN DOCUMENT CHANGES

Mr. Teague discussed proposed plan document changes, as follows:

- Change in allowable days' supply for prescribed drugs to 30/60/ 90 from the current 34/38/102
- Adding hyperbaric oxygen chamber treatment to pre-certification list

DISCUSSION OF IMPENDING VACANCIES ON THE BOARD

Mr. Teague reported that Mr. Rick Ramsey was duly elected to be the new representative from higher education and will be seated at the July meeting. He also noted that no candidate qualified for the DOTD seat and, accordingly, the Board will appoint a representative at its next meeting to serve until the next scheduled elections in 2008.

Also Mr. Teague reported that Dr. James Calvin's term as the appointed Health Care/Employee Benefits Specialist will expire July 1, 2006, and Dr. Calvin has indicated that he does not wish to be reappointed. Mr. Teague stated that he has contacted the Governor's office and advised that someone needs to be appointed to this seat.

Mr. Temple thanked Dr. Cicardo, Dr. Calvin, and Mr. Lee on behalf of the Board for their service, representation, and dedication they have shown for the Office of Group Benefits.

A motion was made by Mr. Lincecum and seconded by Mr. Lee to acknowledge by Board resolution the years of dedicated service of Dr. Barbara Cicardo and Dr. James Calvin. With no opposition, the motion was unanimously adopted.

Dr. Calvin thanked the Board and also stated that when it was recommended and changed from a board of trustees to an advisory board that was a mistake made by the Division of Administration.

OLD BUSINESS

2006 Legislation

Mr. Teague provided the Board a brief summary of legislation that was introduced in the 2006 Regular Legislation Session that would have an effect of including several new classes of eligible employees for the Office of Group Benefits.

Disease Management Contractor

Mr. Teague informed the Board that an audit has been done of our disease management program and he will be meeting with the contractor to review the audit.

Legal Disputes

Mr. Teague reported on two legal disputes involving OGB that have been resolved:

- 1) A meeting was held with Tenet representatives and they have agreed to drop the pending lawsuit.
- 2) Medco has agreed to permit OGB to retain the \$4.5 million withheld following termination of its contract and to pay OGB an additional \$2.4 million to resolve issues arising from an audit of its performance.

NEW BUSINESS

No new business.

OLD BUSINESS

PUBLIC COMMENTS

No request for public comments.

ADJOURN

There being no further business to discuss, a motion was made by Mr. Lee, seconded by Mr. Lincecum, to adjourn. With no opposition, the motion was unanimously adopted.

Mr. Aubrey Temple, Chairman