



State of Louisiana
Office of Group Benefits
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MINUTES

POLICY AND PLANNING BOARD MEETING OFFICE OF GROUP BENEFITS

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December 6, 2007

CALL TO ORDER

Mr. James Lee, secretary, called the meeting of the Policy and Planning Board to order.

ROLL CALL

Members Present

Dr. Merline Broussard
Sen. James David Cain*
Mr. Buford Huckleberry
Mr. Charles Lazare
Mr. James Lee
Rep. Tank Powell
Mr. Rick Ramsey
Mr. William Quinlan

Members Absent

Mr. Mark Brown
Mr. Russell Culotta
Mr. Jimmy LeBlanc
Dr. Stan Mays
Mr. Scott Kipper
Mr. Hubert Lincecum
Mr. Jackie Self
Mr. Aubrey Temple

Roll call indicated 7 board members present, not representing a quorum.

*Senator James David Cain arrived after roll call and a quorum was achieved at that time.

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APPROVAL OF MINUTES OF OCTOBER 25, 2007 BOARD MEETING

The minutes of the October 25, 2007 meeting were presented for approval.

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

DISCUSSION OF ACT 479 OF THE 2007 REGULAR LEGISLATIVE SESSION

Mr. Teague provided the Board with a copy of the ruling on the litigation filed by United Healthcare and Humana. Judge Tyson issued a ruling declaring Act 479 unconstitutional as in violation of the Dormant Commerce Clause of the constitution. He stated that Attorney General's Office may require OGB to appeal the decision.

CEO REPORT – OPERATIONAL ACTIVITIES

Mr. Tommy Teague reviewed the operational reports which indicated that in September 2007, that the claims loss ratio was 72.25 percent. A total of 99.89 per cent of PPO claims aware paid within thirty days. The October fund balance is approximately \$155.8 million.

OGB continues to be fiscally strong, but the GASB reporting information has not been finalized. The calculation will reflect claims for the current and future claims.

MERCER ACTUARIAL REPORT

Mr. Thomas Tomczyk reviewed the Cost, Utilization and Medical Plan Summary report which provided information on claims by region, membership by plans, and demographics by plan and status.

OLD BUSINESS

Mr. Teague reported that in July 1, 2005 the Program adopted a rule that stated that retired members who are eligible for Medicare must take Part B. This information was not communicated very well to retirees accordingly, a new notice has been mailed to all members over 65 years of age which states that if they retired after July 1, 2005 and are eligible for Medicare they must take Part B or OGB will not pay their Part B claims.

Mr. Ramsey asked if there was any updated information from LSU concerning the Definity plan providing reports to the OGB Policy and Planning Board. Mr. Teague stated that the agreement with Mr. Krogstad is that when he files his reports with the LSU Board of Supervisors that those reports would be forwarded to OGB. He will contact Mr. Krogstad regarding these reports.

Mr. Ramsey asked if OGB has moved forward on developing a plan with a Health Reimbursement Account (HRA) to be offered to state employees. Mr. Teague reported that he has asked Mercer to work on a benefit design that would use OGB's current PPO network and the PPO plan as the background medical plan and put a high deductible HRA component in front of that. Once a rough draft has been developed it will be presented to the Board. He stated that this type of plan will not be ready until July, 2009.

NEW BUSINESS

Mr. Teague discussed the Dependent Certification Project pursuant to which OGB will require documentation of dependents, such as marriage certificates, birth certificates, and/or adoption certificates to verify eligibility.

Mr. Teague stated that OGB staff is continuing to work with the Department of Health and Hospitals on implementing the LaCHIP V program.

Mr. Teague reported that the Employee Assistance Program that OGB and Civil Service staff is developing will be on hold until the new administration takes office and approves the program.

PUBLIC COMMENTS

The Board thanked Senator Cain and Representative Henry "Tank" Powell for their dedicated service to OGB. They will be leaving their seats on the Board when they leave the legislature in January, 2008.

A plan member spoke to the Board regarding an appeal decision from OGB. She requested that the Board assist her in her appeal to have her health insurance reinstated. The Board requested that OGB staff provide any assistance they can in helping this plan member.

ADJOURN

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



Mr. Aubrey Temple, Chairman