



**STATE OF LOUISIANA**  
**DIVISION OF ADMINISTRATION**  
**OFFICE OF GROUP BENEFITS**



**OGB POLICY AND PLANNING BOARD MINUTES**

**Friday, July 24, 2020**

**1:30 PM - Via Video Conference**

**Link to Meeting:** <https://la-ogb.zoom.us/j/97305288683?pwd=Y2wrc0MxUmFuZWlHN29uNiZoR1IRUT09>

- I. Call to Order
  - a. Roll Call

|  |                                   |
|--|-----------------------------------|
| Agnes Andrews – <b>ABSENT</b>          | Frank Jobert – <b>PRESENT</b>     |
| Sen. Louie Bernard – <b>PRESENT</b>    | Kenneth Krefft – <b>PRESENT</b>   |
| Sen. Joseph Bouie, Jr. – <b>ABSENT</b> | Tony Murray – <b>PRESENT</b>      |
| Rep. Chad Brown – <b>PRESENT</b>       | Sen. Kirk Talbot – <b>PRESENT</b> |
| Deborah Copeland – <b>PRESENT</b>      | Jeremy Jackson – <b>PRESENT</b>   |
- II. Certification of Inability to Operate Due to Lack of Quorum
- III. Introduction and Swearing In of New Board Members
  - a. Rep. Chad Brown
  - b. Sen. Joseph Bouie, Jr.
  - c. Sen. Kirk Talbot
  - d. Sen. Louie Bernard
- IV. Approval of Minutes from September 25, 2019 Meeting
  - a. Motion to approve minutes made by Mr. Krefft. Motion seconded by Mr. Jobert. Minutes approved unanimously.
- V. Public Comments
  - a. No Public Comments
- VI. Financial Update
  - a. Tommy Teague and Tom Tomczyk updated the board members on OGB's financial status.
    - i. Ken Krefft asked if there was anything in the US House approved bill for a program like ours.
      1. Mr. Teague answered no.
    - ii. Frank Jobert commented that things were looking much better.
    - iii. Tony Murray commented that the board had voted on the 2021 rates. He then asked if the board had voted on rate increases for 2022, 2023 and 2024.
      1. Mr. Teague answered that those are proposed and must be approved by the legislature.
- VII. 2021 Health Insurance Rates
  - a. Mr. Teague and Bill Guerra went over the 2021 premium increases.
    - i. Mr. Jobert asked if the increase affected both the employee and the employer.
      1. Mr. Teague answered yes.
    - ii. Mr. Krefft commented that there were advantages for retirees with Medicare to be on one plan instead of two separate plans. It was about \$90 cheaper.
    - iii. Jeremy Jackson asked if the Magnolia Open Access plan was a PPO plan.
      1. Mr. Teague answered yes.

- iv. Mr. Jackson then asked if the Magnolia Local and Magnolia Local Plus plans were HMO plans.
  - 1. Mr. Teague answered yes.
- v. Mr. Jackson then asked if OGB has thought about changing the networks to save money.
  - 1. Mr. Teague answered that negotiations have been happening but the problem is timing. There's just not enough time. Members may see more localized plans during annual enrollment in 2021. There are doctors and hospitals creating networks but they are not far enough along to be considered for this annual enrollment.
- vi. Mr. Jackson commented that this was something that has been talked about since Mr. Teague came back and he was just wondering if OGB will be going back to look at that.
  - 1. Mr. Teague responded that it is always an option.
- vii. Mr. Jobert asked if OGB could charge the Magnolia Local Plus the same rates as Magnolia Open Access since they are in the same network.
  - 1. Mr. Teague responded that rates are based on volume of business. As volume increases, rates go down.
- viii. Mr. Murray motioned to recommend the rate increase to the legislature. The motion was seconded by Deborah Copeland. Motion was approved unanimously by the board.

#### VIII. Recommendation for Award of ASO-TPA Contract

- a. Mr. Teague updated the board members on the award of the ASO-TPA contract to BCBSLA.
  - i. Mr. Krefft responded that he liked the award.
  - ii. Mr. Murray asked if anyone else applied/how many bids were there.
    - 1. Mr. Teague responded that there was only one bidder and that was BCBSLA.
  - iii. Mr. Krefft made a motion to recommend the award of the ASO-TPA contract. Mr. Murray seconded that motion. Motion was approved unanimously by the board.
  - iv. Question was asked in regards to the repeal of "Obamacare", would a ruling from the supreme court return OGB to pre-ACA coverage limits, mostly regarding pre-existing conditions?
    - 1. Mr. Teague responded that LA already has a law against denying coverage due to pre-existing conditions so it would not matter.
    - 2. Mr. Tomczyk commented a repeal could affect the 26 age limit.

#### IX. Recommendation for Award of PBM Contract

- a. Mr. Teague went over the details of the RFP and the protest period. There were 2 bidders that submitted protest to the contract award. The award of the three-year contract cannot be made until the protests are resolved.
  - i. Mr. Murray asked who the incumbent PBM is.
    - 1. Mr. Teague responded MedImpact/Vibrant Rx.
  - ii. Mr. Krefft asked who the protestors are.
    - 1. Tameika Henry responded that OGB cannot share that information.
  - iii. Mr. Krefft then asked who presented bids.
    - 1. Ms. Henry responded MedImpact, Clutch, CVS Caremark, Express Scripts and Optum.
  - iv. Mr. Murray asked who works on the RFP process, is it Buck?
    - 1. Mr. Teague responded that Buck assists the evaluation committee but OSP has the final say.
  - v. Mr. Murray asked why OGB chose CVS as the winning bid.
    - 1. Ms. Henry responded that due to the protest, OGB is unable to discuss that.
  - vi. Mr. Murray asked if OGB needed a recommendation from the board.



1. Mr. Teague said no recommendation is necessary at this time due to the stay order.
  - vii. Mr. Murray responded that Pharmacy is 30% of OGB business and there is a lot to discuss.
    1. Mr. Teague responded that we will have another meeting to discuss the PBM award once OSP makes a decision.
  - viii. Mr. Murray asked is OGB would stay with MedImpact.
    1. Mr. Teague responded that OGB can extend the contract with MedImpact if the protest is not resolved in time. There are also a few other options OGB can take.
  - ix. Mr. Krefft commented that those were good questions by Mr. Murray. Mr. Krefft would like to recommend extending the MedImpact contract until the protest is resolved.
    1. Mr. Teague responded that OGB has never left our members without pharmacy benefits and it won't this time.
  - x. Mr. Jackson asked if the PBM is awarded to CVS, would CVS pharmacies be the only option for members.
    1. Renita Williams responded no, CVS is not the only pharmacy.
    2. Mr. Teague followed up Ms. Williams' response with once contract negotiations resume, OGB will seek for minimum disruption to its members.
- X. Recommendation for Contract Extension for Discovery Benefits, LLC
- a. Ms. Williams went into detail about why the contract with DBI needs to be extended.
    - i. Mr. Krefft made a motion to recommend the contract extension with DBI. Mr. Murray seconded that motion. The motion was approved unanimously by the board.
- XI. Requests for Proposals
- a. Mr. Teague went into detail about the RFPs that are currently out for OGB.
    - i. Medicare Broker
      1. Mr. Jobert asked if this was the Retiree 100.
        - a. Mr. Teague responded no, this was the Via Benefits, also known as One Exchange.
- XII. LDH and OGB Interagency Agreement
- a. Mr. Teague went over the details of the interagency agreement.
    - i. Mr. Krefft asked how much higher is the new fee over the current fee.
      1. Ms. Henry responded that she believed it went from \$7M to \$9M but would check to verify.
    - ii. Mr. Jobert made a motion to recommend the agreement. Mr. Jackson seconded that motion. The motion was passed unanimously by the board.
- XIII. Contract Amendments
- a. Mr. Teague reviewed the contract amendments with the board.
    - i. BCBSLA
      1. Mr. Krefft asked how long was the amendment for.
        - a. Mr. Teague responded to the end of the year.
      2. Mr. Murray asked if the amendments were going to be part of the new contract.
        - a. Ms. Williams responded that the amendment was to address COVID related measures.
        - b. Mr. Teague added that OGB hoped the COVID related measures are short term.
      3. Mr. Jackson made a motion to support the amendment to the BCBS contract. Mr. Jobert seconded that motion. Motion was approved unanimously by the board.

b. MedImpact

- i. Mr. Teague explained the amendment was needed to temporarily amend requirements. (COVID related)
  1. Mr. Krefft asked if temporarily meant until the end of the calendar year.
    - a. Mr. Teague responded yes.
  2. Mr. Murray made a motion to support the amendment. Mr. Jackson seconded the motion. Motion was approved unanimously by the board.

c. Buck Global, LLC

- i. Mr. Teague explained the need for the amendment was due to additional work needed from Buck due to PBM contract implementation.
  1. Mr. Krefft asked when the current Buck Contract went through.
    - a. Mr. Teague responded January 31, 2021 and OGB would be exercising the option to extend for 2 years.
  2. Mr. Murray asked for examples of Implementation Services
    - a. Mr. Teague responded assisting with the implementation of the PBM contract.
    - b. Mr. Murray asked if that was a result of COVID.
    - c. Mr. Teague responded no. The contract with Buck is fairly open-ended as to the scope of services. Buck usually acts as an advisor but with the PBM contract they have really dived in to the savings, formularies, etc.
    - d. Mr. Murray responded that he was looking forward to hearing that and asked what was the impact to the plan.
    - e. Ms. Henry responded \$250,000. The current fee is \$64K monthly with a lump sum of \$250K cut to \$50K per month as services are rendered.
  3. Mr. Krefft asked in that means it is raising to just over \$1M.
    - a. Ms. Henry responded it is moving from \$2,335,000 max to \$2,500,089 max.
  4. Mr. Murray asked what the total member count is.
    - a. Mr. Teague responded 250,000 including dependents and retirees.
  5. Mr. Krefft made a motion to support the amendment. Mr. Jackson seconded the motion. Motion was approved unanimously by the board.

d. Extend Health

- i. Ms. Henry went over the details for the amendment.
  1. Mr. Krefft asked if there was a cost impact or savings.
    - a. Ms. Henry responded no.
  2. Mr. Krefft made a motion to support the amendment. Mr. Murray seconded the motion. Motion approved unanimously by the board.

XIV. Summary of Legislation

- a. Bill Guerra highlighted legislation that was passed during the regular and special sessions that directly affect OGB.
  - i. Mr. Krefft commented about HR 33. He found it intriguing that it was asking OGB to do what it has already been doing.
  - ii. Mr. Jobert asked if Act 276 saves money for the plan. Does it cost more or less?
    1. Mr. Guerra responded it depends on the network on whether it is cheaper.
    2. Mr. Teague responded that OGB is working with BCBS on a fee schedule. The service within deductible is \$39. They are still working on what the fee will be outside of the deductible.



3. Mr. Jobert responded that it seems like it would be a savings for the provider so it should also be a savings for the member. Member should have to pay the same.
- iii. Mr. Krefft asked what the max impact would be for additional coverage under Act 250.
  1. Mr. Teague responded 2<sup>nd</sup> half of current fiscal year would be \$1.9M at the high point. For full fiscal year 2022, \$1.5M to \$3.7M.
- iv. Mr. Krefft asked when might the study begin.
  1. Mr. Guerra responded the report must be submitted by 9/30/2020
  2. Mr. Jobert felt it was a good bill. It may cost the system more but will be good for members.

**XV. New Business**


- a. Mr. Jobert asked why there is still no Access2day clinic in Slidell. Is there a deadline for them to open one?
  - i. Wendy Landry responded that Access Health determines clinic placement by zip code and the member usage in a 30-mile radius. They open clinics where more membership is.
    1. Mr. Jobert said he did not agree with that and it was cost/time prohibitive for him to drive into Covington or New Orleans.
  - ii. Ms. Williams told Mr. Jobert that OGB would follow-up with Access Health on the ability to add a clinic in the Slidell area.
  - iii. Mr. Murray asked if the clinics were urgent care clinics.
    1. Ms. Williams responded that it was a mixture of urgent care clinics and primary care clinics.
- b. Mr. Krefft publicly thanked Shikira Ross with BCBS for getting him set up at the Shreveport BCBS office so he could participate in the virtual meeting. He also thanked Tony Murray for offering up his home as a second option. He then asked Rep. Brown if he could get legislation passed to allow zoom meetings all the time, not just during times of pandemic or emergency.
- c. Mr. Krefft then asked when the next meeting would be.
  - i. Mr. Teague responded it depended on the outcome of the PBM protest.
  - ii. Ms. Williams reminded members that they will need to elect officers at the next meeting.

**XVI. Adjournment**

- a. Motion to adjourn made by Mr. Krefft. Motion was seconded by Mr. Jobert. Motion to adjourn approved unanimously by the board.

**Approved by Board:**

**Date Approved:**

  
9/9/2020