State of Louisiana
Office of Group Benefits

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MINUTES

OGB POLICY AND PLANNING BOARD COMBINED WITH OGB ESTIMATING CONFERENCE
August 11, 2026
1:30 PM
Louisiana Purchase Room (1-100)
1201 North Third Street
Baton Rouge, LA 70802

I. Call to Order
   a. Estimating Conference Roll Call

i.	Mr. Sam Blount	Present
ii.	Mr. Alan Boxberger	Present
iii.	Mr. Manfredo Dix	Absent
iv.	Mr. Chas Nichols	Present
v.	Mr. Brett Robinson	Present
vi.	Mr. Robert Schneckenberger	Present

   b. Policy and Planning Board Roll Call

i.	Ms. Emily Andrews	Present
ii.	Sen. Adam Bass	Present
iii.	Rep. Kim Carver	Absent
iv.	Dr. Gwile Freeman	Present
v.	Mr. Dannie Garrett III	Present
vi.	Mr. Frank Jobert	Present
vii.	Mr. Andrew Kilshaw	Present
viii.	Mr. Frank Opelka	Present
ix.	Sen. Edward J. "Ed" Price	Absent
x.	Sen. Jeremy Stine	Arrived Late

II. Appointment to Policy & Planning Board – Andrew Kilshaw to the Policy and Planning Board
   a. Mr. Kuy Pepper, an attorney and notary with the Office of General Counsel, administered the Oath of Office to Mr. Andrew Kilshaw.

III. Approval of Minutes from December 4, 2025 Joint Estimating Conference and Policy and Planning Board meeting.
   a. For the Estimating Conference, Mr. Chas Nichols made a motion to approve the minutes from the December 4, 2025 Joint Estimating Conference and Policy & Planning Board Meeting. Mr. Alan Boxberger seconded the motion. The Estimating Conference approved the motion unanimously.
   b. For the Policy and Planning Board (Board), Dr. Gwile Freeman made a motion to approve the minutes of the December 4, 2025 Joint Meeting of the OGB Estimating Conference and Policy and Planning Board Meeting. Ms. Emily Andrews seconded the motion. The Board approved the motion unanimously.

IV. Election of Officers for the Policy & Planning Board
   a. Chairman - Mr. Frank Jobert made the motion to elect Dr. Gwile Freeman to the office of Chairman of the Policy and Planning Board. Mr. Dannie Garrett seconded the motion. The Policy and Planning Board approved the election of Dr. Freeman as Chairman unanimously.
   b. Vice Chairman – Mr. Jobert made the motion to elect Mr. Dannie Garrett to the office of Vice Chairman of the Policy and Planning Board. Dr. Freeman seconded the motion. The Policy and Planning Board approved the election of Mr. Garrett as the Vice Chairman unanimously.
   c. Secretary – Mr. Jobert made the motion to elect Ms. Emily Andrews to the office of Secretary of the Policy and Planning Board. Senator Adam Bass seconded the motion. The Policy and Planning Board approved the re-election of Ms. Andrews as the Secretary of the Policy and Planning Board unanimously.

V. Public Comment
   a. None

VI. Financial Update
   a. Mr. Heath Williams, Chief Executive Officer of OGB, reviewed OGB's current membership and financial position. He reported that changes implemented during the previous year have resulted in the financial performance of the program being significantly better than originally projected. These changes included:
      - Changes in prescription drug utilization, including increased use of generic and over-the-counter (OTC) medications when appropriate;
      - Near real-time auditing;
      - Moving from fee-for-service arrangements to outcome-based payments on the medical side; and

- Continued efforts to improve the overall management and utilization of healthcare services.

Mr. Williams noted that prescription drug costs are increasing and are quickly beginning to catch up with the medical costs which are also experiencing increases.

The Board discussed the increase in the fund balance rather than the anticipated decrease. The decision to increase rates by 7.75% for 2026 was made in an effort to reduce the fund balance to the targeted level. Members expressed concern about increasing rates again while the fund balance continues to grow and discussed the possibility of either not increasing rates or increasing them by less than 7.75%.

Mr. Williams cautioned against reducing the proposed rate increase. He noted that federal subsidies and rebates are not expected to increase, vendor administrative fees have remained flat for the past several years and are expected to increase, and the Independent Dispute Resolution (IDR) process is expected to have an impact on the fund balance. He stated that the target fund balance is approximately two months of medical claims and one-half month of pharmacy claims.

Mr. Williams further explained that once the Administrative Services Only (ASO) contract is awarded, OGB will have a better understanding and greater certainty regarding the anticipated costs and where premium rates should ultimately fall.

The Board also discussed the increasing use of artificial intelligence (AI) in medical billing.

i. Mr. Frank Opelka commented on the conditions being experienced in the commercial health insurance market compared with OGB. He noted that premium rate increases in the commercial market are typically higher than those recommended by OGB and that commercial insurers are experiencing high costs associated with the IDR process.

VII. 2027 - 2030 Premium Rate Change Recommendations for Self-funded Plans

a. Mr. Williams reviewed the rate projections for 2027–2030 and presented OGB's recommendations, along with the rationale behind those recommendations.
    i. The Estimating Conference principals and Board members discussed the projections and underlying assumptions at length, asking about various issues that might be affecting the fund balance.
b. Mr. Williams asked the Board to recommend an increase of 7.75% for premium rates for Plan Year 2027.
    i. The Estimating Conference principals and Board members discussed the proposed premium rate increase at length, including the addition of projections for school boards with gap plans, the cost and impact of the gap plan distortion on

the overall rates, and the fact that addressing and correcting the gap plan distortion would require legislative action.

c. Motions
    i. For the Estimating Conference, Mr. Alan Boxburger made a motion to forward the rates to the Board. Mr. Sam Blount seconded the motion. The motion passed unanimously.
    ii. For the Board, Mr. Opelka made a motion to recommend the rates. Ms. Andrews seconded the motion. The motion passed with one opposition.
        1. Ms. Emily Andrews Yes
        2. Sen. Adam Bass Yes
        3. Dr. Gwile Freeman Yes
        4. Mr. Dannie Garrett III No
        5. Mr. Frank Jobert Yes
        6. Mr. Andrew Kilshaw Yes
        7. Mr. Frank Opelka Yes
        8. Sen. Jeremy Stine Yes

VIII. Procurement Matters – Recommendation of Contract Amendments for 2027
a. Total Administrative Service Corporation (TASC) – Amendment #4
    i. Mr. Williams informed the members that the proposed amendment would extend the original three-year contract for an additional two years.
b. Motions
    i. For the Estimating Conference, Mr. Alan Boxberger made a motion to forward the TASC Amendment #4 to the Board. Mr. Sam Blount seconded the motion. The motion passed unanimously.
    ii. For the Board, Mr. Garrett made a motion to recommend the TASC Amendment #4. Sen. Bass seconded the motion. The motion passed unanimously.

IX. Procurement Matters – Emergency Contracts and Request for Proposals Update
a. Mr. Williams provided an update on OGB's emergency contracts and current Requests for Proposals (RFPs).
    i. Contract amendments with effective dates of 1/1/2027:
        1. CVS Caremark Pharmacy Benefits Manager Services – Amendment #01
        2. Liviniti Pharmacy Benefit Manager Services – Amendment #01

A. Both amendments will provide a one-year extension of the current contracts.

ii. RFPs with contract effective dates of 1/1/2027:

1. Administrative services only for self-funded medical plans
2. Fully insured Medicare Advantage HMO plan(s)

A. Both RFPs are currently in the negotiation stage. Mr. Williams stated that the contracts are expected to be presented to the Estimating Conference and Policy & Planning Board for consideration in September. He emphasized the importance of having a quorum present at the September meeting to ensure the Board can take the necessary action on these contracts.

X. New Business

a. Follow-up requests from the Estimating Conference and the Board members

i. Would like to see updated out-year projections 7.75% 2027 increase;

ii. Where are the pharmacy rebate aggregators located? Inside or outside of the United States?;

iii. Approximately how many medical transactions are processed annually?;

iv. Pharmacy spend – What portion is attributable to specialty medications and what portion represents dispensing fees? Are there any "non-specialty" medications influencing the cost?;

v. Provide a breakdown of costs by plan, including ASO fees, medical claims and pharmacy claims. Which plans are driving the largest increases in claims experience?;

vi. What would be the estimated financial impact of implementing a closed formulary? Can modeling be completed to demonstrate both potential savings opportunities and the anticipated member disruption associated with such a change?;

vii. Analysis on the HRA plan for school board who also have GAP plans.;

XI. Adjournment

a. For the Estimating Conference, Mr. Boxberger made a motion to adjourn the meeting. Mr. Blount seconded the motion. The motion was approved unanimously.
b. For the Board, Mr. Garrett made a motion to adjourn the meeting. Mr. Opelka seconded the motion. The motion was approved unanimously.

Approved by Estimating Conference: ______________________

Date Approved: 9/10/24

Approved by Policy and Planning Board: Gurile Paul Freeman

Date Approved: 9/10/26