



STATE OF LOUISIANA
DIVISION OF ADMINISTRATION
OFFICE OF GROUP BENEFITS



MINUTES

**OGB POLICY AND PLANNING BOARD
COMBINED WITH
OGB ESTIMATING CONFERENCE
September 4, 2025
1:30 PM
Louisiana Purchase Room (1-100)
1201 North Third Street
Baton Rouge, LA 70802**

I. Call to Order

- | | | |
|-------|-------------------------------------|--------------|
| i. | Estimating Conference Roll Call | |
| i. | Mr. Sam Blount | Present |
| ii. | Mr. Manfredo Dix | Present |
| iii. | Ms. Stephanie Little | Present |
| iv. | Mr. Chas Nichols | Present |
| v. | Mr. Brett Robinson | Present |
| vi. | Mr. Robert Schneckenberger | Present |
| ii. | Policy and Planning Board Roll Call | |
| i. | Ms. Emily Andrews | Present |
| ii. | Sen. Adam Bass | Absent |
| iii. | Rep. Chad Brown | Absent |
| iv. | Rep. Kim Carver | Arrived Late |
| v. | Dr. Gwile Freeman | Present |
| vi. | Mr. Dannie Garrett III | Present |
| vii. | Mr. Frank Jobert | Present |
| viii. | Mr. Frank Opelka | Present |
| ix. | Mr. Mike Saylor | Present |
| x. | Sen. Jeremy Stine | Present |

II. Approval of Minutes from February 17, 2025 Joint Estimating Conference and Policy and Planning Board meeting.

- a. For the Estimating Conference, Mr. Sam Blount made a motion to approve the minutes from the February 17, 2025 Joint Estimating Conference and Policy & Planning Board Meeting. Mr. Chas Nichols

seconded the motion. The Estimating Conference approved the motion unanimously.

- b. For the Policy and Planning Board (Board), Mr. Dannie Garrett made a motion to approve the minutes of the February 17, 2025 Joint Meeting of the OGB Estimating Conference and Policy and Planning Board Meeting. Dr. Gwile Freeman seconded the motion. The Board approved the motion unanimously.

III. Election of Officers for the Policy & Planning Board

- a. Chairman - Ms. Emily Andrews made the motion to re-elect Mr. Frank Jobert to the office of Chairman of the Policy and Planning Board. Dr. Freeman seconded the motion. The Policy and Planning Board approved the re-election of Mr. Jobert as Chairman unanimously.
- b. Vice Chairman – Mr. Jobert made the motion to re-elect Dr. Freeman to the office of Vice Chairman of the Policy and Planning Board. Ms. Andrews seconded the motion. The Policy and Planning Board approved the re-election of Dr. Freeman as the Vice Chairman unanimously.
- c. Secretary – Mr. Jobert made the motion to re-elect Mr. Mike Saylor to the office of Secretary of the Policy and Planning Board. Dr. Freeman seconded the motion. The Policy and Planning Board approved the re-election of Mr. Saylor as the Secretary of the Policy and Planning Board unanimously.

IV. Public Comment

- a. Mr. J.E. Jumonville, JR offered recommendations to moving OGB into a benefits program similar to LSU First. He said that the Legislature and the Governor's Office have special privilege to be on the LSU First program and suggested that the rank and file state employees should also have that opportunity.
- b. Mr. Chard Richard from Louisiana First Cares offered similar recommendations to move OGB to an LSU First type of benefits program.
- c. Mr. Errol Duplantis made comments about the OGB Pharmacy Benefits Manager (PBM) situation and made recommendations to move OGB to a program similar to the LSU First benefit program.
- d. Mr. Charlie Calvi from BestCare Rx made comments about the PBM Request for Proposals (RFP) process
 - i. Mr. Jobert addressed the comments regarding the PBM comments.
 - ii. Ms. Andrews commented that the Governor's Office were OGB members, not LSU First members.

V. Procurement Matters - Emergency Contracts for 2026

- a. CVS Caremark Pharmacy Benefit Manager Services and Liviniti Pharmacy Benefit Manager Services
 - i. Mr. Taylor Barras, Commissioner of Administration, provided background on the hiring of Mr. Heath Williams as

OGB Chief Executive Officer, noting his extensive experience in the medical and pharmacy insurance fields. He then reviewed the recent PBM RFP process, highlighting legislative developments that impacted it. Changes to state procurement laws expanded competitive bidding opportunities, prompting the Division of Administration (DOA) to revise the RFP language and ultimately cancel the original solicitation.

Mr. Barras explained that the DOA and Mr. Williams subsequently interviewed various PBMs regarding their services. He emphasized that both DOA and OGB have a fiduciary responsibility to plan members, noting that OGB receives no funding from the State general fund. Instead, the fund balance is dedicated to paying claims and covering OGB's operating expenses. He further stressed the importance of minimizing service disruptions when making decisions, as such disruptions can create significant challenges for members.

- ii. Mr. Williams reviewed the process OGB used in deciding to split the PBM contract. He explained that whichever PBM was selected needed to comply with current law as well as potential future legislation, while also ensuring full transparency. Key priorities included maintaining an open formulary, allowing members to use the pharmacy of their choice, and maximizing discounts and savings opportunities.

OGB and the Division of Administration (DOA) engaged six PBMs in the process. Three withdrew, citing an inability to manage the EGWP population and/or timing issues, leaving three viable options. Each was provided a Limited Data Set, and cost comparisons were conducted. Mr. Williams noted that most of the overall increase in cost was driven by the EGWP population.

After evaluating all factors, OGB determined that selecting Liviniti for active employees and non-Medicare retirees, and continuing with SilverScript for the EGWP population, would be the least disruptive and most beneficial approach for members.

- a. Senator Jeremy Stine recognized Mr. Jumonville for further comment. Mr. Jumonville reiterated that the Governor's Office participates in the LSU First health plan.

- b. The Board Members discussed the PBM contracts, asking questions regarding the costs and disruption to the members.
- c. Ms. Andrews noted that the State of Arkansas has been sued over its recent PBM laws. She also clarified that the Governor's Office is not on the LSU First plan.
- d. Mr. Brett Robinson reiterated, in response to Mr. Jumonville, that the Governor's Office does not participate in the LSU First health plan. Mr. Opelka further confirmed that during his tenure in a previous administration, the Governor's Office did not participate in the LSU First plan.

iii. **Motions**

- 1. **CVS Caremark Pharmacy Benefit Manager Services**
 - 1. For the Estimating Conference, Ms. Stephanie Little and Mr. Chas Nichols abstained from voting. Mr. Dix made a motion to forward the Contract to the Board. Mr. Blount seconded the motion. The motion passed unanimously.
 - 2. For the Board, Ms. Andrews made a motion to recommend the Contract. Dr. Freeman seconded the motion. The motion passed unanimously.
- b. **Liviniti Pharmacy Benefit Manager Services**
 - 1. For the Estimating Conference, Ms. Little and Mr. Nichols abstained from voting. Mr. Blount made a motion to forward the Contract to the Board. Mr. Dix seconded the motion. The motion passed unanimously.
 - 2. For the Board, Representative Kim Carver made a motion to recommend the Contract. Ms. Andrews seconded the motion. The motion passed unanimously.
- b. **Louisiana Health Service & Indemnity Company *d/b/a* Blue Cross and Blue Shield of Louisiana Administrative Services Only**
 - i. Mr. Williams explained the need for an emergency contract with Blue Cross and Blue Shield, noting that OGB is undergoing long-needed system upgrades and is working to stagger the timing of major RFPs.
 - a. The Board members and Estimating Conference Principals asked questions regarding the use of AI (Artificial Intelligence) to reduce costs and any increase in costs in general.
 - ii. **Motions**
 - 1. For the Estimating Conference, Ms. Little and Mr. Nichols abstained from voting. Mr. Robert

Schneckenberger made a motion to forward the Contract to the Board. Mr. Blount seconded the motion. The motion passed unanimously.

2. For the Board, Mr. Garrett made a motion to recommend the Contract. Mr. Saylor seconded the motion. The motion passed unanimously.

VI. Procurement Matters – Contract Amendments for 2026

a. Buck Global, LLC Actuarial Services Contract Amendment

- i. Mr. Williams explained the Contract is being extended two years, Buck was acquired by Gallagher, and that some additional language needed to be included in the Contract.

1. It was discussed that the additional language was a requirement from the Office of State Procurement for all state contracts and that the Contract included a standard termination for convenience clause.

iii. Motions

1. For the Estimating Conference, Ms. Little made a motion to forward the Contract to the Board. Mr. Nichols seconded the motion. The motion passed unanimously.
2. For the Board, Mr. Opelka made a motion to recommend the Contract. Ms. Andrews seconded the motion. The motion passed unanimously.

b. Medicare Advantage Contracts

- i. Humana Health Plan of Louisiana, Inc. Fully-insured Medicare Advantage HMO
- ii. New Orleans Regional Physician Hospital Organization, LLC, d/b/a Peoples Health Fully-insured Medicare Advantage HMO
- iii. HMO Louisiana, Inc. Fullyinsured Medicare Advantage HMO
- iv. Mr. Williams informed the members that these items were included for informational purposes only and did not require a vote at this time. He noted that a subsequent meeting will need to be scheduled to review and provide recommendations regarding these contracts.

VII. Financial Update

- a. Mr. Williams reviewed OGB's current membership and financials. He reported that, while all costs have increased, pharmacy claims have risen significantly. He noted that 12 specific drugs are driving the increase, with pricing determined by manufacturers rather than the PBM or OGB. Mr. Bill Guerra, OGB Administrator, also addressed an accounting error that had occurred and has been corrected.

VIII. 2026 Premium Rates for Self-funded Plans

- a. Mr. Williams reviewed the rate projections for 2026–2030 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 2026.
 - i. The Estimating Conference principals and Board members discussed the proposed premium rate increase at length, noting that the increase was reasonable, considering the private industry small group rates were rising by 10.4% and individual rates by 23.4%. The discussion also covered the fund balance target of \$309 million and noted that the actuarial projections from last year's premium rate increase closely aligned with this year's actual results. The Board noted that for Magnolia Local Plus plan with family coverage, the 7.75% increase represents an additional \$18 per month while for a retiree with one person on Medicare, the increase is about \$11 per month.
 - c. Motions
 1. For the Estimating Conference, Mr. Nichols made a motion to forward the rates to the Board. Mr. Dix seconded the motion. The motion passed unanimously.
 2. For the Board, Ms. Andrews made a motion to recommend the rates. Mr. Opelka seconded the motion.
 - a. Mr. Garret made a substitute motion of repeating the 6.65% rate increase from 2024. Dr. Freeman seconded the motion. A roll call vote was taken on the substitute motion:

i. Ms. Emily Andrews	No
ii. Rep. Kim Carver	No
iii. Dr. Gwile Freeman	Yes
iv. Mr. Dannie Garrett III	Yes
v. Mr. Frank Jobert	No
vi. Mr. Frank Opelka	No
vii. Mr. Mike Saylor	No
viii. Sen. Jeremy Stine	Left
 - b. The substitute motion failed.
 - c. The original motion passed without opposition.

IX. Procurement Matters – Updates (RFPs)

- a. Mr. Williams provided an update on OGB's current and upcoming Requests for Proposals (RFPs).
 - i. Requests for proposals to be issued with contract effective dates of 1/1/2026:
 1. Fully-insured commercial HMO plan(s)

2. Individual market Medicare exchange broker with administrative services for health reimbursement arrangement
- ii. RFPs to be issued with contract effective dates of 1/1/2027:
 1. Fully-insured Medicare Advantage HMO plan(s)
 2. Fully-insured Medicare Advantage PPO plan(s)
 3. Administrative services only for self-funded medical plans

X. New Business

- a. Mr. Saylor asked when a new RFP for the PBM contract could be expected. Mr. Williams responded that it would likely be issued after the next legislative session.
- b. Ms. Andrews asked whether the Board could receive updated projections for the next meeting reflecting the 7.75% rate increase in the out years instead of 10%. Mr. Williams confirmed that they could.
- c. Mr. Opelka asked that the updated projections also incorporate a more standard trend in the out years.
- d. Mr. Nichols asked whether OGB had any strategies to reduce costs without raising rates. Mr. Williams responded that he is working with Gallagher on potential options.

XI. Adjournment

- a. For the Estimating Conference, Mr. Robinson made a motion to adjourn the meeting. Mr. Blount seconded the motion. The motion was approved unanimously.
- b. For the Board, Representative Carver made a motion to adjourn the meeting. Ms. Andrews seconded the motion. The motion was approved unanimously.

Approved by Estimating Conference



Date Approved: 11/19/25

Approved by Policy and Planning Board:



Date Approved: 12/4/25