



STATE OF LOUISIANA
DIVISION OF ADMINISTRATION
OFFICE OF GROUP BENEFITS



MINUTES

OGB POLICY AND PLANNING BOARD
combined with
OGB ESTIMATING CONFERENCE
Thursday, April 13, 2023
10:00 AM
Louisiana Purchase Room
1201 North Third Street
Baton Rouge, LA 70802

- I. Call to Order – the meeting was called to order at 10:04 AM.
 - a. Estimating Conference Roll Call

Mr. Sam Blount	Present
Mr. Manfredo Dix	Present
Ms. Stephanie Little	Present
Ms. Connie Nelson	Absent
Mr. Robert Schneckenburger	Absent
Ms. Mei Su	Present
 - b. Policy and Planning Board Roll Call

Sen. Louie Bernard	Present (Early Departure)
Sen. Joseph Bouie, Jr.	Absent
Rep. Chad Brown	Absent
Ms. Deborah Copeland	Absent
Dr. Gwile Freeman	Present (Attendance noted after Oath of Office)
Mr. Jeremy Jackson (Chairman)	Absent
Mr. Frank Jobert, Jr.	Present
Mr. Kenneth Krefft (Secretary)	Present
Mr. Tony Murray (Vice Chairman)	Present
Mr. Frank Opelka	Present
Mr. Mike Saylor	Present
Sen. Kirk Talbot	Absent
 - c. Guests in Attendance

Nancy Gaffney	BUCK Global, LLC
Gail Levenson	BUCK Global, LLC
Kevin Penderghest	BUCK Global, LLC
- II. Appointment to Vacant Elected Position, Gwile Freeman, Ph.D.

- a. Oath of Office
 - i. Margaret Collier, attorney for the Office of Group Benefits (“OGB”), informed the Board Members that La. R.S. 42:882(D) requires the Board to appoint a Member when a vacancy occurs because no person qualified to run for an elected position. The elected position that was now vacant was previously held by Deborah Copeland. Dr. Freeman met the requirements for a Board Member holding the elected position.
 - ii. Kenneth Krefft made a motion to appointment Dr. Freeman to the OGB Policy and Planning Board. Sen. Louie Bernard seconded the motion. The motion was approved unanimously.
 - iii. Mrs. Collier administered the Oath of Office to the newly appointed Member, Dr. Freeman.

- III. Approval of Minutes from the September 8, 2022 Joint Meeting
 - a. For the Estimating Conference, Manfredo Dix made a motion to approve the Estimating Conference Minutes from the September 8, 2022 joint meeting. Sam Blount seconded the motion. The Estimating Conference Minutes were approved unanimously.
 - b. For the Policy and Planning Board, Mr. Tony Murray requested an amendment to the Minutes from the September 8, 2022 meeting. Frank Opelka made a motion to approve the Policy and Planning Board Minutes from the September 8, 2022 joint meeting as amended. Mike Saylor seconded the motion. The Policy and Planning Board Minutes were approved as amended. Mr. Krefft advised that he abstained from the vote because he did not attend the meeting.

- IV. Opportunity for Public Comment
 - a. Randal Johnson, Chief Executive Officer (“CEO”), Louisiana Independent Pharmacist Association (“LIPA”), completed a Public Comment Form, but did not speak during the period for public comment.

- V. Update on the Louisiana Legislative Auditor’s (“LLA”) Pharmacy Benefits Manager Performance (“PBM”) Audit
 - a. Colonel David Couvillon, CEO, Office of Group Benefits, informed the Estimating Conference and Board that the LLA is conducting a performance audit of OGB’s PBM.

- VI. Upcoming Impacts of Externalities on OGB
 - a. Nancy Gaffney, a Principal with Buck Global, LLC, informed the Principals and Members that on April 3, 2023, Arthur J. Gallagher & Company completed the acquisition of Buck. She added that Buck will continue to honor the existing OGB contract.
 - b. Gail Levenson, a Principal with Buck Global, LLC, advised that she is a licensed pharmacist. She provided an overview of the Inflation Reduction Act of 2022 (“IRA”) which included the implementation timeline for Medicare (Spring 2022 – January 1, 2026); standard Part D design for brand name drugs; expected IRA impacts on Employer Group Waiver Program (“EGWP”) and Medicare Advantage Plan that includes Medicare Part D Prescription Drug Coverage (“MA-PD”) costs; impact on OGB’s plan and impact on current plans.

VII. Anticipated Plan Changes

- a. Ms. Levenson provided an overview of the current OGB Pharmacy Benefit plan design and recommendations for changes. These proposed changes include the following:
 - i. Changing the maximum out-of-pocket (“MOOP”) to a prescription-only “Rx-only” MOOP to address IRA requirements.
 - ii. Changes to specialty prescription coverage (currently only covered on prescription plan if self-administered).
 - iii. Carve out prescription coverage from BCBSLA for Pelican HSA775 plan to better manage the entire population.
 - iv. Consider biosimilar strategy due to the release of the Humira biosimilars.
 - v. Rework the Disease Management (“DM”) program as it currently is not incenting the lowest cost product.
 - vi. Inappropriate prescribing of diabetes medications that are also marketed for weight-loss.
 - vii. Col. Couvillon added that, with the proposed changes, significant OGB and Office of Technology Services (“OTS”) resources will be required.
- b. Ms. Gaffney provided details of employer contributions for Pelican HSA775 Plan. This included an overview of options OGB could choose to change the amount of employer-contributed funds to the HSA.
- c. Cara Delee, Group Benefits Director over Medical and Pharmacy Benefits, advised that BCBSLA/Vantage Health Plan provided notice that the Vantage Medical Home HMO Plan (“Vantage MHHP”) will not be offered in 2024. Members will be notified the Vantage MHHP will not be available next year and provided opportunity to enroll in a different OGB-sponsored health plan.

VIII. Bariatric Surgery

- a. Ms. Delee provided an update on Bariatric Surgery. She advised that the surgery services are now available to active employees and retirees who meet certain criteria and participate in one of OGB’s self-funded plans other than the Pelican HSA775 Plan. The total cost to OGB for bariatric surgery in 2022 was a payable amount of \$6.4M.

IX. Premium Rates

- a. Kevin Penderghest, an actuary with Buck Global, LLC, provided a review of premium rates, exploring the possibility of basing 2024 premium rates on medical loss ratio and claims experience for each plan. He included the fund balance forecast, including revenues and expenses for Fiscal Year 2023 – Fiscal Year 2027.
 - i. The Estimating Conference and Board discussed premium rates and the OGB fund balance. Col. Couvillon and Mr. Penderghest responded to questions about the premium rates and the fund balance. Mr. Murray indicated that he would like to see the Financial Monitoring Report (“FMR”) every meeting.

X. Pelican HRA1000 Plan and School Boards’ Use of Gap Plans

- a. Ms. Gaffney’s discussion of the Pelican HRA1000 Plan and school boards’ use of gap plans included 2022 claims experience and member migration. She also included information of possible next steps where she suggested that a separate rate increase should be applied to the School Board Classification, Pelican HRA1000 Plan, for 2024, to mitigate future losses under this plan.

- i. Randy Davis, Assistant Commissioner for the Division of Administration, informed that, in March, the Commissioner's office and OGB members met with school boards to discuss the issues with this plan. While there are currently no solutions, he indicated that there may be upcoming legislation regarding these issues.

XI. Proposed Legislation Affecting OGB

- a. Col. Couvillon provided an overview of the proposed legislation affecting OGB that is being discussed during the 2023 Regular Legislative Session. Col. Couvillon indicated that OGB will prepare and provide fiscal notes to the legislature.

XII. Procurement Matters – Upcoming Requests for Proposals (“RFP”)

- a. Chris Vidrine, Group Benefits Director over Contracts, discussed details of the Flexible Spending Accounts and COBRA Administrative Services RFP and the Group Term Life Insurance RFP.
 - i. He provided that OGB's Contract for Flexible Spending Accounts and COBRA Administrative Services expires on December 31, 2023, and that the projected RFP publication date is May 15, 2023.
 - ii. Mr. Vidrine also indicated that OGB's Contract for the Group Term Life Insurance RFP expired on December 31, 2022. However, there was an approved one-year extension which extended the term through December 31, 2023. An RFP for these services was published on April 11, 2023.

XIII. Procurement Matters – Contract Amendments

- a. Mr. Vidrine provided an overview of the Access Health, Inc. Contract. He provided details of the comparative review/audit, and indicated that OGB received \$2.4 million from Access Health for the Contract Year Three Performance Guarantees on March 13, 2023. He informed the Estimating Conference and Board that OGB was extending the Contract with an amendment for January 1, 2024 – June 30, 2024. He also informed that OGB intends to issue an RFP for Primary Care Capitated Services.
 - i. For the Estimating Conference, Mr. Dix made a motion to forward the Access Health Contract Amendment to the Policy and Planning Board. Mr. Blount seconded the motion. The motion was approved unanimously.
 - ii. For the Policy and Planning Board, Frank Jobert made a motion to recommend the Access Health Contract Amendment. Mr. Krefft seconded the motion. The motion was approved unanimously.
- b. Mr. Davis discussed the CaremarkPCS Health, LLC Contract Amendment (“Caremark Contract Amendment” or “Contract Amendment”). He provided information about the Contract Amendment (for real-time monitoring) and OGB's intention to procure a vendor for real-time monitoring.
 - i. The Estimating Conference and Board discussed the Contract Amendment and the procurement of a vendor for real-time monitoring. Mr. Davis and Ms. Collier answered questions about the Caremark Contract Amendment.
- c. For the Estimating Conference, Mr. Dix made a motion to forward the Caremark Contract Amendment and the procurement of a vendor for real-time monitoring to the Policy and Planning Board. Mr. Blount seconded the motion. The motion was approved unanimously.

- d. For the Policy and Planning Board, Mr. Jobert made a motion to recommend the Caremark Contract Amendment and procurement of vendor for real-time monitoring. Mr. Opelka seconded the motion. The motion was approved unanimously.

XIV. Procurement Matters - Planned

- a. Mr. Vidrine provided an update on the Medicare Advantage Plans OGB offers. OGB plans to enter into emergency contracts for these services due to the uncertain impact of the IRA.
 - i. HMO Louisiana, Inc.
 - ii. Humana Health Benefit Plan of Louisiana
 - iii. New Orleans Regional Physician Hospital Organization, LLC d/b/a Peoples Health
 - iv. Vantage Health Plan, Inc.
 - v. Col. Couvillon and Ms. Collier informed the Estimating Conference and Board that these contracts will be presented at a later date for their consideration.
- b. Mr. Vidrine also provided an update on additional planned procurement matters:
 - i. With the Willis Towers Watson Contract Amendment, OGB will exercise an option to extend the Contract from January 1, 2024 – December 31, 2024.
 - ii. The Pennington Biomedical Research Center Interagency Agreement provides an extension from January 1, 2023 – June 30, 2023.
 - iii. The Louisiana Department of Health Interagency Agreement provides an extension from July 1, 2023 – June 30, 2024.

XV. New Business

- a. Mr. Murray requested a motion to include the FMR at every meeting of the Policy and Planning Board.
 - i. Mr. Krefft made a motion to include the FMR at every meeting of the Policy and Planning Board. Mr. Saylor seconded the motion. The motion was approved unanimously.
 - ii. Ms. Gaffney asked for clarification of the components to be included in the FMR.
 - 1. Mr. Murray provided that claims, fixed costs, medical and pharmacy should be included.
- b. Mr. Krefft would like to know how many retirees with Medicare retired before March 1, 2015, and how many retired after March 1, 2015.
- c. Mr. Opelka asked to suspend the rules and go back to Agenda Item 4 – Public Comment.
 - i. For the Estimating Conference, Mr. Dix made a motion to go back to Agenda Item 4 – Public Comment. Stephanie Little seconded the motion. The motion was approved unanimously.
 - ii. For the Policy and Planning Board, Mr. Opelka made a motion to go back to Agenda Item 4 – Public Comment. Mr. Saylor seconded the motion. The motion was approved unanimously.
 - iii. Randal Johnson waived his right to comment.

XVI. Presentation on Exceptions to the Open Meetings Law

- a. Mark Falcon, Special Counsel for the Division of Administration, provided an overview of the exceptions to the Open Meetings Law.

XVII. Vote to Move to Executive Session

- a. Ms. Little asked for assurance that everything discussed during the Executive session will be protected by attorney-client privilege.
- b. For the Estimating Conference, Mr. Dix made a motion to move to Executive Session. Mr. Blount seconded the motion.

Roll Call Vote:

Mr. Sam Blount	Yes
Mr. Manfredo Dix	Yes
Ms. Stephanie Little	Yes
Ms. Mei Su	Yes

The motion carried with a unanimous vote.

- c. For the Policy and Planning Board, Mr. Jobert made a motion to move to Executive Session. Mr. Opelka seconded the motion.

Roll Call Vote:

Dr. Freeman	Yes
Mr. Jobert	Yes
Mr. Krefft	Yes
Mr. Murray	Yes
Mr. Opelka	Yes
Mr. Saylor	Yes

The motion carried with a unanimous vote.

- d. Vote to End Executive Session

- i. For the Estimating Conference, Mr. Dix made a motion to end Executive Session. Mr. Blount seconded the motion.

Roll Call Vote:

Mr. Sam Blount	Yes
Mr. Manfredo	Yes
Ms. Stephanie Little	Yes
Ms. Mei Su	Yes

The motion carried with a unanimous vote.

- ii. For the Policy and Planning Board, Mr. Jobert made a motion to end Executive Session. Mr. Opelka seconded the motion.

Roll Call Vote:

Dr. Freeman	Yes
Mr. Jobert	Yes
Mr. Krefft	Yes
Mr. Murray	Yes
Mr. Opelka	Yes
Mr. Saylor	Yes

The motion carried with a unanimous vote.

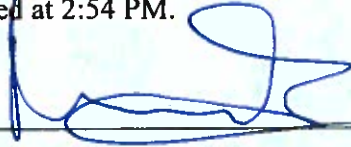
- e. No action was taken during executive session.

XVIII. Adjournment

- a. For the Estimating Conference, Mr. Blount made a motion to adjourn the meeting. Ms. Little seconded the motion. The motion was approved unanimously.
- b. For the Policy and Planning Board, Mr. Krefft made a motion to adjourn the meeting. Mr. Opelka seconded the motion. The motion was approved unanimously.

c. The meeting was adjourned at 2:54 PM.

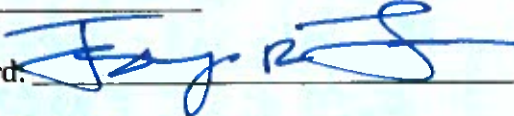
Approved by Estimating Conference:



Date Approved:

7/19/2023

Approved by Policy and Planning Board:



Date Approved:

7/19/2023