



STATE OF LOUISIANA
DIVISION OF ADMINISTRATION
OFFICE OF GROUP BENEFITS



MINUTES

OGB POLICY AND PLANNING BOARD

Friday, August 25, 2023

10:00 AM

**Thomas Jefferson Room A/B
1201 North Third Street
Baton Rouge, LA 70802**

**Chairman: Jeremy Jackson
Vice-Chairman: Frank Jobert, Jr.
Secretary: Mike Saylor**

- I. Call to Order – the meeting was called to order at 10:03 AM.
- a. Roll Call
- | | |
|--------------------------------|--|
| i. Senator Louie Bernard | Present – early departure |
| ii. Senator Joseph Bouie, Jr. | Present |
| iii. Representative Chad Brown | Present |
| iv. Dr. Gwile Freeman | Present |
| v. Mr. Dannie Garrett, III | Present (Attendance noted after Oath of Office.) |
| vi. Mr. Jeremy Jackson | Present |
| vii. Mr. Frank Jobert, Jr. | Present |
| viii. Mr. Kenneth Krefft | Present |
| ix. Senator Fred Mills | Present (Attendance noted after Oath of Office.) |
| x. Mr. Frank Opelka | Absent |
| xi. Mr. Mike Saylor | Present |
- b. Guests in Attendance
- | | |
|-----------------------|------------------|
| i. Nancy Gaffney | BUCK Global, LLC |
| ii. Kevin Penderghest | BUCK Global, LLC |
- II. Appointment to Vacant Positions, Dannie Garrett, III and Sen. Fred Mills
- a. Mr. Mark Falcon, Special Counsel for the Division of Administration, informed the Board that due to a technical glitch, a revised version of the Agenda for this meeting was not sent via e-mail until this morning. However, the revised agenda was appropriately posted in various locations in the timeframe provided in law. The revised agenda that was sent via email that morning was identical to the prior agenda that was sent two days before the meeting except for Sen. Fred Mills' appointment to the Board and Oath of Office. Out of

an abundance of caution, Mr. Falcon recommended that the Board make a motion to add an agenda item for today's meeting.

- b. Sen. Louie Bernard made a motion to add an agenda item to include the appointment of Sen. Fred Mills to the Board and to have him take the Oath of Office. The motion was seconded by Dr. Gwile Freeman.

Roll Call Vote:

Sen. Louie Bernard	Yes
Sen. Joseph Bouie, Jr.	Yes
Rep. Chad Brown	Yes
Dr. Gwile Freeman	Yes
Mr. Jeremy Jackson	Yes
Mr. Frank Jobert, Jr.	Yes
Mr. Kenneth Krefft	Yes
Mr. Frank Opelka	Absent
Mr. Mike Saylor	Yes

The motion carried with a unanimous vote.

- c. Oath of Office

- i. Ms. Margaret Collier, attorney for the Office of Group Benefits ("OGB"), administered the Oath of Office to the newly appointed Members, Mr. Dannie Garrett, III and Sen. Fred Mills.

III. Approval of Minutes from the July 19, 2023 Joint Estimating Conference and Policy & Planning Board Meeting

- a. Mr. Kenneth Krefft made a motion to approve the minutes from the July 19, 2023 meeting. Sen. Joseph Bouie seconded the motion. The motion was approved unanimously by the Policy and Planning Board.

IV. Public Comment

- a. The following individuals provided public comment regarding the proposed premium rate increases for self-funded plans:
 - i. Ms. Tammie Ritchie, Accounting Coordinator with the Allen Parish School Board,
 - ii. Mr. Charlie Lemons, Superintendent of the Cameron Parish School Board,
 - iii. Mr. Kevin Thompson, Vice President of Taylor and Sons, a division of Ameri-Link,
 - iv. Mr. Michael Greene, Insurance Consultant with Eagan Insurance Agency and
 - v. Ms. Cynthia Posey, Legislative Director with the Louisiana Federation of Teachers.

V. 2024 Premium Rate Increases for Self-Funded Plans

- a. Col. David Couvillon, Chief Executive Officer for OGB, provided a historical review of premium rate changes for OGB Self-Funded Plans and the impact on the fund balance from June 2010 – June 2023.
- b. Mr. Kevin Penderghest, an actuary with BUCK Global, LLC, provided an overview of the proposed 2024 premium rate increase on a plan-by-plan basis. The medical loss ratio and

claims experience for each plan were factored in for each scenario. Mr. Penderghest gave an overview of the current fund balance and provided projections through Fiscal Year End (“FYE”) 2028 using scenarios which explained the need for fluctuating premium increases to maintain the target fund balance at the end of each fiscal year.

- c. Mr. Randy Davis, Assistant Commissioner with the Division of Administration, provided an overview of changes in OGB premium rates and fund balances. He explained the purpose of the fund balance and how projections are used. Mr. Davis also indicated that the introduction of the GAP Plan changed the original design of the HRA Plan and that GAP plans result in greater cost to OGB.
- d. Sen. Bernard and Mr. Krefft told the Board that this may be their last meeting as they will not be returning to the Board. Each of them expressed that they would not be able to support a recommendation of the proposed premium rate increase.
 - i. The Board discussed and asked questions about the different plan designs, including rate projections, loss ratio and fund balance, and how the plans compared to each other. The Board expressed concerns about the sustainability of the OGB Plans.
- e. Mr. Davis reminded the Board of its fiduciary responsibility to all OGB members. He advised the Board that OGB is seeking a recommendation for a 12.4% premium rate increase for Calendar Year (“CY”) 2024 the Pelican HRA1000 plan for School Board Classification only; all other self-funded health plan premiums will increase by 6.15% for plan year 2024. He asked for an endorsement of what was being proposed or a recommendation of something different to take to the Commissioner for review.
 - 1. Sen. Bouie asked for an evaluation of all OGB Plans.
 - ii. Mr. Jobert made a motion to recommend a 6.15% premium rate increase across the board and Mr. Krefft seconded it.
 - 1. Mr. Garrett made a substitute motion to recommend a 4.25% premium rate increase for all OGB self-funded plans for the 2024 plan year. Dr. Freeman seconded the motion.

Roll Call Vote:

Sen. Louie Bernard	Yes
Sen. Joseph Bouie, Jr.	Yes
Rep. Chad Brown	Yes
Dr. Gwile Freeman	Yes
Mr. Dannie Garrett, III	Yes
Mr. Jeremy Jackson	Yes
Mr. Frank Jobert	Yes
Mr. Kenneth Krefft	Yes
Sen. Fred Mills	No
Mr. Frank Opelka	Absent
Mr. Mike Saylor	Yes

The motion carried with 9 votes in favor and 1 opposed.

VI. Procurement Matters – Contract Amendments

- a. Blue Cross Blue Shield of Louisiana Amendment #2 Update
 - i. Ms. Collier advised the Board that this contract amendment to extend the contract for an additional 24 months was recently presented to the Joint Legislative Committee of the Budget (“JLCB”). JLCB approved a motion to extend the contract for 12 months instead of the proposed 24 months.
- b. Access Health Incorporated Amendment #4 Update
 - i. Ms. Collier provided an overview of the Access Health Contract and the proposed amendment. She informed the Board that the contract amendment was presented to JLCB two weeks ago for its review process and that no action was taken. She added that OGB will present the amendment to JLCB at its September 2023 meeting for approval of the 6-month extension.
 - 1. Mr. Krefft asked for the expiration date of this contract. Ms. Collier stated that it ends on December 31, 2023 and that the amendment would extend it to June 30, 2024.
- c. Mr. Jobert asked for a status update on Prudential Life Insurance. Ms. Collier indicated that the RFP and evaluation process were done. She provided that the contract was awarded to Prudential and that the award is currently under protest.

VII. New Business

- a. Mr. Krefft advised that he would like to meet with Senators and Representatives during the 2024 Regular Session to change State law to earn higher interest on the OGB Fund Balance. He added that this is another way, other than premiums, to help the credit side of the ledger.
 - i. Mr. Jobert stated that he has inquired about this in the past and was told that the law would need to be changed.

VIII. Motion and Vote to Move to Executive Session

- a. Mr. Garrett made a motion to move to Executive Session. Mr. Mills seconded the motion.

Roll Call Vote:

Sen. Louie Bernard	Yes
Sen. Joseph Bouie, Jr.	Yes
Rep. Chad Brown	Yes
Dr. Gwile Freeman	Yes
Mr. Dannie Garrett, III	Yes
Mr. Jeremy Jackson	Yes
Mr. Frank Jobert, Jr.	Yes
Mr. Kenneth Krefft	Yes
Sen. Fred Mills	Yes
Mr. Frank Opelka	Absent
Mr. Mike Saylor	Yes

The motion carried with a unanimous vote.

- b. No action was taken during the Executive Session.
- c. A motion to end the Executive Session was made by Sen. Bouie. Mr. Krefft seconded the motion.

Roll Call Vote:

Sen. Louie Bernard	Absent
Sen. Joseph Bouie, Jr.	Yes
Rep. Chad Brown	Yes
Dr. Gwile Freeman	Yes
Mr. Dannie Garrett, III	Yes
Mr. Jeremy Jackson	Yes
Mr. Frank Jobert, Jr.	Yes
Mr. Kenneth Krefft	Yes
Sen. Fred Mills	Yes
Mr. Frank Opelka	Absent
Mr. Mike Saylor	Yes

The motion carried with a unanimous vote.

IX. Adjournment

- a. Mr. Krefft made a motion to adjourn the meeting. The motion was seconded by Mr. Jobert. The motion was approved unanimously.
- b. The meeting was adjourned at 12:23 PM.

Approved by Policy and Planning Board: _____

Date Approved: _____


10/25/2023