



Meeting Minutes | Health Care Policy Committee

Wednesday, June 21, 2023 | 9:30 a.m.

202 Arbor Lake Dr., Columbia, SC 29223 | First Floor Conference Room

Minutes approved September 20, 2023

Board Members Present for All or a Portion of the Meeting: Mr. Steve Heisler, PEBA Board Chairman Joe “Rocky” Pearce, and Mr. John Sowards.

Board Members Absent: Committee Chairman Alex Shissias

Others Present for All or a Portion of the Meeting: Peggy Boykin, Phyllis Buie, Amber Carter, Justin Ellis, Denise Hunter, James Manning, Heather Muller, Laura Smoak, Rob Tester, Travis Turner, Angie Warren, Justin Werner, and Heather Young from the South Carolina Public Employee Benefit Authority (PEBA); Jesse Epting, Dr. Tripp Jennings, Matt Shaffer, and Carmen Wilson from BlueCross BlueShield of South Carolina; Robin Scott and Karen Russell from Express Scripts, Inc., Ozgur Gencdur and Dr. David Louder from the Medical University of South Carolina; and Mike Madalena; PEBA Consultant.

I. Call to Order

Vice-Chairman John Sowards called the PEBA Health Care Policy Committee (Committee) meeting to order at 9:30 a.m., and stated that the public meeting notice was posted in compliance with the Freedom of Information Act.

II. Approval of Meeting Minutes – March 1, 2023

It was noted that the March 1, 2023, Committee meeting minutes were approved as presented.

III. 2024 State Health Plan Approval of Benefits and Contributions

Mr. Rob Tester, Insurance Policy Director, advised that State Health Plan (SHP) employer contribution rates for Plan Year 2023 will increase 3.7 percent. Employee contribution rates for participants of the SHP will remain the same as in Plan Year 2023.

Mr. Tester noted SHP program changes that will begin effective January 1, 2024, and stated that the SHP will cover routine contraceptive prescriptions with no patient cost sharing for all SHP primary subscribers, covered spouses, and covered dependents.

Also, effective January 1, 2024, eligible female SHP primary members can receive a well women visit each year with no patient cost share in addition to their annual well visit. Mr. Tester noted that this was not included in the PEBA-approved budget requirements, but was added in the Governor’s Executive Budget.

Additional changes effective January 1, 2024, included the termination of participation in the Patient Assurance Program (PAP), with patient cost share for PAP products reverting to the regular \$46 per month copay for brand name drugs, and limiting specialty drugs to a 30-day supply.

Vice-Chairman Sowards made a motion, which was seconded by Mr. Steve Heisler, and passed unanimously, to recommend that the PEBA Board approve the State Health Plan Benefits and Contributions for Plan Year 2024 as presented.

IV. Retiree Health Insurance Surcharge

Mr. Justin Werner, General Counsel, reviewed the Retiree Health Insurance Surcharge Policy and explained how the surcharge is calculated. Mr. Werner noted that the retiree insurance surcharge for the 2023-2024 fiscal year will be 6.35 percent, which is an increase of 10 basis points from the prior surcharge amount.

Vice-Chairman Sowards made a motion, which was seconded by Mr. Heisler, and passed unanimously, to recommend that the PEBA Board ratify the method for the calculation of the retiree health insurance surcharge, and receive as information the surcharge rate for the upcoming fiscal year.

V. MUSC Plan Update

In this annual review of the Medical University of South Carolina (MUSC) Health Plan, Mr. Tester discussed the latest financial performance, and stated that the 2022 financial performance for the MUSC Health Plan is improving and the SHP has declined, mostly due to risk adjustment.

Dr. Dave Louder, Executive Director of the MUSC Health Alliance, presented the Plan's 2022 quality metrics, addressed performance gaps, and discussed the overall status of the MUSC plan.

Dr. Louder stated that MUSC is partnering with local providers to expand patient access throughout the state, and creating improved access to high quality care across the state. Dr. Louder reviewed the growth of the MUSC Health Plan and discussed how MUSC Health will address future healthcare delivery in underserved areas of the state through traditional and innovative delivery platforms.

VI. BioIQ Project Update

Mrs. Laura Smoak, Analytics Director, and Mrs. Carmen Wilson with BlueCross Blue Shield of South Carolina presented the outcomes of the BioIQ colorectal cancer screenings initiatives, and stated that PEBA began covering routine colonoscopies in 2008, and waived member cost-share in 2016 for both routine and diagnostic colorectal cancer screenings.

Ms. Smoak discussed colon cancer screening rates from 2008-2002, and reported that in 2008 only 21 percent of members had received a colonoscopy by age 50, and in 2022, the rate had increased to 76 percent by age 60. Ms. Smoak advised that colon cancer is one of the most easily treatable forms of cancer.

Ms. Wilson detailed the BioIQ initiative, and stated that in 2021, PEBA partnered with BlueCross BlueShield of South Carolina and BioIQ. The goal was to offer an evidence-based, take-at-home

colorectal cancer screening test to those members identified as most likely not to get a colonoscopy. Members are identified monthly and sent to BioIQ for participation in the program. Ms. Wilson reviewed the BioIQ member experience, materials, 2021 results specific to BioIQ tests, and follow-up care for members with abnormal BioIQ tests.

Ms. Wilson concluded by stated that the BioIQ Program relaunched in June 2023 with the new name “Let’s Get Checked.”

VII. Strategic Key Measures Review

Mr. Tester provided strategic key measures for the State Health Plan (SHP), and stated that there are 522,649 total participants in the SHP, 292,727 active and retiree subscribers, and 826 total employers.

Mr. Tester reviewed the SHP financial analysis as of May 2023, and noted that the total loss ratio of 102.7 percent was attributed to the rates not being adequate to pay the claims resulting from a surge in COVID related expenses. Mr. Tester added that the cash ratio as of December 2022 was 1.41 percent, which exceeded the 1.4 percent benchmark.

Mr. Tester discussed 2022 average monthly total premiums; the 2022 average annual deductible; and the 2022 average annual gross plan cost per active employee, all of which compared very favorable to other large public and private sector employers.

Mrs. Smoak reviewing various benchmark data for the SHP including Dental Plus, the State Vision Plan, Optional Life, and Supplemental Long-Term Disability.

VIII. Old Business/Director’s Report

Ms. Peggy Boykin, Executive Director, stated that meeting dates for the end of the year may be modified depending on the date of PEBA’s budget hearing with the Governor’s office.

IX. Adjournment

There being no further business, and upon a motion by Mr. Heisler, which was seconded by PEBA Board Chairman Pearce, and approved unanimously, the Committee meeting adjourned at 11:16 a.m.