

## Meeting Minutes | Health Care Policy Committee

Thursday, June 15, 2017 | 10:00 a.m.

200 Arbor Lake Dr., Columbia, SC 29223 | Second Floor Conference Room

Minutes Approved July 19, 2017

**Board Members Present:** Mr. Frank Fusco, Mr. Steve Heisler, Mr. Joe “Rocky” Pearce, Chairman, and Mr. Audie Penn

**Others Present for All or a Portion of the Meeting:** Peggy Boykin, Phyllis Buie, Amber Carter, Sarah Corbett, Denise Hunter, Heather Muller, Thomas Orton, Jacalin Shealy, Laura Smoak, Rob Tester, Travis Turner, Stephen Van Camp, Justin Werner, and Heather Young from the South Carolina Public Employee Benefit Authority (PEBA); Wayne Pruitt from the State Retirees Association of South Carolina; Brooks Goodman, Dr. Will Harms, Matt Shaffer, and Dr. Shawn Stinson from Blue Cross Blue Shield of South Carolina; Traci Young from Express Scripts, Inc.; Michael Craig, Tammy Kell, and Kipper Linville from Novo Nordisk, Inc.; Emily Madalena, Mike Madalena, and Eric St. Pierre from Gabriel, Roeder, Smith & Company; and Will Kinney from Milliken Law Firm.

### I. Call to Order

Chairman Rocky Pearce called the PEBA Health Care Policy Committee (Committee) meeting to order at 10:00 a.m., and stated that the public meeting notice was posted in compliance with the Freedom of Information Act.

### II. Adoption of Proposed Agenda

Mr. Steve Heisler made a motion, which was seconded by Mr. Frank Fusco, and approved unanimously, to adopt the proposed Committee meeting agenda.

### III. Approval of Meeting Minutes – May 18, 2017

Mr. Heisler made a motion, which was seconded by Mr. Audie Penn, and approved unanimously, to approve the May 18, 2017, Committee meeting minutes.

### IV. 2019 State Health Plan Well Visit Proposals

Ms. Sarah Corbett, Chief Operating Officer, reviewed the 2019 State Health Plan well visit proposals, and introduced Dr. Shawn Stinson, Chief Medical Officer, and Dr. Will Harms from BlueCross BlueShield of South Carolina, to provide additional information as needed. Ms. Corbett stated that the 2019 well visit proposals include several different funding options, and only include procedures that are evidentially supported. Ms. Corbett advised that adult well visits could be available based on age and frequency limitations:

- A. Age 19 through age 39, one well visit every three years
- B. Age 40 through age 49, one well visit every two years
- C. Age 50 and up, one well visit per year

Ms. Corbett reviewed the cost impact to the State Health Plan including:

- A. Total Plan cost impact with no patient liability: 2.3 percent
- B. Total Plan cost impact with \$50.00 patient copay: 1.8 percent
- C. Total Plan cost impact paid as a covered service subject to normal plan provisions: 1.3 percent

Ms. Corbett also reviewed the cost impact to the State Health Plan with age and frequency limitations including:

- A. Total Plan cost impact with no patient liability: 1.4 percent
- B. Total Plan cost impact with \$50.00 patient copay: 1.1 percent
- C. Total Plan cost impact paid as a covered service subject to normal plan provisions: 0.9 percent

Following further discussion, staff agreed to provide additional information related to the return on investment (either monetary or health impact) for well visit proposals, and case studies that support adding well visits to the Plan.

#### **V. Incentives Review**

Mr. Matt Shaffer, from BlueCross BlueShield of South Carolina, reviewed a proposed incentive strategy for the State Health Plan. Mr. Shaffer stated that incentive goals should be fiscally prudent; simple to administer and understand; promote overall preventive health behavior; and have measurable results.

Mr. Shaffer stated that incentive best practices should start with one strategic initiative and add to it; target behaviors that are preventative; and encourage compliance with recommended medical services for those identified with a condition.

Mr. Shaffer reviewed types of incentives including a premium waiver which premium reductions are tied to compliance with defined activities; or a benefit enhancement which eliminates patient claims cost shares for defined activities.

#### **VI. Old Business/Director's Report**

Ms. Peggy Boykin, Executive Director, provided the Director's Report and stated that PEBA's operating budget includes approximately \$25 million for full funding of the State Health Plan (excluding adult well visits), with no employee premium increase, and no changes in co-payments or deductibles. Ms. Boykin reported that the Governor vetoed a proviso that would extend coverage of prescribed contraceptives for dependents under the same terms and conditions that the Plan provides contraceptive coverage for employees and spouses.

#### **VII. Adjournment**

There being no further business, and upon motion by Mr. Fusco, which was seconded by Mr. Heisler, and approved unanimously, the Committee meeting adjourned at 11:40 a.m.