

SC PUBLIC EMPLOYEE BENEFIT AUTHORITY BOARD OF DIRECTORS

MINUTES Adopted 11/20/13

Wednesday, October 16, 2013 – 1:00 p.m.
202 Arbor Lake Drive, Columbia SC, Main Conference Room 2nd Floor

Board Members Present:

Mr. Art Bjontegard, Chairman (in person)
Ms. Peggy Boykin (in person)
Mr. Frank Fusco (in person)
Mr. Steve Matthews (in person)
Mr. Joe “Rocky” Pearce (in person)
Mr. Audie Penn (in person)
Mr. John Sowards (by phone)
Mr. David Tigges (in person)
Mr. Steve Heisler (in person)
Ms. Stacy Kubu (by phone)

Others present for all or a portion of the meeting:

David Avant, Lil Hayes, Stephen Van Camp, Justin Werner, Travis Turner, Matt Davis, Megan Lightle, Angie Warren, and Virginia Wetzel from the South Carolina Public Employee Benefit Authority (PEBA); Donald Tudor and Wayne Pruitt with the State Retirees Association; Carlton Washington with the South Carolina Employee Association; Daniel Brennan with the SC State Treasurer’s Office; Mike Madalena with Gabriel, Roeder, Smith & Company (GRS) (by phone); Ryan Bear with Walgreens; and Greg Ryberg and Sarah Corbett with the Retirement Systems Investment Commission.

I. Call to order

Chairman Bjontegard called the meeting to order at 1:00 p.m., and Mr. Matthews gave the invocation. Ms. Hayes confirmed meeting notice compliance with the Freedom of Information Act. Mr. Bjontegard moved to amend the agenda to allow Greg Ryberg to address the Board at the beginning of the meeting, which was agreed upon.

II. Approval of minutes from the last meetings – September 18, 2013

Chairman Bjontegard asked for amendments to the September 18, 2013 meeting minutes. There being no amendments, the Chairman called for the adoption of the meeting minutes which were unanimously approved.

III. Retirement Systems Investment Commission - Presentation

Greg Ryberg introduced himself to the Board as the new Chief Operating Officer of the SC RSIC. He provided his personal, professional, and political background and how those skills will lend themselves to the efficient operating of the Investment Commission. He expressed his commitment to funding the liabilities of the SC Retirement Systems and maintaining a close working relationship with the PEBA Board.

IV. Committee Reports

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A. Retirement Policy Committee Report

Mr. Sowards reported that the Retirement Committee met on October 7, 2013, and reviewed the following agenda items.

ORP MetLife Fund Replacement [in notebook materials]

Action:

Mr. Sowards moved to approve the ORP MetLife Fund Replacement as recommended by the Retirement Policy Committee. Chairman Bjontegard seconded. Unanimously approved.

Defined Contribution Plan Comparisons [in notebook materials]

Mr. Sowards advised that the Committee reviewed a comparison of both Defined Contribution Plans in order to prepare for proper oversight of both plans once the SC Deferred Compensation Program comes under the Board's oversight on January 1, 2014. He suggested the Board receive this as information.

Mr. Sowards announced that the Committee has scheduled a retreat on December 4, 2013, to review this information in more detail.

Deferred Compensation Commission Meeting Report (9/27/13) [in notebook materials]

Mr. Sowards announced the last Deferred Compensation Commission Meeting was held on September 27, 2013. He referred to Mr. Bjontegard for a summary of his observations while in attendance at the meeting. Mr. Bjontegard noted several key points as a result of audit findings of the SCDCP which included deficiencies with reporting employers and unclaimed funds. He then asked Ms. Boykin and Mr. Avant for any additional highlights as serving members of the Commission. Ms. Boykin noted that the Investment Committee will continue to serve through the end of 2013.

Retirement Systems Investment Commission Report [in notebook materials]

PEBA Interim Director, David Avant, summarized his attendance at the most recent RSIC meeting on September 26, 2013. He noted that a new protocol was established for funding investments once approved by the Commission, a non-disclosure agreement was developed between RSIC and other pertinent agency's staff, and there was a shift of equity to global markets.

Mr. Avant then introduced Sarah Corbett, RSIC's Operational Due Diligence Director, who presented RSIC's approved asset allocations with expected returns based upon recommendations resulting from the recent Asset Liability Model (ALM) study completed by Hewitt EnnisKnupp. There was discussion regarding the partnership between PEBA and RSIC in future assessments of integrated information technology enhancements.

B. Finance, Administration, Audit and Compliance Report

Mr. Matthews reported that the FAAC Committee met on October 1, 2013, and reviewed the following agenda items.

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PEBA Board Member Education Policy [in notebook material]

Action:

Mr. Matthews moved to approve the PEBA Board Education Policy as amended and recommended by the FAAC Policy Committee. Chairman Bjontegard seconded. Unanimously approved.

2014 PEBA Legislation [in notebook materials]

Technical

Section 1. Explanation: Amends Section 1-11-770(A) to return the 211 program to the Budget and Control Board. There was no intent to move the 211 program, which has never been part of either the retirement or insurance functions of the Budget and Control Board. PEBA has no responsibilities for the operation of the 211 program.

The Board **approved** this section.

Section 2. Explanation: Amends the interest payment section of SCRS, JSRS, GARS and PORS to provide that interest would be paid on an inactive account in these systems if the member is prohibited from withdrawing their contributions from the account because of other provisions of law. For example, a member could not withdraw contributions from an inactive account if the member has an account in a correlated system or the ORP.

The Board **approved** this section.

Substantive

Section 1. Explanation: Amends Section 9-4-10 to increase Board terms to three years from two years and to stagger Board terms. No Board member may serve more than two consecutive terms. A Board member may sit out one three-year term and become eligible to serve again. The Board positions are identified by number and are placed into three different Term cycles:

Term A positions are appointed on July 1, 2014 for three-year terms.

Term B positions are appointed on July 1, 2015 for three-year terms.

Term C positions are appointed on July 1, 2016 for three-year terms.

Term A positions would serve an initial two-year term from July 1, 2012 until the later of June 30, 2014 or until their successors are appointed and qualify. Thereafter, Term A positions would have three-year terms.

Term C positions would serve an initial four-year term from July 1, 2012 until the later of June 30, 2016 or until their successors are appointed and qualify. Thereafter, Term C positions would have three-year terms.

Section 9-4-10 is further amended to provide for quarterly rather than monthly meetings.

Finally, Section 9-4-10 is amended to provide that PEBA's activities will be performed under the supervision of an Executive Director who will be appointed by the PEBA Board on and after January 1, 2014.

The Board sent this back to the FAAC Committee for further review.

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Section 2. Explanation: Amends Section 1-11-710(A)(2) to provide an August 15th deadline for the health plan to be approved each year, including the approval of the Budget and Control Board or its successor under Section 9-4-45. This re-establishes the August 15th deadline for the Budget and Control Board (or its successor) to approve the health plan, which will give PEBA enough time to implement any changes prior to annual open enrollment in October.

The Board **approved** this section.

Chairman Bjontegard asked all committees to begin finalizing potential legislation associated with each committee.

Committee Updates:

Mr. Matthews reported that the Committee discussed a potential property acquisition and a personnel issue during Executive Session during which no actions were taken. He reported that the Inspector General will complete a fiduciary audit of the RSIC for 2013. PEBA's fiduciary audit will be completed upon authorization of funding from the General Assembly. He advised that the Committee will meet in November to review PEBA's Fiscal Year 12/13 HR Report.

C. Health Care Policy Committee Report

Mr. Pearce advised that the Health Care Policy Committee met earlier in the day, October 16, 2013, and reviewed the following agenda items.

2015 State Health Plan Budget Recommendation [in notebook materials]:

Action:

Mr. Pearce moved to approve the actuarial trends and the 2015 State Health Plan versions to be offered to the Governor and General Assembly for budget development, including an ACA compliant plan necessitating \$60.6 million with \$7 million set aside for incentives (new option four, column IV); including a request that the Governor and General Assembly not include any Budget Provisos that restrict PEBA from developing Plan design; and to insure compliance with Federal Law to allow only non-Medicare enrollees into any proposed savings plans. Mr. Bjontegard seconded. Unanimously approved.

There was discussion regarding the presentation of the budget recommendation to the Governor and the General Assembly to allow PEBA to continue to develop plan design based upon consumerism and incentives to result in better health outcomes.

Three Year General Fund Outlook of the State Health Plan [in notebook materials]:

Pursuant to Code of Laws 11-11-350, each state agency receiving in the aggregate one percent or more of the state's general fund appropriation for any fiscal year shall provide to the Office of State Budget an estimate of its planned general fund expenditures for the next three years. This report is due to the Office of State Budget during the second quarter of each fiscal year.

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Mr. Avant summarized the three-year general fund projections of the state health plan (FY 2015 through FY 2017). It was noted that this projection is not binding. The Board received this as information.

Mr. Penn suggested indicating that the projections are based upon the State Health Plan's current grandfathered status(non-ACA compliant). Mr. Bjontegard agreed and directed staff to notate this document with this information prior to submitting to the State Budget Office.

There was discussion regarding the Board's review and approval of legislatively mandated items to be provided to the General Assembly. It was decided that the Health Care Policy Committee and the PEBA Board will be provided the Three Year General Fund Outlook of the State Health Plan annually to be received as information with no approval required.

Catamaran Update [in notebook materials]:

Mr. Pearce advised that the transition to the new Pharmacy Benefits Manager, Catamaran is progressing accordingly. A packet of all communications from Catamaran to subscribers thus far was provided for Board to review.

MUSC Update:

Mr. Avant reported that MUSC and PEBA meet regularly as plan details are still being finalized.

Public Information Sessions - Updates

Mr. Pearce announced that a Public Information Session was held on October 2, 2013, to discuss Medicare Advantage.

He also advised that the Public Information Session to discuss the expansion of the State Health Plan network will be scheduled for a date in the future. The Committee decided to research potential partnerships with smaller South Carolina businesses with the first step to contact the SC Small Business Chamber of Commerce.

V. New Business

In preparation for procuring IT devices for Board Members to review related materials, PEBA IT Systems Manager, Robbie Brown, presented comparisons between an iPad and a Windows 8 Surface Tablet. The Board collectively decided to move forward with the procurement of the Windows 8 Surface Tablet. Mr. Avant advised that this will be South Carolina State property and all information on this device will be subject to the Freedom of Information Act. Once a Board Member's term expires, the tablet will be turned into PEBA's IT department. Mr. Brown advised that the tablets should be procured and formatted within the next three months. Mr. Bjontegard asked Mr. Brown to prepare a future demonstration of Board Books applications.

VI. Round Table Discussion

Director's Report, David Avant:

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The PEBA agency is currently conducting its annual United Way Campaign. So far, the agency has raised approximately \$2,500.00 through “Jeans for a Day” program and an Agency-wide bake sale.

Chairman’s report

PEBA Social Media Initiatives [in notebook material]

Mr. Bjontegard noted the notebook materials summarizing PEBA’s successful social media initiatives. He advised that the agency should hire a full time webmaster; develop a robust plan to collect member email addresses; to transition from paper to electronic communications with members; and to insure all communications to members be PEBA branded.

Mr. Bjontegard announced that PEBA’s Communications Director, Megan Lightle will be retiring in 2014.

Ms. Boykin report from the 2013 NCTR Conference

Chairman Bjontegard announced that Ms. Boykin attended the 2013 National Council on Teacher Retirement Conference and asked her to present a summary of her observations while in attendance. Ms Boykin recommended that the Board review the following items discussed at the conference:

- Implementation of new GASB rules specifically related to Local Government’s financial reporting of their share of SCRS’s unfunded liability.
- Review of PEBA’s disaster recovery plan to include business continuity in addition to IT recovery strategies.
- The State of Maryland has been legislatively directed to issue a request for proposal for a Medicare Advantage program which may serve as a resource for PEBA in the future.
- New health care exchanges will allow Retirees to receive subsidies and opt out of the State Health Plan which may affect the negotiation power with SC State Health Plan providers in the future.

Mr. Bjontegard noted that in the pocket of each member’s notebooks are a monthly calendar and past action report.

VII. Executive Session Pursuant to § 30-4-70 (a)(1), (a)(2) and (a)(3)

As noted on the agenda, an executive session was called and entered into unanimously at 3:20 p.m.

Open meeting resumed at 4:20 p.m. following the Executive Session. No action was taken by the Board while in Executive Session.

VIII. Adjournment

There being nothing further to discuss, Chairman Bjontegard adjourned the meeting at 4:22 p.m.

**SC Public Employee Benefit Authority
Board of Directors Meeting**

202 Arbor Lake Drive, Columbia SC, 29223 ♦Main Conference Room

Wednesday, October 16, 2013 – 1:00 P.M.

AGENDA

- 1. Adoption of Proposed Agenda**
- 2. Minutes of Previous Meeting – September 18, 2013**
- 3. Committee Reports**
 - a. Retirement Policy Committee**
 - b. Finance, Administration, Audit & Compliance Committee**
 - c. Health Care Policy Committee**
2015 State Health Plan Budget Recommendation
- 4. New Business**
- 5. Round Table Discussion**
- 6. Executive Session Pursuant to § 30-4-70 (a)(1), (a)(2) and (a)(3)**

NOTICE OF PUBLIC MEETING

This notice is given to meet the requirements of the S.C. Freedom of Information Act and the Americans with Disabilities Act. Furthermore, this facility is accessible to individuals with disabilities, and special accommodations will be provided if requested in advance.

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DRAFT MINUTES

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Board Members Present:

Mr. Art Bjontegard, Chairman (in person)
Ms. Peggy Boykin (in person)
Mr. Frank Fusco (in person)
Mr. Steve Matthews (in person)
Mr. Joe “Rocky” Pearce (in person)
Mr. Audie Penn (in person)
Mr. John Sowards (in person)
Sheriff Leon Lott (in person)
Mr. David Tigges (in person)
Mr. Steve Heisler (in person)
Ms. Stacy Kubu (in person)

Others present for all or a portion of the meeting:

David Avant, Lil Hayes, Stephen Van Camp, Justin Werner, Travis Turner, Matt Davis, and Virginia Wetzel from the South Carolina Public Employee Benefit Authority (PEBA); Donald Tudor and Wayne Pruitt with the State Retirees Association; Carlton Washington with the South Carolina Employee Association; Daniel Brennan with the SC State Treasurer’s Office; Jennifer Hyler Yacoubian with SC Senate Finance Committee; Nathan Strong with the University of South Carolina; and Mike Madalena with Gabriel, Roeder, Smith & Company (GRS).

I. Call to order

Chairman Bjontegard called the meeting to order at 1:00 p.m., and Mr. Heisler gave the invocation. Ms. Hayes confirmed meeting notice compliance with the Freedom of Information Act. Mr. Bjontegard requested to amend the agenda by moving the Health Care Policy Committee report as the first committee report to accommodate the travel schedule of the out of town presenter, Mike Madalena. Mr. Sowards moved to adopt the agenda. Mr. Heisler seconded. The agenda was unanimously approved.

II. Approval of minutes from the last meetings - August 21, 2013

Chairman Bjontegard asked for amendments to the August 21, 2013 meeting minutes. There being no amendments, Mr. Sowards moved to approve and Mr. Fusco seconded. Unanimously approved.

III. Committee Reports

A. Health Care Policy Committee Report

Three Year Health Plan Vision [in notebook materials]

Mr. Pearce introduced Mike Madalena, PEBA’s actuarial consultant who presented an overview of PEBA’s three year health plan vision as it was discussed in the Health Care Policy Committee. The following health care plan components were highlighted:

- Focus on current and future pilot programs (PCMH and ACO)

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- Structural changes to provider networks (3 tier approach)
- Plan design changes to incorporate incentives to the members and providers
- Revamp the Health Savings Plan to attract more users
- Promote a healthier standard of living through consumer driven communications

Pharmacy Benefits Manager (PBM) – Request for Proposal (RFP) Status

Interim Director, David Avant announced that the PBM RFP was awarded to a new vendor, Catamaran. The contract was protested by the incumbent and one other applicant vendor. A hearing was held before the State Chief Procurement Officer. PEBA prevailed at the hearing. In addition, the requested lifting of the automatic stay was granted. PEBA staff were commended for their work.

Health Care Policy Committee Charter [in notebook materials]

Action:

Mr. Pearce moved to approve the Health Care Policy Committee Charter as recommended by the Health Care Policy Committee. Chairman Bjontegard seconded. Unanimously approved.

Committee Updates:

Mr. Avant advised that the MUSC PCMH Pilot program was approved by the Budget and Control Board and PEBA. MUSC has since been in continuous communications with PEBA to develop the plan contract and plan documents. A summary of the final plan design will be presented to the Health Care Policy Committee during their October 2013 committee meeting.

Mr. Avant informed the Board of the increase in premiums for the State's fully insured HMO health plan product offered by Blue Choice. Blue Choice will be sending a notification of premium increases to 12,000 subscribers prior to open enrollment on October 1, 2013.

Mr. Pearce announced that a Public Information Session has been scheduled on October 2, 2013, at 10:00 AM, to receive presentations from Medicare Advantage plan carriers. Board members were invited but attendance was not mandatory. An additional Public Information Session will be scheduled soon to review the expansion of the State Health Plan's provider network.

Mr. Pearce also announced that the Health Care Policy Committee has directed staff to organize a Committee meeting to receive an initial presentation from the new PBM vendor, Catamaran. A date and time has yet to be determined.

B. Retirement Policy Committee Report

Mr. Sowards advised that the Retirement Committee met on September 4, 2013, and reviewed the following agenda items.

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Deferred Compensation Overview [in notebook material]

Mr. Sowards reported that the Committee received presentations from the SC Deferred Compensation Program's investment advisor, Segal RogersCasey, and from the record keeper, Great-West. Mr. Sowards then introduced staff member, Matt Davis who provided a brief overview of the SC Deferred Compensation Program.

Retirement Committee Charter - Amendment [in notebook materials]

Mr. Sowards reported that the Committee recommends the following amendment to their Committee Charter: The addition of the responsibility of oversight of agency communications specifically related to retirement functions.

Action:

Mr. Sowards moved to approve the Retirement Policy Committee Charter as amended and recommended by the Retirement Policy Committee. Chairman Bjontegard seconded. Unanimously approved.

C. Finance, Administration, Audit and Compliance Committee Report

Mr. Matthews advised that the FAAC Committee met on September 6, 2013, and reviewed the following agenda items.

Agency Budget Request [in notebook materials]:

Mr. Matthews summarized the Agency's Fiscal Year 2014/2015 budget proposal as it will be submitted to the SC Office of State Budget by October 1, 2013. He highlighted the relocation of approximately \$3.1 million in funds into other operating expenses in anticipation of future IT improvements.

Action:

Mr. Matthews moved to approve the Fiscal Year 2015 PEBA Agency Budget as recommended by the FAAC Committee. Chairman Bjontegard seconded. Unanimously approved.

PEBA Bylaws as amended by the Committee [in notebook materials]:

Mr. Matthews announced that the FAAC Committee recommends the following amendment to the PEBA Bylaws under Section IV, D, ii:

A member or invited non-member may participate in Executive Session by telephone provided the participant provides assurance to the Board or Committee, reflected in the minutes of the meeting, that no uninvited person is present and able to listen to the Executive Session portion of the meeting.

Action:

Mr. Matthews moved to approve the PEBA Bylaws as amended and recommended by the FAAC Committee. Chairman Bjontegard seconded. Unanimously approved.

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PEBA Travel Policy [in notebook materials]:

Action:

Mr. Matthews moved to approve the PEBA Travel Policy as recommended by the FAAC Committee. Chairman Bjontegard seconded. Unanimously approved.

PEBA Education Policy [in notebook materials]:

Mr. Matthews presented a PEBA Board Member Education Policy as it was recommended by the FAAC Committee. There was discussion regarding the required education credits, approval of qualifying credits by the Chairman of the Board, and associated penalties. It was the will of the Board to defer this policy back to the FAAC Committee to clarify terms and conditions.

Committee Updates:

Mr. Matthews reported that the committee reviewed the Agency's Accountability Report which incorporated all recommended changes from the previous FAAC Committee Meeting. The report was then submitted to the Office of State Budget.

Mr. Matthews reported that Chairman of the PEBA Board, Chairman of the PEBA FAAC Committee, the Retirement Systems Investment Commission (RSIC), and the Inspector General's staff has collaborated to determine the priority ranking of fiduciary audit items to be used in the statutorily required fiduciary audit of PEBA and RSIC. The Inspector General's office will use the highest priorities to develop a Request for Proposals (RFP) to secure an auditor to complete the fiduciary audit for RSIC for FY 2013. Currently, PEBA's fiduciary audit is planned for the following fiscal year when appropriate funding has been authorized by the General Assembly. Mr. Fusco advised that the PEBA Board could utilize the fiduciary audit as qualifying educational training.

IV. New Business

There were no new business items discussed by the Board.

V. Round Table Discussion

Chairman's report:

Chairman Bjontegard requested that all PEBA Board Members who participate in a related PEBA conference to report back to the Board any related beneficial information.

Chairman Bjontegard reported that he attended the 2013 National Association of Government Defined Contribution Administrators (NAGDCA) annual conference in Kentucky. Overall he gave the conference a B rating as it had a good educational component centered around the best practices of defined contribution plans and was a successful networking experience. The conference highlighted overall industry problems to include lack of policy statements (did not pertain to PEBA), lack of participation by subscribers, poor communications, little engagement with retirees, and small participant contribution percentage. He directed staff to create a list of

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industry best practices provided at the conference in comparison to PEBA's best practices. He also recommended that the Board review the option of automatic enrollment, the addition of a clearly defined social media plan, and the ongoing effort to collect subscriber's email addresses.

Chairman Bjontegard announced that Ms. Boykin also attended the 2013 NAGDCA Conference and asked her to present a report of her attendance. Ms Boykin recommended that the Board review the following items discussed at the conference:

1. IRS 457 audits will now require documentation ensuring subscribers' contributions are reconciled between the employer and the record keeper. Ms. Boykin recommended that the Retirement Policy Committee insure that PEBA field auditors will complete this reconciliation.
2. A new industry best practice is to consolidate the following plans into one annual statement to include Defined Benefit, Defined Contribution, and any other supplemental retirement plan benefits. There was discussion of consolidating all retirement and insurance benefits annually on one statement.
3. In accordance the Defense of Marriage Act (DOMA), all defined contribution retirement plans must comply with this Act in regards to their distribution provisions.
4. Currently, the US Securities and Exchange Commission (SEC) require all municipal advisors to register by September 30, 2013. This would require the PEBA Board members to register with the SEC. However, there has been discussion of exempting municipal officers such as the Board members because they are receivers of investment information and not investment advisors.
5. IRS 457 audits now require documentation of annual fiduciary training education. There was discussion regarding fiduciary training at the Board's annual retreat.

Following the briefing there was discussion regarding potential online training offered by NAGDCA, NASRA, and NTR.

Mr. Bjontegard reported that the PEBA agency communication survey has been distributed to approximately 16,000 retirement and health insurance subscribers. He will continue to keep the Board updated as survey results are gathered.

Mr. Bjontegard announced that Senator Leatherman and Representative White will be presenting to the Board during December 2013.

Director's Report, David Avant:

Mr. Avant announced that Deloitte Touche has completed their IT Risk Assessment of the PEBA agency and the final report will be summarized at the next FAAC Committee meeting. This concluded the Director's report.

There was discussion about the fact that Executive Session was not on the agenda for this Board meeting. It was decided that it should be on all agendas from this point forward.

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Mr. Bjontegard introduced Nathan Strong with the University of South Carolina who presented a summary of survey results gathered from Board Members in regards to prioritizing qualifications of the PEBA Director's job description. It was the will of the Board to send this topic back to the FAAC Committee with the directive of finalizing the job description of the PEBA Agency Director.

VI. Adjournment

There being nothing further to discuss, Chairman Bjontegard adjourned the meeting at 3:03 p.m.

PUBLIC EMPLOYEE BENEFIT AUTHORITY
BOARD AGENDA ITEM
(Retirement Policy Committee)

Meeting Date: October 16, 2013

Tab 3

1. Subject: ORP MetLife Fund Changes

- 2. Summary:** Oppenheimer Equity (OEQAX.lw) is a fund in MetLife's investment lineup that has remained on the Watch List for eight consecutive quarters. MetLife provided Summit with a list of suitable replacements for the fund. Upon analysis, Summit and PEBA staff recommends JPMorgan Disciplined Equity (JDEAX.lw) as the replacement.

Background Information: Per the ORP investment policy statement, a fund should be frozen to new contributions if it remains on the Watch List for eight consecutive quarters. Summit and PEBA staff recommends that the underperforming fund be replaced and that assets in that fund be mapped to its chosen replacement.

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- 3. What is Board asked to do?** Approve the proposed ORP fund replacement as recommended by the FAAC committee
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4. Supporting Documents:

- (a) Attached:
 - 1. Summit Memo
- (b) Not Attached but Available
 - 1. 2Q 2013 Investment Review
 - 2. ORP Investment Policy Statement



Date: September 18, 2013
To: South Carolina State Optional Retirement Program
From: Defined Contribution Services
Subject: Oppenheimer Equity Fund Replacement

Background

As of June 30, 2013, Oppenheimer Equity (Large Blend) had been on the Watch List for at least 8 consecutive quarters within the MetLife plan. Oppenheimer represents \$1.7 million, or 1.5% of Plan assets. MetLife provided Summit with eleven replacement candidates. Summit utilized the following criteria to evaluate the replacement fund candidates:

- Style consistency relative to the asset class mandate;
- Strong qualitative metrics such as stable firm structure, low professional turnover, and a disciplined investment philosophy and process;
- Strong quantitative metrics such as excess performance, peer universe rank, standard deviation, beta, Sharpe and information ratios;
- Fee is less than or equal to the existing fund's net expense ratio and competitive relative to peers; and
- Compliance with existing IPS guidelines.

Based on the information above, Summit narrowed the list to three candidates and believes the JPMorgan Disciplined Equity (JDEAX.lw) fund is the most compelling replacement option.

About the Firm/Strategy

- Established in 1984 and headquartered in New York City, JPMorgan Asset Management is one of the world's largest global investment management firms with more than \$1.5 trillion in assets as of June 30, 2013.
- The firm is a wholly-owned subsidiary of JPMorgan Chase & Co.
- The strategy began in January 1986 and currently has over \$2.8 billion in assets.
- The strategy has been managed by Rafaele Zingone since July 2002, with Terance Chen and Scott Blasdell added as co-portfolio managers in 2005 and 2009, respectively. Together, the team has an average 20 years of investment experience and 18 years with the firm.
- The strategy employs fundamental analysis utilizing the Dividend Discount Model to focus on company valuations.
- Management will modestly overweight and underweight equity securities and sectors based on whether the model output indicates if it is undervalued, fairly valued, or overvalued.
- Risk controls of the portfolio include sector weights and positions that are limited to +/-2% of the benchmark.
- The portfolio has a 2.8% allocation to non-US holdings and may tactically invest up to 10%; however, the fund has never exceeded 3%.
- The portfolio is comprised of 160 stocks currently and will hold between 150-200 names, on average.

Statistics and Composition

- Based on the table below, the JPMorgan Disciplined Equity strategy has demonstrated solid relative and absolute performance net of fees over the one-, three-, and five year time periods shown.
- The strategy has also performed well relative to peers as it has ranked in the top third of its large cap core universe over the same time periods.
- The strategy has exhibited strong performance characteristics including batting average, Sharpe ratio, information ratio, and up market capture ratio while taking on slightly less risk than the benchmark.
- The strategy also maintains very tight tracking error relative to the benchmark.
- MetLife has proposed the A share load-waived which has a net expense ratio of 85 bps with 50 bps of revenue share.
- This fee is more competitively priced than the existing fund ranking in the 20th percentile (1% best, 100% worst) relative to other actively managed large cap core peers.

Name	Oppenheimer Equity	ING Corporate Leaders 100	JPMorgan Disciplined Equity	JPMorgan US Equity	S&P 500 Index
General					
Ticker (A share load-waived)	OEQAX.lw	IACLX.lw	JDEAX.lw	JUEAX.lw	--
Inception Date	Oct-47	Jun-08	Jan-86	Sep-93	--
Total Strategy Assets	\$1.5 billion	\$441.2 million	\$2.8 billion	\$8.6 billion	--
Net Expense Ratio	0.99%	0.90%	0.85%	0.97%	--
Revenue Share	0.50%	0.50%	0.50%	0.50%	--
Longest Manager Tenure	1.3 years	5.3 years	11.2 years	12.7 years	
Performance (As of June 30, 2013)					
Morningstar Rating Overall	1	3	3	4	--
Morningstar Rating 3 Yr	1	3	3	3	--
Morningstar Rating 5 Yr	1	3	3	3	--
One-Year Trailing Return	18.80%	22.75%	22.21%	22.95%	20.60%
Peer Rank ¹	72	23	29	20	51
Three-Year Trailing Return	15.14%	18.91%	18.55%	17.58%	18.45%
Peer Rank ¹	76	12	17	35	20
Five-Year Trailing Return	3.49%	8.21%	7.99%	7.79%	7.01%
Peer Rank ¹	92	8	10	11	22
5-Year Statistics (As of June 30, 2013)²					
Standard Deviation	23.96%	22.82%	21.35%	21.63%	21.52%
Beta	1.09	1.06	0.99	1.00	1.00
Batting Average	35%	60%	65%	50%	0%
Tracking Error	5.56%	2.34%	1.10%	2.34%	0.00%
Sharpe Ratio	0.14	0.35	0.36	0.35	0.31
Information Ratio	-0.63	0.51	0.88	0.33	0.00
Up Market Capture	96.7%	107.9%	101.5%	102.5%	100.0%
Down Market Capture	113.9%	101.8%	96.6%	98.6%	100.0%
R2	95%	99%	100%	99%	100%
Composition					
# of Holdings	161	102	160	212	500
Weighted Average Market Cap	\$49.2 billion	\$73.5 billion	\$54.6 billion	\$56.1 billion	\$59.4 billion
% US Equities	86.3%	97.7%	94.5%	94.2%	98.6%
% Non-US Equities	11.9%	0.0%	2.8%	5.0%	1.4%
% Cash	<u>1.8%</u>	<u>2.3%</u>	<u>2.7%</u>	<u>0.8%</u>	<u>0.0%</u>
Total	100.0%	100.0%	100.0%	100.0%	100.0%
% Giant of Total Equities	46.0%	55.5%	49.1%	49.6%	51.3%
% Large of Total Equities	38.4%	44.4%	36.6%	39.1%	36.5%
% Medium of Total Equities	15.3%	0.1%	13.6%	11.3%	12.1%
% Small/Micro of Total Equities	<u>0.3%</u>	<u>0.0%</u>	<u>0.7%</u>	<u>0.0%</u>	<u>0.1%</u>
Total	100.0%	100.0%	100.0%	100.0%	100.0%

All data obtained from Morningstar Direct and Zephyr StyleADVISOR.

¹Peer Universe: Lipper US Large Cap Core Funds

²Based on quarterly observations

Summit Fund Monitor

Based on Summit's proprietary fund monitor, all three candidates exceed expectations across the four performance metrics outlined below. Note that the ING strategy began in mid-2008, and as a result, the fund's Consistency of Excess Return and Average Percentile Ranking is based on 9 observations versus 20 observations for the other managers.

Fund	Consistency of Excess Return	Average Percentile Ranking (Return)	Batting Average Versus Peers	Information Ratio Rank	Status
Oppenheimer Equity	20%	65%	40%	64%	Below
ING Corporate Leaders	78%	12%	80%	4%	Exceeds
JPMorgan Disciplined Equity	70%	29%	80%	3%	Exceeds
JPMorgan US Equity	70%	20%	70%	8%	Exceeds

SCORP Fund Monitor

In the table below, the Disciplined Equity fund has demonstrated the most consistency of outperformance and peers rank and would not have appeared on the watch list at any time over the previous 10 quarters. As mentioned above, ING recently acquired a 5-year track record. As a result, Summit did not have sufficient data to complete the historical fund monitor performance back-test.

Date	ING Corporate Leaders				JPMorgan Disciplined Equity				JPMorgan US Equity			
	Excess Performance	Peer Universe Rank	Information Ratio Rank	Sharpe Ratio Rank	Excess Performance	Peer Universe Rank	Information Ratio Rank	Sharpe Ratio Rank	Excess Performance	Peer Universe Rank	Information Ratio Rank	Sharpe Ratio Rank
Jun-13	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass
Mar-13	--	--	--	--	Pass	Pass	Pass	Pass	Fail	Pass	Pass	Fail
Dec-12	--	--	--	--	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass
Sep-12	--	--	--	--	Fail	Pass	Pass	Pass	Fail	Pass	Pass	Pass
Jun-12	--	--	--	--	Fail	Pass	Pass	Pass	Fail	Pass	Pass	Pass
Mar-12	--	--	--	--	Pass	Pass	Pass	Pass	Fail	Pass	Pass	Pass
Dec-11	--	--	--	--	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass
Sep-11	--	--	--	--	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass
Jun-11	--	--	--	--	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass
Mar-11	--	--	--	--	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass

PUBLIC EMPLOYEE BENEFIT AUTHORITY
BOARD AGENDA ITEM
(Retirement Policy Committee)

Meeting Date: October 16, 2013

Tab 4

1. Subject: Defined Contribution Plan Comparison (ORP vs. Deferred Compensation)

2. Summary: During the last Retirement Policy Committee meeting, the Committee requested to review a side by side comparison of the structure and functionality of both defined contribution plans (ORP & Deferred Comp).

3. What is Board asked to do? Receive as information

4. Supporting Documents:

- (a) Attached:
 - 1. Comparison of Defined Contribution Plan

Defined Contribution Unit Program Comparison

	S. C. Optional Retirement Program	S. C. Deferred Compensation Program
Plan Type	401(a) qualified governmental plan.	401(k) and 457 qualified governmental plans.
Plan Purpose	An alternative to SCRS intended to be a primary retirement savings option.	A voluntary retirement savings option intended to supplement SCRS or the ORP.
Governing Legislation	Title 9, Chapter 20 of the South Carolina Code of Laws.	Title 8, Chapter 23 of the South Carolina Code of Laws.
Eligibility	Employees of State agencies, public school districts, and public colleges and universities.	Employees of participating State agencies, public school districts, public colleges and universities, and political subdivisions and other governmental entities.
Employee Contributions	By statute, equal to SCRS employee contributions. Entire employee contribution is deposited into the employee's ORP account.	Contribution amount (if any) is set at the discretion of the participant, subject to the provisions of the plan documents and IRS regulations. Employee contribution amounts may be changed at any time. Pretax or Roth contributions are allowed for either plan.
Employer Contributions	By statute, equal to SCRS employer contributions. An amount equal to five percent of the employee's total compensation is deposited into the employee's ORP account. The remaining employer contribution is used to pay for administrative expenses related to the plan, and any excess is deposited into the SCRS trust fund.	Contribution amount (if any) is set at the discretion of the employer, subject to the provisions of the plan documents and IRS regulations. Employer contribution amounts may be changed at any time.
Investment Consultant (co-fiduciary)	Currently Summit Strategies Group (Summit).	Currently Segal Rogerscasey (Segal).
External Auditor (not a co-fiduciary)	Not applicable.	Currently Elliott Davis, LLC. Assists with preparation of financial statements and audit services by engagement.
Record Keeper (not a co-fiduciary)	By statute, there may be no fewer than four record keepers. Currently MassMutual, MetLife, TIAA-CREF, and VALIC.	A single record keeper to service both plans. Currently Great-West Financial (Great-West).

Annual Enrollment	Each year, during January 1 – March 1, ORP participants may change record keepers and, if eligible, may irrevocably elect to join SCRS. To be eligible to join SCRS, an ORP participant must have at least one year, but no more than five years, of ORP participation.	Not applicable.
Investment Options	Each record keeper has its own lineup of investment options. This is a key differentiator among them. When adding or replacing funds, Summit relies upon the record keepers to present new investment options. Summit reviews the options and provides a recommendation. The plan sponsor then chooses the most suitable candidate.	A single lineup of investment options for both plans. When adding or replacing funds, Segal performs a search of all available options in the appropriate fund universe and provides a report of the top funds. If requested, Segal provides a recommendation. The plan sponsor then chooses the most suitable candidate. Approval from the State Treasurer is required for fund additions.
Self-Directed Brokerage Window	Not applicable.	Available through Charles Schwab and has a very low utilization rate. Primarily serves an administrative function to allow participants to utilize investment options that are not a part of the fund lineup. Pretax and Roth options are available.
Managed Accounts	VALIC is the only record keeper currently offering a managed account service. The service is not being actively marketed. An additional fee is charged to participants for this service. MetLife is in the process of adding a managed account service to its offering.	Great-West offers a managed account service through Advised Assets Group (AAG), which is being actively marketed. AAG acts as a fiduciary regarding investment advice provided to participants. An additional fee is charged to participants for this service.
Fees	Record keepers receive revenue from the plan in various ways, based upon contract stipulations and agreements. 12b-1 fees and other forms of revenue share provide the majority of revenue to record keepers. Summit is currently receiving a fee of \$130,000.00 per year for consulting services.	Great-West is paid a record keeping fee of 11 bps per year on total plan assets. There is a stipulation in the record keeping contract that requires Great-West to pay up to \$100,000.00 per year for audit services related to the Program. This is how fees are currently paid to Elliott Davis, LLC. Segal is currently receiving a fee of \$85,000.00 per year for consulting services. A fee of \$1.00 per quarter is assessed to each participant account and is deposited into the administrative account to pay for expenses related to the plans.

Plan Assets	By statute, expenses related to the plan are paid from employer contributions.	There is an administrative account containing plan assets, which is used to pay for expenses related to the plans.
Loans	Not applicable.	Up to two loans may be taken across both plans. Loan terms and amounts are subject to the provisions of the plan documents and IRS regulations.
Hardship Withdrawals and Unforeseeable Emergency Withdrawals	Not applicable.	Hardship withdrawals and unforeseeable emergency withdrawals may be taken by participants, subject to the provisions of the plan documents and IRS regulations.
Distributions	Distributions are allowed, subject to the provisions of the plan document and IRS regulations.	Distributions are allowed, subject to the provisions of the plan documents and IRS regulations.
Rollovers	Rollovers in and out are allowed, subject to the provisions of the plan document and IRS regulations.	Rollovers in and out are allowed, subject to the provisions of the plan documents and IRS regulations.
Communication and Education	Record keepers have varying approaches to communication and education. This is a key differentiator among them. Record keepers do not have retirement plan counselors dedicated to the ORP. The plan sponsor emphasizes priorities related to communication and education, which the record keepers consider when planning initiatives.	The plan sponsor has full control over communication and education initiatives by way of the annual strategic planning process. Dedicated retirement plan counselors serve the Program, and materials are customized to promote the Program.
Strategic Planning	Each year, there is an annual ORP meeting where the record keepers, investment consultant, and plan sponsor meet to discuss priorities and areas of focus for the upcoming year.	There are formal strategic and marketing plans, which are reviewed and updated annually based on the priorities of the plan sponsor. Great-West is responsible for administering the strategic and marketing plans, and non-performance fees are assigned if goals are not achieved.

PUBLIC EMPLOYEE BENEFIT AUTHORITY
BOARD AGENDA ITEM
(Retirement Policy Committee)

Meeting Date: October 16, 2013

Tab 5

1. Subject: Last Deferred Compensation Meeting - Summary

2. Summary: The last Deferred Compensation Commission meeting was held on September 27, 2013. Staff was advised to provide a summary of the meeting and any actions taken.

3. What is Board asked to do? Receive as information

4. Supporting Documents:

- (a) Attached:
 - 1. 9/27/13 Deferred Compensation Commission Meeting Summary

DAVID K. AVANT
Director
South Carolina Retirement Systems

HERSHEL M. HARPER, JR., CFA
Chief Investment Officer
S. C. Retirement System Investment Commission

CARLTON B. WASHINGTON
Executive Director
S. C. State Employees Association

HARRY T. CONE
Retired State Employee

DALE M. RHODES, CPA, VICE CHAIRMAN
Retired State Employee

BRETT A. DALTON
State Employee

PEGGY G. BOYKIN, CPA
State Employee

MARY M. GREENE
Retired Public Employee



SOUTH CAROLINA DEFERRED COMPENSATION PROGRAM

Memo

To: South Carolina Public Employee Benefit Authority

From: Matthew Davis, Program Manager

Date: October 16, 2013

Subject: SCDCC Meeting on September 27, 2013

The final scheduled meeting of the South Carolina Deferred Compensation Commission was held on September 27, 2013, at 10:00 a.m. During that meeting, the Commission received a report on plan activity from Great-West Retirement Services and an update on investment performance from Segal Rogerscasey.

Representatives from Elliott Davis, LLC presented findings related to the application of agreed-upon procedures. They also provided a report on the 2012 audit and discussed related internal controls.

The Commission approved a recommendation by the Investment Committee to add the PIMCO All Asset fund as an investment option. By statute, fund additions must be approved by the State Treasurer. The request was approved on October 1, 2013, and this investment option should be available to participants later this year.

The Commission approved proposed changes to the 401(k) and 457 plan documents, as well as proposed changes to the investment policy statement.

PUBLIC EMPLOYEE BENEFIT AUTHORITY
BOARD AGENDA ITEM
(Finance, Administration, Audit and Compliance Committee)

Meeting Date: October 16, 2013

Tab 6

1. Subject: PEBA Education Policy

2. Summary:

9/6/13: FAAC recommended a DRAFT policy to the Board

9/18/13: The Board returned the policy back to FAAC for further review

10/1/13: The FAAC Committee is recommending an amended Board Member Education Policy that includes the following components:

- Recommended education credits every 2 fiscal years: 18 hours with a minimum of 6 credit hours to be provided at the annual PEBA Board Retreats.
- Failure to comply will be reported to the member's sponsor
- Qualifying Credits to be approved at discretion of the Chairman or his designee
- Example qualifying credits:
 - Educational training programs or conferences
 - Training sessions provided by PEBA staff, consultants, or other experts
 - Professional continuing education credits
- Related registration fees and associated travel expenses to be paid by PEBA upon approval of the Chairman or his designee

3. What is Board asked to do? Approve the PEBA Board Education Policy as amended and recommended by the FAAC Committee

4. Supporting Documents:

(a) Attached:

1. PEBA Board Education Policy as recommended by FAAC on 10.1.13

South Carolina Public Employee Benefit Authority
Board of Directors Continuing Education Policy
[DRAFT Policy recommended by FAAC on 10/1/13]

The Public Employee Benefit Authority Board of Directors recognizes its fiduciary responsibility to remain aware of significant current events impacting the retirement and insurance programs administered by PEBA and to be well-informed and educated on topics related to those programs, including best practices for the programs. Accordingly, the purpose of this policy is to promote high professional standards of trusteeship by the Board of Directors and to assure the participants of PEBA's retirement and insurance plans of the Board's continuing professional competence, consistent with prevailing industry standards.

1. As nearly as practical, members of the Board of Directors shall participate in no less than eighteen (18) hours of qualifying educational training programs or conferences every two fiscal years. The annual PEBA Board retreat will include a minimum of six (6) hours of such qualifying educational credit. Other qualifying educational credit shall be approved at the discretion of the Chairman of the Board of Directors. By way of illustration, the additional educational credit that may be approved by the Chairman may include, but is not limited to: attendance at educational training programs and conferences offered by organizations related to governmental retirement and insurance plans; attendance at training sessions provided by PEBA staff, consultants, and affiliates; and participation in professional continuing educational programs related to the member's qualifications to serve on the Board. Qualifying participation in educational training programs and conferences may include both in-person attendance at educational programs as well as participation in programs by electronic means, such as viewing webinars or completing on-line training modules.
2. At the discretion of the Chairman of the Board, a Board member may be reimbursed for reasonable registration fees and travel expenses related to the member's attendance and or participation in an educational training program or conference that is pertinent to the retirement and insurance plans administered by PEBA. If approved by the Chairman, registration fees for these educational programs or conferences and associated travel expenses will be paid by PEBA in accordance with the Board's travel policy and applicable state laws and regulations in effect at the time of travel.
3. Board members should promptly report all qualifying educational training to the Chairman, and records of each member's qualifying educational credit will be included in the regular reports of the members' attendance to their appointing authorities. However, if a member has failed to participate in the required amount of qualifying educational credit within two fiscal years, the member will be allowed forty-five (45) days to obtain the necessary credit before any deficiency in the member's educational credit is reported to the member's appointing authority.
4. The terms of this policy may be suspended or modified at the discretion of the Chairman of the Board, owing to the non-availability of funding or other limitations.

PUBLIC EMPLOYEE BENEFIT AUTHORITY
BOARD AGENDA ITEM
(Finance, Administration, Audit and Compliance Committee)

Meeting Date: October 16, 2013

Tab 7

1. Subject: PEBA Proposed Legislation for 2014

-
- 2. Summary:** In preparation for the 2014 Legislation Session, the Board will need to review and approve any proposed legislative changes both substantive and technical.

10/1/13 FAAC Committee Meeting: The committee recommends the attached DRAFT legislation for the Board to review in preparation for final approval during the November Board meeting.

-
- 3. What is Board asked to do?** Receive as information.

4. Supporting Documents:

- (a) Attached:
1. Proposed Legislation for 2014 Session - Approval Sheet
 1. 2014 PEBA DRAFT Legislation

Proposed PEBA Legislation for the 2014 Session

Technical Bill

Section 1. Explanation: Amends Section 1-11-770(A) to return the 211 program to the Budget and Control Board. There was no intent to move the 211 program, which has never been part of either the retirement or insurance functions of the Budget and Control Board. PEBA has no responsibilities for the operation of the 211 program.

Approve: _____

Approve as Modified: _____

Delete: _____

Section 2. Explanation: Amends the interest payment section of SCRS, JSRS, GARS and PORS to provide that interest would be paid on an inactive account in these systems if the member is prohibited from withdrawing their contributions from the account because of other provisions of law. For example, a member could not withdraw contributions from an inactive account if the member has an account in a correlated system or the ORP.

Approve: _____

Approve as Modified: _____

Delete: _____

Substantive Bill

Section 1. Explanation: Amends Section 9-4-10 to increase Board terms to three years from two years and to stagger Board terms. No Board member may serve more than two-consecutive terms. A Board member may sit out one three-year term and become eligible to serve again.

The Board positions are identified by number and are placed into three different Term cycles:

Term A positions are appointed on July 1, 2014 for three-year terms.

Term B positions are appointed on July 1, 2015 for three-year terms.

Term C positions are appointed on July 1, 2016 for three-year terms.

Term A positions would serve an initial two-year term from July 1, 2012 until the later of June 30, 2014 or until their successors are appointed and qualify. Thereafter, Term A positions would have three-year terms.

Term C positions would serve an initial four-year term from July 1, 2012 until the later of June 30, 2016 or until their successors are appointed and qualify. Thereafter, Term C positions would have three-year terms.

Section 9-4-10 is further amended to provide for quarterly rather than monthly meetings.

Finally, Section 9-4-10 is amended to provide that PEBA's activities will be performed under the supervision of an Executive Director who will be appointed by the PEBA Board on and after January 1, 2014.

Approve: _____

Approve as Modified: _____

Delete: _____

Section 2. Explanation: Amends Section 1-11-710(A)(2) to provide an August 15th deadline for the health plan to be approved each year, including the approval of the Budget and Control Board or its successor under Section 9-4-45. This re-establishes the August 15th deadline for the Budget and Control Board (or its successor) to approve the health plan, which will give PEBA enough time to implement any changes prior to annual open enrollment in October.

Approve: _____

Approve as Modified: _____

Delete: _____

DRAFT 10/7/13

TECHNICAL BILL

A BILL

Be it enacted by the General Assembly of the State of South Carolina:

SECTION 1. Section 1-11-770(A) of the 1976 Code, as last amended by Act 278 of 2012, before the first item, is amended to read:

"(A) Subject to appropriations, the General Assembly authorizes the State Budget and Control board to plan, develop, and implement a statewide South Carolina 211 Network, which must serve as the single point of coordination for information and referral for health and human services. The objectives for establishing the South Carolina 211 Network are to:"

SECTION 2. A. Section 9-1-1135(B), of the 1976 Code, as last amended by Act 278 of 2012, is amended to read:

" (B) Notwithstanding subsection (A), interest must not be credited to an inactive member account unless the member is prohibited from withdrawing contributions from the system. For purposes of this subsection, a member account becomes inactive on July first if no contributions were made to the account in the preceding twelve months."

B. Section 9-8-185(B) of the 1976 Code, as last amended by Act 278 of 2012, is amended to read:

" (B) Notwithstanding subsection (A), interest must not be credited to an inactive member account unless the member is prohibited from withdrawing contributions from the system. For purposes of this subsection, a member account becomes inactive on July first if no contributions were made to the account in the preceding twelve months."

C. Section 9-9-175(B) of the 1976 Code, as last amended by Act 278 of 2012, is amended to read:

" (B) Notwithstanding subsection (A), interest must not be credited to an inactive member account unless the member is prohibited from withdrawing contributions from the system. For purposes of this subsection, a member account becomes inactive on July first if no contributions were made to the account in the preceding twelve months."

D. Section 9-11-265(B) of the 1976 Code, as last amended by Act 278 of 2012, is amended to read:

" (B) Notwithstanding subsection (A), interest must not be credited to an inactive member account unless the member is prohibited from withdrawing contributions from the system. For

purposes of this subsection, a member account becomes inactive on July first if no contributions were made to the account in the preceding twelve months."

SUBSTANTIVE PEBA GOVERNANCE BILL

A BILL

SECTION 1. Section 9-4-10 of the 1976 Code is amended to read:

Section [9-4-10](#). (A) Effective July 1, 2012, there is created the South Carolina Public Employee Benefit Authority. The governing body of the authority is a board of directors consisting of eleven members. The functions of the authority must be performed, exercised, and discharged under the supervision and direction of the board of directors.

(B)(1) The board is composed of:

- (a) three nonrepresentative members ([Seats #1, #2, and #3](#)) appointed by the Governor;
- (b) two members appointed by the President Pro Tempore of the Senate, one a nonrepresentative member ([Seat #4](#)) and one a representative member ([Seat #5](#)) who is either an active or retired member of SCPORS;
- (c) two members appointed by the Chairman of the Senate Finance Committee, one a nonrepresentative member ([Seat #6](#)) and one a representative member ([Seat #7](#)) who is a retired member of SCRS;
- (d) two members appointed by the Speaker of the House of Representatives, one a nonrepresentative member ([Seat #8](#)) and one a representative member ([Seat #9](#)) who must be a state employee who is an active contributing member of SCRS;
- (e) two members appointed by the Chairman of the House Ways and Means Committee, one a nonrepresentative member ([Seat #10](#)) and one a representative member ([Seat #11](#)) who is an active contributing member of SCRS employed by a public school district.

(2) For purposes of the appointments provided by this section, a nonrepresentative member may not belong to those classes of employees and retirees from whom representative members must be appointed.

(C)(1) A nonrepresentative member may not be appointed to the board unless the person possesses at least one of the following qualifications:

- (a) at least twelve years of professional experience in the financial management of pensions or insurance plans;

- (b) at least twelve years academic experience and holds a bachelor's or higher degree from a college or university as classified by the Carnegie Foundation;
- (c) at least twelve years of professional experience as a certified public accountant with financial management, pension, or insurance audit expertise;
- (d) at least twelve years as a Certified Financial Planner credentialed by the Certified Financial Planner Board of Standards; or
- (e) at least twelve years membership in the South Carolina Bar and extensive experience in one or more of the following areas of law:
 - (i) taxation;
 - (ii) insurance;
 - (iii) health care;
 - (iv) securities;
 - (v) corporate;
 - (vi) finance; or
 - (vii) the Employment Retirement Income Security Act (ERISA).

(2) A representative member may not be appointed to the board unless the person:

- (a) possesses one of the qualifications set forth in item (1); or
- (b) has at least twelve years of public employment experience and holds a bachelor's degree from a college or university as classified by the Carnegie Foundation.

(D)(1) Members of the board shall serve for terms of ~~two~~ three years and until their successors are appointed and qualify. Provided however, Board Seat positions appointed in Term A in subsection (D)(3) below shall serve initial terms of two years from July 1, 2012 to the later of June 30, 2014 or until their successors are appointed and qualify; and Board Seat positions appointed in Term C set forth in subsection (D)(5) below shall serve initial terms of four years from July 1, 2012 until the later of June 30, 2016 or until their successors are appointed and qualify.

(2) No member of the board may serve more than two consecutive terms. A member of the board who has served two consecutive terms may become eligible to serve on the board again after not serving on the Board for a three-year term.

(3) Term A. Board Seat positions 1, 5, 6, and 9 shall be appointed on July 1, 2014 for three-year terms and until their successors are appointed and qualified. Board Seat positions appointed in Term A shall be appointed on July 1st of every subsequent third year after July 1, 2014.

(4) Term B. Board Seat positions 2, 4, 8, and 11 shall be appointed on July 1, 2015 for three-year terms and until their successors are appointed and qualified. Board Seat positions appointed in Term B shall be appointed on July 1st of every subsequent third year after July 1, 2015.

(5) Term C. Board Seat positions 3, 7, and 10 shall be appointed on July 1, 2016 for three-year terms and until their successors are appointed and qualified. Board Seat positions appointed in Term C shall be appointed on July 1st of every subsequent third year after July 1, 2016.

~~(6)~~ Vacancies must be filled within sixty days in the manner of original appointment for the unexpired portion of the term. ~~Terms commence on July first of even-numbered years.~~ Upon a member's appointment, the appointing official shall certify to the Secretary of State that the appointee meets or exceeds the qualifications set forth in subsections (B) and (C). No person appointed may qualify unless he first certifies that he meets or exceeds the qualifications applicable for their appointment. A member serves at the pleasure of the member's appointing authority.

(E) The members shall select a nonrepresentative member to serve as chairman and shall select those other officers they determine necessary. Subject to the qualifications for chairman provided in this section, members may set their own policy related to the rotation of the selection of a chairman of the board.

(F)(1) Each member must receive an annual salary of twelve thousand dollars. This compensation must be paid from approved accounts of general funds and retirement system funds based on the proportionate amount of time the board devotes to its various functions. Members may receive the mileage and subsistence authorized by law for members of state boards, commissions, and committees paid from approved accounts funded by general funds and retirement system funds in the proportion that compensation is paid.

(2) Notwithstanding any other provision of law, membership on the board does not make a member eligible to participate in a retirement system administered pursuant to this title and does not make a member eligible to participate in the employee insurance program administered pursuant to Article 5, Chapter 11, Title 1. Any compensation paid on account of the member's service on the board is not considered earnable compensation for purposes of any state retirement system.

(G) Minimally, the board shall meet ~~monthly~~ quarterly. If the chairman considers it more effective, the board may meet by teleconferencing or video conferencing. However, if the agenda of the meeting consists of items that are not exempt from disclosure or the meeting may not be closed to the public pursuant to Chapter 4, Title 30, the provisions of Chapter 4, Title 30 apply, and the meeting must be open to the public.

(H) (1) The functions of the South Carolina Public Employee Benefit Authority shall be performed, exercised, and discharged under the supervision and direction of an Executive Director. The Executive Director shall act under the supervision and direction of the board.

(2) Effective January 1, 2014, the board shall appoint the Executive Director.

~~(H)~~ Effective July 1, 2012, the following offices, divisions, or components of the State Budget and Control Board are transferred to, and incorporated into, an administrative agency of state government to be known as the South Carolina Public Employee Benefit Authority:

- (1) Employee Insurance Program; and
- (2) the Retirement Division.

SECTION 2. Section 1-11-710(A)(2) of the 1976 Code, as last amended by Act No. 278 of 2012, is further amended to read:

“(2) approve ~~by August fifteenth of~~ each year a plan of benefits, eligibility, and employer, employee, retiree, and dependent contributions for the next calendar year. The approval of the plan of benefits and contributions for the next calendar year, and any review of that approval pursuant to Section 9-4-45 of the Code of Laws by the State Budget and Control Board or its successor, must be completed by August 15th of each year. The board shall devise a plan for the method and schedule of payment for the employer and employee share of contributions and by July first of the current fiscal year, develop and implement a plan increasing the employer contribution rates of the State Retirement Systems to a level adequate to cover the employer's share for the current fiscal year's cost of providing health and dental insurance to retired state and school district employees. The state health and dental plans must include a method for the distribution of the funds appropriated as provided by law which are designated for retiree insurance and also must include a method for allocating to school districts, excluding EIA funding, sufficient general fund monies to offset the additional cost incurred by these entities in their federal and other fund activities as a result of this employer contribution charge. The funds collected through increasing the employer contribution rates for the State Retirement Systems under this section must be deposited in the SCRHI Trust Fund established pursuant to Section 1-11-705. The amounts appropriated in this section shall constitute the State's pro rata contributions to these programs except the State shall pay its pro rata share of health and dental insurance premiums for retired state and public school employees for the current fiscal year;”

**PUBLIC EMPLOYEE BENEFIT AUTHORITY
BOARD AGENDA ITEM
(Health Care Policy Committee)**

Meeting Date: October 16, 2013

Tab 8

1. Subject: 2015 State Health Plan Budget Recommendation

2. Summary: The 2015 State Health Plan Budget recommendations are due to the Office of State Budget in November.

3. What is Board asked to do? Approve the 2015 State Health Plan Budget Recommendation as recommended by the Health Care Policy Committee.

4. Supporting Documents:

(a) Attached:

1. 2015 State Health Plan Budget Recommendation

2014-2015 SHP Plan Design Options with Projected Fiscal Impacts*

	I. State Health Plan Standard Plan—2014 Plan Design	II. State Health Plan Standard Plan—Minimum Allowed Benefit Changes	III. State Health Plan Standard Plan—2014 Plan Design plus ACA Coverage Requirements	IV. High-Deductible Plan with ACA Coverage Requirements	V. Revised State Health Plan with ACA Coverage Requirements
ACA Status	Grandfathered	Grandfathered	Non-Grandfathered	Non-Grandfathered	Non-Grandfathered
Budget Impacts					
<i>Option 1: Shared Increase/Savings</i>	\$60.633 M	\$53.620 M	\$76.264 M	\$38.973 M	\$60.633 M
<i>Option 2: Employer-Only</i>	\$66.147 M	\$57.174 M	\$85.945 M	\$35.419 M	\$66.147 M
<i>Option 3: Enrollee-Only</i>	\$45.094M	\$43.606M	\$48.945 M	\$48.986 M	\$45.094 M
Premium Increase (Savings)	4.5%	2.9%	7.9%	(2.9%)	4.5%
Plan Design Features	2014 design	Deductible: \$450/\$900	2014 Standard Plan design plus preventative benefits required to be covered by ACA with no cost-sharing	Deductible: \$1250/\$2500	Deductible: \$480/\$960
		Out-of-Pocket Max: \$2600/\$5200 (includes Deductible)		Out-of-Pocket Max: \$6250/\$12,500 (includes deductible)	Out-of-Pocket Max: \$3380/\$6760 (includes deductible)
		Coinsurance: 80%		Coinsurance: 80%	Coinsurance: 80%
		ER Per Occurrence Copay: \$160		Preventative benefits with no cost sharing	Preventative benefits with no cost sharing

2014-2015 SHP Plan Design Options with Projected Fiscal Impacts*

	I. State Health Plan Standard Plan—2014 Plan Design	II. State Health Plan Standard Plan—Minimum Allowed Benefit Changes	III. State Health Plan Standard Plan—2014 Plan Design plus ACA Coverage Requirements	IV. High-Deductible Plan with ACA Coverage Requirements	V. Revised State Health Plan with ACA Coverage Requirements
		Outpatient Hospital Per Occurrence Copay: \$97		HSA-qualifying	ER Per Occurrence Copay: \$150
		Office Visit Per Occurrence Copay: \$13			
		Prescription Drug Copay (Retail): \$9/\$39/\$65			Outpatient Hospital Per Occurrence Copay: \$90
		Prescription Drug Copay (Mail Order): \$22/\$97/\$162			Inpatient Hospital Per Occurrence Copay: \$250
					High End Radiology Per Occurrence Copay: \$150
					Chiropractic Annual Visit Maximum: 40 visits
					Prescription Drug Copay (Retail): \$9/\$40/\$80
					Prescription Drug Copay (Mail Order): \$22/\$100/\$200

2014-2015 SHP Plan Design Options with Projected Fiscal Impacts*

	I. State Health Plan Standard Plan—2014 Plan Design	II. State Health Plan Standard Plan—Minimum Allowed Benefit Changes	III. State Health Plan Standard Plan—2014 Plan Design plus ACA Coverage Requirements	IV. High-Deductible Plan with ACA Coverage Requirements	V. Revised State Health Plan with ACA Coverage Requirements
					Specialty Prescription Drugs: 10% coinsurance with floor of \$125 and cap of \$250
					Prescription Drug Out-of-Pocket Max: \$3000

Above table assumes:

- 1) Total plan growth of 7.00% on 2013 and 2.3% (net of plan design changes) on 2014
- 2) Implementation of EGWP in 2014
- 3) Minimally compliant ACA plan has a requirement of composite actuarial value of 60%. As designed above, the minimally compliant ACA plan has an actuarial value of 70.45%.

***Numbers presented are current as of October 15, 2013, and are based on preliminary projections as of 14 months prior to Plan year in question. Subsequent data may alter and amend the above projection as Plan Year 2015 approaches.**

**PUBLIC EMPLOYEE BENEFIT AUTHORITY
BOARD AGENDA ITEM
(Health Care Policy Committee)**

Meeting Date: October 16, 2013

Tab 9

1. Subject: Report due to Legislature

2. Summary:

3 Year General Fund Outlook:

Pursuant to §11-11-350: "Each state agency, department, institution, or entity receiving in the aggregate one percent or more of the state's general fund appropriations for any fiscal year shall provide to the Office of State Budget an estimate of its planned general fund expenditures for the next three fiscal years..."

This report is due during the second quarter of each fiscal year.

3. What is Board asked to do? Receive as information.

4. Supporting Documents:

(a) Attached:

1. 3-Year General Fund Projection

South Carolina
PUBLIC EMPLOYEE BENEFIT AUTHORITY



David K. Avant
Interim Executive Director
Insurance Benefits

MEMORANDUM

To: Les Boles

From: David Avant, Interim Executive Director

Re: State Employee Health Plan Three-Year General Fund Projection

Date:

In accordance with the requirements of S.C. Code Ann. Section 11-11-350, the Insurance Benefits Division of the South Carolina Public Employee Benefit Authority estimates that the general fund amounts needed for the operation of the State Health Plan for retiree growth and health plan increases as follows:

1. Retiree Growth and Rate Increase
 - a. Calendar Year 2014 employer base (State funds only) is \$690,584,623;
 - b. Annualization involves funding final six months (Jul-Dec) of increase effective the prior January;
 - c. Employer rate increase involves funding first six months (Jan-June) of increase effective January of the fiscal year.
 - d. Projected annual premium growth rate effective each year equals 4.5% in 1/2015; 8.0% in 1/2016 and 9.2% in 1/2017.
2. The projection assumes the employer pays the same proportion that is in place in January 2014 for 2015, 2016, 2017.
3. Retiree growth for FY 2015-16 and FY 2016-17 is estimated at 2.3% per year net growth.

Estimated amount of general fund dollars for the State Health Plan is \$60.6M in FY 2014-15; \$63.2M in FY 2015-16 and \$90.2M in FY 2016-17.

State Health Plan projections for the State Budget Office for document required by Act 156

	Annualization	Employer Rate Increase	Retiree Enrollment Growth	Total
FY 2014-2015	\$23,259,000	\$15,538,154	\$21,835,416	\$60,632,570
FY 2015-2016	\$15,538,154	\$40,148,803	\$7,530,502	\$63,217,459
FY 2016-2017	\$40,148,803	\$41,588,212	\$8,487,072	\$90,224,087

Assumptions:

- Calendar Year 2014 employer base (State Funds only) = \$690,584,623
- Annualization involves funding final 6 months (Jul-Dec) of increase effective prior January.
- Employer rate increase involves funding first 6 months (Jan-Jun) of increase effective January of FY.
- Rate increase effective 1/2015 = 4.5%
- Rate increase effective 1/2016 = 8.0%
- Rate increase effective 1/2017 = 9.2%
- Employer pays share of rate increase proportionate to employer/enrollee contributions in force 1/2014 for 2015, 2016, and 2017.

Retiree enrollment growth for FY 2013-14, FY 2014-15 and FY 2015-16 based on recent experience plus 2.3% growth per year net growth.

**PUBLIC EMPLOYEE BENEFIT AUTHORITY
BOARD AGENDA ITEM
(Health Care Policy Committee)**

Meeting Date: October 16, 2013

Tab 10

1. Subject: Catamaran Transition Communications

2. Summary: As Catamaran begins implementing the contract as the new 2014 Pharmacy Benefits Provider (PBM), they have a number of communications items to inform members of the transition.

3. What is Board asked to do? Receive as information

4. Supporting Documents:

- (a) Attached:
 - 1. Timeline for Communications to members
 - 2. Copy of published communications items to date

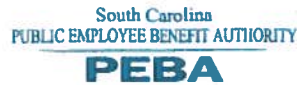
Catamaran Transition Communications Timeline

Target Date	Target Audience	Item
October 1	All subscribers	Webpage Announcement- <i>PEBA News & Updates</i>
October 4	Benefit Administrators	Announcement- <i>PEBA Update</i>
October Edition	All subscribers-eNews	Announcement- <i>PEBA Direct</i>
October 11	All subscribers	Member Welcome Letter
		Followup Announcement w/expanded info- <i>PEBA Direct</i> .
December Edition	All subscribers-eNews	[Expanded info: website, contact info, etc.]
December	All subscribers	Member ID Cards and Letter
By 12/31/2013	All subscribers	2014 Insurance Benefits Guide (to all subscribers by Dec.31)

EGWP Communciations Timeline

Target Date	Target Audience	Item
October 11	Medicare Elig members	Member Welcome Letter
Mid-November	Medicare Elig members	Opt Out Letter
December	Medicare Elig members	Member ID Card/Communication/Evidence of Coverage

Published Oct 1

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Updates

Catamaran Will Become SHP's New Pharmacy Benefit Manager

Beginning Jan. 1, 2014, Catamaran will replace Express Scripts as the pharmacy benefit manager for the State Health Plan (SHP).

PEBA Insurance Benefits is working closely with Catamaran, the nation's fourth-largest pharmacy benefit manager, to make the transition as seamless as possible. Before the end of the year, SHP subscribers will receive information from Catamaran explaining how their pharmacy benefit works. More information about Catamaran will be in the December *PEBA Direct*.



The updates published on this website are intended only to provide general information on the subjects covered.

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A Publication of the South Carolina Public Employee Benefit Authority

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October 2013 PEBA Direct Newsletter

- [Open Enrollment is Here!](#)
- [Can't Remember Your Password to MyBenefits?](#)
- [Catamaran Will Become SHP's New Pharmacy Benefit Manager](#)
- [Changes in BlueChoice for 2014](#)
- [Take Us With You!](#)
- [Now is the Time to Get a Flu Shot](#)

Open Enrollment is Here!

Now is the time to review your insurance coverage and decide whether the plan in which you are enrolled best suits your needs. If you would like to make changes, Oct. 1-31, 2013, is the time to do it.

During October, eligible subscribers may enroll in or drop their own health coverage and add or drop eligible dependents without a special eligibility situation. You may also change your dental coverage for 2014. For details on your health insurance options for 2014, see the [Insurance Advantage](#) newsletter, which you should have received from your benefits administrator. (A version just for retiree, COBRA and survivor subscribers was mailed to their homes.). Both versions of the newsletter are also on the PEBA Insurance Benefits website, www.eip.sc.gov, under "Publications."



All changes you make during open enrollment will go into effect Jan. 1, 2014.

Make Your Changes Online With MyBenefits

During open enrollment, subscribers can change their coverage anywhere, anytime they have Internet access with [MyBenefits](#), PEBA Insurance Benefits' online enrollment system.

To log into MyBenefits, visit PEBA Insurance Benefits' website, www.eip.sc.gov, and select "MyBenefits" from the menu on the left of the home page. First-time users must register before they can access their benefits information.

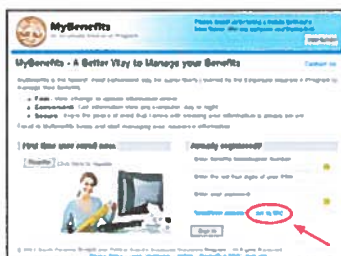
Tips for Using MyBenefits

- Check with your benefits administrator if you find you do not have access to [MyBenefits](#).
 - When you register, be sure to print your registration information, which includes the answers to your four security questions. *This is the only time it will appear!*
- Complete your enrollment changes as soon as you can in October. This will give your benefits administrator time to correct any mistakes.
- If you change your mind about your coverage selections before open enrollment ends, contact your benefits administrator. **No changes can be made after 11:59 p.m. on Oct. 31, 2013.**
- If you are a new COBRA subscriber, you will not have access to [MyBenefits](#) until you have paid your initial COBRA premiums.

Can't Remember Your Password to MyBenefits?

If you can't remember your MyBenefits password, click on "Forgot/Reset Password" on the MyBenefits home page. You will be asked to answer one of the four security questions you chose when you set up your account. Answer the questions correctly, and you can change your password.

If you can't remember the answer to your security questions, on the third incorrect attempt, your account will be reset, and you will be given an opportunity to register again as a new user.



You can use MyBenefits to make open enrollment changes **Oct. 1-31**. You can also use MyBenefits throughout the year to change your address, check your benefits and change your beneficiaries.

If you need to change your beneficiary or contact information, be sure to make these changes **before** making your open enrollment changes.

Catamaran Will Become SHP's New Pharmacy Benefit Manager

Beginning Jan. 1, 2014, Catamaran will replace Express Scripts as the pharmacy benefit manager for the State Health Plan (SHP).

PEBA Insurance Benefits is working closely with Catamaran, the nation's fourth-largest pharmacy benefit manager, to make the transition as seamless as possible. Before the end of the year, SHP subscribers will receive information from Catamaran explaining how their pharmacy benefit works. More information about Catamaran will be in the December *PEBA Direct*.



Changes in BlueChoice for 2014

Beginning Jan. 1, 2014, BlueChoice HealthPlan HMO will no longer be a grandfathered health plan, and it will begin to cover preventive services mandated by the Affordable Care Act. Premiums will also increase significantly in 2014. Be sure to check the charts on the "[Premiums](#)" page of the PEBA Insurance Benefits website. We encourage you to carefully examine the health plan choices available to you for 2014 and make the choice that is best for you.



During open enrollment, October 1-31, 2013, you have the opportunity to change your health plan if you choose. Your options for health coverage for 2014 are:

- Remaining with BlueChoice (unless Medicare is the primary insurance for you or one of your covered dependents – in this situation, you **must** change to another health plan)
- State Health Plan—Savings Plan
- State Health Plan—Standard Plan.

If you wish to change your health plan, you may do so electronically through MyBenefits, PEBA Insurance Benefits' online enrollment system. Go to www.eip.sc.gov and select "MyBenefits" from the column on the left of the home page. Please see your benefits administrator to make your changes if you do not use MyBenefits. You must make all changes by Oct. 31, 2013, for your choices to become effective Jan. 1, 2014.

The next opportunity to change to another health plan will be the October 2014 enrollment period, for an effective date of Jan. 1, 2015.

Please note: BlueChoice will not offer the Quit for Life tobacco cessation program in 2014. BlueChoice's Away From Home Care program was discontinued June 30, 2013.

Take Us With You!

Just in time for open enrollment, PEBA Insurance Benefits is excited to announce a mobile version of its website. Optimized for smartphones, the mobile site is a quick resource for information about the programs and plans offered to you.

When you visit www.eip.sc.gov on your smartphone, you will be automatically directed to the mobile site.

From the mobile site's homepage, tap on the Insurance Benefits, Retirement Benefits or the Latest News button. A navigation bar on the left of your screen will make it easy to find what you need.



Now is the Time to Get a Flu Shot

Fever, fatigue, chills, headaches, congestion and body aches. That's the flu. In the U.S., more than 200,000 people a year are hospitalized with complications of the flu. Flu-related deaths have ranged from 3,000 to 49,000 a year.

Because it can take several weeks to build up immunity to the flu, October or November is the best time to get vaccinated. The federal [Centers for Disease Control and Prevention](#) (CDC) recommends that most people 6 months of age and older get a yearly flu vaccination. Shots range from \$15 to \$25. They are offered at doctors' offices, many network pharmacies and at some workplaces. To find a convenient place to get a flu shot, go to the [American Lung Association](#) website or the [S.C. Department of Health and Environmental Control](#) website.



Please be aware that there are some individuals who should not receive a flu shot. A member should always consult his health care provider before getting one. Information is also available from the [CDC](#).

The State Health Plan **Savings Plan** covers a yearly flu shot at the allowed amount. The shot may be received from a physician. The subscriber may also get it at a network pharmacy, which will file the claim for the vaccine through the member's prescription drug benefit. To file a claim for the administration of the shot, go to the PEBA Insurance Benefits website, www.eip.sc.gov, and select "Forms." The "Health Expenses Claim Form" is listed under "State Health Plan." Be sure to get a receipt for the shot from the pharmacy. If a member does not receive the shot from a network physician, he may be billed for the difference between the charge and the allowed amount for the vaccination.

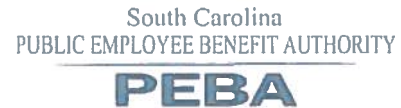
The **Standard Plan** covers a yearly flu vaccination for covered dependents from age 6 months until they turn age 19. Covered children who do not get the flu shot during their well child care checkup may get it at their physician's office at another time. If the child gets the shot during a visit that is not a well child care checkup, the shot will be given at no charge, but the member will be billed for any other services that are provided. A covered child may also receive a flu shot at a county health department. However, the member will have to file a [Health Expenses Claim Form](#) for reimbursement.

BlueChoice HealthPlan HMO members may receive the shot from their primary care physician for a \$15 copayment for the office visit.

In addition to coverage for flu vaccines given at the primary care physician's office with the \$15 copayment, BlueChoice HealthPlan covers flu vaccines at 100 percent with no



**Important Information Regarding
Your State Health Plan Coverage**



Month Day, 2013

<First_Name> <Last_Name>
<Street_Address1> <Street_Address2>
<City>, <State> <Postal_Code>

Dear <First_Name>:

We are writing to share some exciting news with you. Effective January 1, 2014, the State Health Plan will change administration of its prescription benefits from Express Scripts (formerly Medco) to Catamaran for all members. Members who are eligible for Medicare will continue to have a prescription drug benefit through the State Health Plan Medicare Prescription Drug Program.

No action is required on your part. This transition should be seamless to you.

Catamaran is the fourth-largest prescription benefits manager in the U.S. and provides services to 25 million individuals across the country. We are well known for helping plan members get maximum value from their pharmacy benefits.

As a Medicare beneficiary, there are several federally mandated notices your health plan must provide to you over the coming weeks. Again, no action is required on your part, but we wanted to let you know you will receive several notices by December 31. These include:

- The Medicare Part D Creditable Coverage Letter (required federal notice)
- A letter allowing you to opt out of the State Health Plan Medicare Prescription Drug Program (required federal notice)
- A welcome packet from Catamaran, which will include an Evidence of Coverage (required federal notice) and other important plan materials.

New cards will be mailed to you before December 31, 2013. It is very important to present your new ID card when filling any prescriptions on or after January 1, 2014. Once you receive your new ID cards, our member service team will be ready to assist you with any questions about your prescription benefit.

If you have any questions now, please contact the South Carolina Public Employee Benefit Authority toll-free at 1-888-260-9430.

Stay healthy and be well,
Catamaran



**Important Information Regarding
Your State Health Plan Coverage**



Month Day, 2013

<First_Name> <Last Name>
<Street_Address1> <Street_Address2>
<City>, <State> <Postal_Code>

Dear <First_Name>:

We are writing to share some exciting news with you. Effective January 1, 2014, the State Health Plan will change administration of its prescription benefits from Express Scripts (formerly Medco) to Catamaran.

Your prescription benefits with the State Health Plan are continuing, and no action is required on your part. This transition should be seamless to you.

Catamaran is the fourth-largest prescription benefits manager in the U.S. and provides services to 25 million individuals across the country. We are well known for helping plan members get maximum value from their pharmacy benefits.

In December, you will receive a welcome packet from Catamaran. This packet will include important information about the transition to Catamaran. Please take a few minutes to read the information carefully so you and your family understand how this change affects you.

New cards will be mailed to you before December 31, 2013. It is very important to present your new ID card when filling any prescriptions on or after January 1, 2014.

Once you receive your new ID cards, our member service team will be ready to assist you with any questions about your prescription benefit. If you have any questions now, please contact the South Carolina Public Employee Benefit Authority toll-free at 1-888-260-9430.

Stay healthy and be well,

Catamaran

**PUBLIC EMPLOYEE BENEFIT AUTHORITY
BOARD AGENDA ITEM**

Meeting Date: October 16, 2013

Tab 11

1. Subject: I Pad vs. Tablet Demonstration

2. Summary: PEBA's IT staff Lisa Phipps and Robbie Brown will provide a demonstration of I Pads vs. Windows 8 Surface Tablets.

3. What is Board asked to do? Receive as information

4. Supporting Documents:

- (a) Attached:
 - 1. I Pad vs. Surface Tablet Comparison Information

iPad



VS

Windows 8 "Surface"



	iPad	Surface
Thickness	.37"	.37"
Battery life	10 hrs	8 hrs
Weight	1.44 lbs	1.5 lbs
Display size	9.7"	10.6"
microSD and USB ports To plug a microSD card or USB device into an iPad, you need adapters. Price: \$58. The Surface includes ports for these.		
Printing The iPad only works with AirPrint-enabled printers. The Surface RT works with most printers.	 AirPrint printers only	 Most printers
Free cloud storage iCloud on the iPad gives you less free cloud storage than SkyDrive on the Surface.	5 GB	7 GB
Comes with Microsoft Office The Surface RT comes with Microsoft Office Home & Student 2013 RT.		
Multiple accounts The iPad allows for only a single account. On the Surface RT, you and every member of your family can have your own accounts, and keep your stuff separate.		
Seeing two apps at once The iPad can only display one app at a time. The Surface RT lets you snap two apps side-by-side.		

iPad

vs.

Surface

- **Lower cost \$399-\$529**
- **Easy to use interface**
- **Secure Applications**
- **Ease of Support**

- **USB access**
- **Printing capability**
- **Microsoft Office (editing documents)**
- **PC functionality when using a keyboard and mouse in docking station**

P
R
O

- **Read only access to Extranet**
- **Limited means of sharing data**

- **Cost with docking station and MS Office \$1300-1400**
- **Windows 8's new interface has a sharp learning curve**

C
O
N

Cost

	iPad	Surface
Unit	399.00 (529.00 w/ 3G)	699.00 (799.0 w 3G)
Case w/ Expansion Battery	65.00-130.00	149.00
Docking Station	50.00-180.00	119.00
MS Office	Not Available	329.00
Total	399.00-839.00	699.00-1396.00

Board books Solution

3,000.00-25,000.00

**PUBLIC EMPLOYEE BENEFIT AUTHORITY
BOARD AGENDA ITEM**

Meeting Date: October 16, 2013

Tab 12

1. Subject: PEBA's Social Media Packet

2. What is Board asked to do? Receive as information

3. Supporting Documents:

- (a) Attached:
 - 1. PEBA 2011 Social Media Strategy (Includes Launch)
 - 2. PEBA Facebook Policy
 - 3. PEBA 2012 Social Media Strategy
 - 4. PEBA Social Media Calendar (October 2013 – December 2013)
 - 5. Social Media Best Practices in Action – TRS, ERS, and MOSERS
 - 6. P2F2 Conference Social Media PowerPoint Presentation (As Information)

Social Media Strategy – 2011 – Includes Launch

Goal

Increase the Retirement Systems' impact in the social media sphere (increase share of voice), and effectively use social media to find our audience and begin a conversation.

Protocol

When possible, the Retirement Systems will work to utilize planned content dissemination as well as live interaction, ensuring that constant communication is developed.

Audience

Active members – members of all plans most likely use some form of social media.

Retirees – this group comprises one of the largest growing groups on Facebook

Beneficiaries – these individuals often first come into contact with the Retirement Systems at a difficult time in their lives, following the loss of a loved one. Information needs to be easily available and convenient for this group.

Policy makers – the majority of state and national lawmakers use Facebook or Twitter.

General public/taxpayers – look to social media and the Internet to learn more about their government. We will increase transparency by making more information easily available.

Media – this group dominates Twitter, where they search for information, sources and opinions. Facebook has recently launched an application exclusively for the media's professional use.

Planned Approach

Objective	Example
Extend reach of existing messages online (member materials, videos, news, updates) by building relationships with relevant audiences including intermediaries, stakeholders and key influencers such as journalists and lawmakers.	Tweet: Listen to what Jane Smith, a teacher in Richland 1 has to say about her plans for retirement – www.bitlylink.com Facebook post: Jane Smith, a geometry teacher at Blythewood High School says she is looking forward to her retirement next year. Learn more about her plans – www.bitlylink.com .
Provide an informal, 'human' voice of the organization to promote comprehension of and engagement with our message.	Tweet: Looking forward to speaking with employees close to retirement today at our seminar in Aiken ^George Facebook post: Our benefits representative will be speaking to a group of teachers in Aiken County today who are nearing retirement. Have a question you need answered? Register now to attend - www.bitlylink.com .
Educate our key audiences on pertinent issues, news,	Tweet: South Carolina on track to reversing

reports and updates to the Systems.	unfunded liability. Learn more in this NASRA report - www.bitlylink.com Facebook post: According to a recent report by the National Association of State Retirement Administrators, South Carolina is on track to reversing its unfunded liability - www.bitlylink.com .
Update members and retirees of important deadlines, educational seminars and other pertinent information.	Tweet: We need to hear from you! Please fill out our customer service survey here - www.bitlylink.com . Facebook post: Every year the Retirement Systems asks for member feedback on how we've done in the last year. If you are an active member, retiree or beneficiary, please fill out our survey and let us know what you think. www.bitlylink.com .
Monitor the conversation regarding our organization.	Twitter will be a helpful tool for the Communications and Education unit to monitor the conversation. It is would also serve as an asset to the Director and Deputy Directors as they work with lawmakers and the media.

Guidelines

The Communications and Education unit will act in accordance the Budget and Control Board's social media policy when formulating and posting information. In order to properly document all items in accordance with FOIA requirements, a separate account will be set up under a retirement email address to which all of the Communications and Education team will have access. By doing so, no official accounts will be intermingled with an employee's personal accounts.

Below are specific considerations which will be taken into account for each platform:

Facebook

- General wall comments will be disabled; however due to an internal technical problem at Facebook, fan pages are unable to block users from commenting on our own information posts.
- "Fanning" other organizations will be kept to a strict minimum so as not to show any political support.
- Messages to the fan page will be answered via Facebook with all conversations preserved in the email account.

Twitter

- When launching the site, staff will proactively "follow" media outlets, reporters, lawmakers and state agencies. Special consideration will be given to the balancing of follows.
- In order to ensure a continual and frequent message, staff will schedule tweets to deploy for a consecutive month at a time.

SOUTH CAROLINA PUBLIC EMPLOYEE BENEFIT AUTHORITY FACEBOOK POLICY

The South Carolina Public Employee Benefit Authority is pleased to be a part of Facebook. We want to make our presence here useful. We want to provide an opportunity for interaction with you. We've put together some guidelines for you to follow while you're on our Facebook page. Please familiarize yourself with them.

CONTENT GUIDELINES

We expect conversations taking place on our Facebook page to follow the normal conventions of polite discussion. You don't need to support everything the South Carolina Public Employee Benefit Authority does or agree with our information, but we will delete comments that:

- Contain graphic references, inappropriate references, vulgar language, and personal attacks of any kind, or offensive terms that target specific ethnic or racial groups.
- Mention far-off topics (unrelated to South Carolina Public Employee Benefit Authority business, benefits or other topics).
- Make unsupported accusations – or make any abusive comments that, in our opinion, are harmful to anyone or any organization.
- Advertise and/or promote a commercial product or service, or any entity or individual.
- Encourage any illegal or violent activity, or that could compromise public safety.
- Are multiple off-topic posts or repetitive posts that are copied and pasted.
- Are political endorsements.

ADDITIONAL GUIDELINES

- You participate at your own risk. The South Carolina Public Employee Benefit Authority is not responsible for your comments, username and any information you provide.
- Comments and opinions expressed by fans of this page are theirs alone and don't reflect the opinion of the South Carolina Public Employee Benefit Authority, its Board of Directors or its employees.
- Information is made available to you for your independent use and is not intended to provide you with benefits, insurance, retirement or investment advice. We cannot and do not guarantee its applicability or accuracy with regard to your individual circumstances.
- The South Carolina Public Employee Benefit Authority assumes no liability for damages incurred directly or indirectly as a result of errors, omissions or discrepancies. Moreover, the South Carolina Public Employee Benefit Authority is not responsible for any content and does not endorse any website or advertisement that is linked to or from this page.
- This is for information distribution and discussion purposes only. The information contained in this page does not amend or overrule any applicable statute or administrative rule, or any decision rendered by or rule put in place by the South

Carolina Public Employee Benefit Authority, its Board of Directors, its staff, or the South Carolina General Assembly.

- The South Carolina Public Employee Benefit Authority is not responsible for any online information about the South Carolina Public Employee Benefit Authority, its programs, benefits, representatives, vendors, customers, etc., that is not posted by an authorized South Carolina Public Employee Benefit Authority representative.

We won't edit comments to remove objectionable content; we'll just delete them.

RESPONSE TIME FOR COMMENTS AND REMOVAL OF OFFENSIVE POSTS

We recognize the Web is a 24/7 medium, and your comments are welcome any time. However, given the need to manage our resources, responding and post-moderating comments will occur during our regular business hours of 8:30 a.m. to 5 p.m., Monday through Friday. Comments submitted after hours or on weekends will be reviewed as early as possible; in most cases, this may mean the next business day.

If you're looking for the official sources of information, check out www.peba.sc.gov, www.eip.sc.gov, and www.retirement.sc.gov. We encourage you to use the "report post" link to the right of each comment if you feel that any comment violates these guidelines.

PRIVACY

Protect your privacy – Do not include any confidential information in any comments or discussions. The South Carolina Public Employee Benefit Authority may remove postings to its social media sites that contain personally identifiable information, but neither the South Carolina Public Employee Benefit Authority, nor its licensors or contractors are responsible for any damages caused by any postings or by delays in removing a posting. We will not answer personal benefits-related questions on this page. If you have a question related to your specific situation, we encourage you to contact a benefits consultant. For insurance questions, contact us at 803-734-0678, 888-260-9430 (available nationwide) or www.eip.sc.gov/contact/. For retirement questions, contact us at 803-737-6800, 800-868-9002 (within S.C. only), or <https://www.retirement.sc.gov/contact/email.htm>.

PUBLIC INFORMATION AND RECORDS RETENTION

Postings and comments from the public on South Carolina Public Employee Benefit Authority's social media sites become public records and may be posted on any of the South Carolina Public Employee Benefit Authority's websites. This information is subject to public information requests. For more information about public information requests, please review the [South Carolina Freedom of Information Act](#).

The South Carolina Public Employee Benefit Authority's social media sites are subject to state records retention requirements, and will apply regardless of format (such as photos, audio, or video). The South Carolina Public Employee Benefit Authority will put forth reasonable efforts to archive copies of social media content in order to meet state records retention obligations.

TERMS OF SERVICE

The South Carolina Public Employee Benefit Authority's social media sites are third-party sites and have terms of service and policies that are not governed by the South Carolina Public Employee Benefit Authority or the state of South Carolina. Facebook is not an official South Carolina Public Employee Benefit Authority website and the Facebook terms of service and policies apply.

ACCESSIBILITY

To accommodate any South Carolina Public Employee Benefit Authority users with disabilities, we recommend the Facebook mobile site (<http://m.facebook.com/>) as an accessible alternative to the original Facebook website.

The South Carolina Public Employee Benefit Authority's Facebook Policy is in accordance with the South Carolina Public Employee Benefit Authority's Social Media Policy, and is subject to amendment or modification at any time.

Media representatives interested in South Carolina Public Employee Benefit Authority information or obtaining interviews should contact Megan Lightle at mlightle@peba.sc.gov.

South Carolina Public Employee Benefit Authority Social Media Strategy – 2012-2013

Goals

- Introduce the newly created and branded South Carolina Public Employee Benefit Authority (PEBA) to all audiences to include who, what, when, where, why and how.
- Integrate content for the state's employee insurance programs into the former Retirement Systems social media pages.
- Increase PEBA's effective use of social media to include increased reach (more likes and followers) and engagement with our audience (two-way conversation).

Protocol

When possible, PEBA will work to utilize planned content dissemination as well as live interaction, ensuring that constant communication is developed and maintained. Staff uses the basic Hootsuite platform (free) to schedule the agency's social media posts and to monitor activity on the agency's multiple social media sites simultaneously.

Audience

Active retirement plan members and insurance program subscribers – this group most likely uses some form of social media.

Retirement plan and insurance program retirees – this group comprises one of the largest growing groups on Facebook.

Retirement members' beneficiaries and insurance program survivor and COBRA subscribers – these individuals often first come into contact with PEBA at a difficult time in their lives, following the loss of a loved one or termination from employment. Information needs to be easily available and convenient for this group.

Public policy makers – the majority of state and national lawmakers use Facebook or Twitter.

General public/taxpayers – look to social media and the Internet to learn more about their government. We will increase transparency by making more information easily available.

Mainstream and alternative media – these groups dominate Twitter, where they search for information, sources and opinions. Facebook has recently launched an application exclusively for the media's professional use.

Planned Approach

Objective	Example
Extend reach of existing messages online (member materials, videos, news, updates) by building relationships with relevant audiences including intermediaries, stakeholders and key influencers such as journalists and lawmakers.	Tweet: Listen to what Jane Smith, a teacher in Richland 1 has to say about her plans for retirement – www.bitlylink.com Facebook post: Jane Smith, a geometry teacher at Blythewood High School says she is looking forward to her retirement next year. Learn more about her plans – www.bitlylink.com .
Provide an informal, 'human' voice of the organization to promote comprehension of and engagement with our message.	Tweet: I had a great time speaking with employees close to retirement today at our seminar in Aiken ^George Facebook post: I had a great time speaking

	with a group of teachers in Aiken County today who are nearing retirement. They had some of the best questions I have ever been asked! ^George, PEBA Field Services
Educate our key audiences on pertinent issues, news, reports and updates to PEBA's programs, plans, and services.	Tweet: Open enrollment for subscribers covered under a health insurance plan administered by PEBA is 10/1-10/31/13. Go to: http://www.eip.sc.gov Facebook post: Open enrollment for members covered under a health insurance plan administered by PEBA begins today and ends October 31, 2013. For information on the changes you can make during the open enrollment period, click here: www.eip.sc.gov.
Update retirement plan members and insurance program subscribers of important deadlines, educational seminars and other pertinent information.	Tweet: Effective January 2, 2013, the cost to purchase retirement service credit will change. For more info, visit: http://bit.ly/pbiCJA Facebook post: Did you know that effective January 2, 2013, the cost to purchase retirement service credit will be actuarially neutral and based on your age and years of service credit at the time your request is received by the South Carolina Public Employee Benefit Authority (PEBA)? For more information on the types of service you can purchase, current costs, and eligibility criteria, please visit: http://bit.ly/pbiCJA.
Monitor the conversation regarding our organization.	Twitter allows the Communications unit to monitor conversation about the agency.

Guidelines

The Communications unit will act in accordance PEBA's social media policy when formulating and posting information. A separate email account is used to properly document all items in accordance with FOIA requirements.

Below are specific considerations which will be taken into account for each platform:

Facebook

- General wall comments were enabled in mid-2011 to allow for more interaction and engagement our Facebook fans.
- "Liking" other organizations is limited to our peer groups and South Carolina state agencies.
- Messages to the Facebook page will be answered via Facebook with all conversations preserved within the Facebook archives.

Twitter

- Staff "follow" media outlets, reporters, lawmakers and state agencies. Special consideration is given to the balancing of follows.

- Staff plan and schedule Twitter posts to coincide with Facebook posts.

October 2013

October 2013							November 2013						
Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa
		1	2	3	4	5						1	2
6	7	8	9	10	11	12	3	4	5	6	7	8	9
13	14	15	16	17	18	19	10	11	12	13	14	15	16
20	21	22	23	24	25	26	17	18	19	20	21	22	23
27	28	29	30	31			24	25	26	27	28	29	30

	Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
Sep 29 - Oct 5	Sep 29	30	Oct 1 Open Enrollment	2 Flu Shot Facts	3 Sign up for RSS feed	4	5
Oct 6 - 12	6	7	8	9 RockHill Worksite Scree	10 PEBA supports U.Way	11 Ins Open Enrollment	12
Oct 13 - 19	13	14 Retirement Definition	15 PEBA Board Mtg Notice	16 Boss' Day Maternity Management	17 Ins Open Enrollment	18 PEBA Goes Pink Breast	19
Oct 20 - 26	20	21 Beaufort Reg Retirement	22 Member Statements Or	23 PEBA got flu shots	24 Darlington Worksite Sc	25 Ins Open Enrollment	26
Oct 27 - Nov 2	27	28 Retirement Definition	29 Conway Reg Retirement	30 Halloween Safety Tips	31 Happy Halloween Last Day for Ins Change	Nov 1	2

November 2013

November 2013							December 2013						
Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa
3	4	5	6	7	8	9	1	2	3	4	5	6	7
10	11	12	13	14	15	16	8	9	10	11	12	13	14
17	18	19	20	21	22	23	15	16	17	18	19	20	21
24	25	26	27	28	29	30	22	23	24	25	26	27	28
							29	30	31				

	Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
Oct 27 - Nov 2	Oct 27	28	29	30	31	Nov 1	2
						Member Access Retire	
Nov 3 - 9	3	4	5	6	7	8	9
	Daylight Savings Time	Darlington Worksite Sc	Sign up For RSS Feeds	Diabetes Risk Factors-A	Call Center - Answered	PEBA Offices Closed 11	
Nov 10 - 16	10	11	12	13	14	15	16
		Offices Closed/Veteran	Mem Access Retirement	Anderson Worksite Scr	Rock Hill Reg Retirement	Disability Eligibility Cha	
Nov 17 - 23	17	18	19	20	21	22	23
		Retirement Definition	PEBA Board Meeting N	Safe Cooking Tips	Free generic drugs	Mem Access Retirement	
Nov 24 - 30	24	25	26	27	28	29	30
		Anderson Worksite Scr	What are you thankful	PEBA Offices Closed	Happy Thanksgiving		

December 2013

December 2013							January 2014						
Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa
1	2	3	4	5	6	7				1	2	3	4
8	9	10	11	12	13	14	5	6	7	8	9	10	11
15	16	17	18	19	20	21	12	13	14	15	16	17	18
22	23	24	25	26	27	28	19	20	21	22	23	24	25
29	30	31					26	27	28	29	30	31	

	Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
Dec 1 - 7	Dec 1	2	3	4	5	6	7
		New Health ID Cards o	Purchase Service via M	Maternity Management	State ORP Upcoming A	Sign up for RSS Feeds	Pearl Harbor Post
Dec 8 - 14	8	9	10	11	12	13	14
		Retirement Definition	New IBGs on Way	Avoid Overindulging d	Disability Eligibility Cha	Friday 13th/Superstitio	
Dec 15 - 21	15	16	17	18	19	20	21
		Possible High Visitor V	PEBA Board Meeting N	Holiday Safety tips	State ORP Annual Oper	Mem Access Retiremen	
Dec 22 - 28	22	23	24	25	26	27	28
		Offices Closed 24-26				Disability Eligibility Cha	
Dec 29 - Jan 4	29	30	31	Jan 1, 14	2	3	4
		What Resolutions Are Y	PEBA Offices Closed 1-				

Employee Retirement Systems of Texas



of likes



two-way conversation and shares

Facebook page for Employees Retirement System of Texas (ERS). The page shows a post from September 19 about a #throwbackthursday pic of game wardens. The post includes a photo of two game wardens in uniform. The post has 2,500 likes and a comment from Mary Riley. The page also features a 'Finance Friday' announcement about a \$2,500 giveaway and a 'Participant Login Redirect' link.

Facebook page for Employees Retirement System of Texas (ERS). The page shows a post from September 19 about a #throwbackthursday pic of game wardens serving our great state. Check out Texas Parks and Wildlife for 50 Years in Pictures: <https://bitly.com/TPW50> Message us if you've got a great picture to share!

Here's a #throwbackthursday pic of game wardens serving our great state. Check out Texas Parks and Wildlife for 50 Years in Pictures: <https://bitly.com/TPW50> Message us if you've got a great picture to share!

Like · Comment · Share

Texas Association of Public Employee Retirement Systems (TEXPERS),

Employees Retirement System of Texas

September 20

Finance Friday: To celebrate 2,500 likes on our page, we'd love to give away \$2,500! Of course, we can't do that, but you can always meet with a TexaSaver representative for free who can help you save \$2,500. Just call (800) 634-5091 or visit www.texasaver.com.

Like · Comment · Share

Teresa Medina, Lisa Fisher Cazacu and Lucille Godoy Silva like this.

Mary Riley I can't be part of that because I am a retiree.
September 21 at 9:45am · Like

Employees Retirement System of Texas Hi Mary. Retirees may still have access to TexaSaver services. If you have a balance in a TexaSaver account, you can still meet with representatives. To set up an appointment or speak with someone over the phone, call TexaSaver at (877) 358-0966. Also, this flier provides TexaSaver options for retirees: <http://www.fascore.com/PDF/Texas/StayInPlan.pdf>
September 24 at 4:58pm · Like

Mary Riley I left in July 2011 and my account was active until November 15, 2011. I might have had a very small balance but could it be used.
September 24 at 5:10pm · Like

Mary Riley Well I haven't called and ERS isn't responding to my post.
September 25 at 7:51pm · Like

Employees Retirement System of Texas Hi, Mary. To find out if you still have a balance with TexaSaver, you can log in to the TexaSaver website at www.texasaver.com to access your account, or call at (877) 358-0966. If you do have a balance, you can set up a meeting with a representative.

Participant Login Redirect
texasaver.gwrs.com
September 25 at 7:59pm · Like

More two-way conversation.

MOSERS



number of likes/followers



Include info on their deferred compensation plan

facebook
Search for people, places and things
SC Public Employee Benefit A

Missouri State Employees' Retirement System
Timeline
Recent
Liked

Missouri State Employees' Retirement System
September 3

Check out our updated graphic! MOSERS is Not Your Average Pension Fund!

MOSERS NOT YOUR AVERAGE PENSION FUND

Some state pension plans are struggling. MOSERS is not. Let's look at the big picture.

MOSERS FUNDING	VS.	AVERAGE PENSION PLAN FUNDING
66% INVESTMENT RETURNS		59% INVESTMENT RETURNS

MISSOURI STATE BUDGET
\$25.5 Billion

MOSERS APPROPRIATION
1.13% OF STATE BUDGET
(\$293.3 Million)

For a relatively small investment, Missouri taxpayers get a better bang for their buck because

Like · Comment · Share

Missouri State Employees' Retirement System
September 10

MOSERS is hiring! If you're interested in our Strategic Communications Specialist position, apply today! If you know someone who might be interested, please share!

Strategic Communication Specialist - Job Listing - MOSERS Jobs
mosers.iapplicants.com

Like · Comment · Share

Missouri State Employees' Retirement System
September 3

Have you attended a PR seminar?

MOSERS - Have You Attended a PreRetirement Seminar Yet?
www.mosers.org

If you are eligible for retirement or within five years of retirement eligibility, we suggest you attend. If you have not registered, don't miss your opportunity for this year!

They use lots of info graphics!

LASERS

facebook Search for people, places and things SC Public Employee Benefi

REMEMBER TO VOTE

2013 LASERS Board of Trustees ELECTIONS

Sept. 27-Oct. 25

LASERS
Louisiana State Employees' Retirement System

Louisiana State Employees Retirement System
1,023 likes · 11 talking about this · 107 were here

Government Organization · Bank
LASERS is a public trust fund created in 1946 to provide retirement allowances and other benefits for state officers and employees and their beneficiaries.

About · Suggest an Edit

Photos Email Service Likes Map

Highlights

Louisiana State Employees Retirement System
18 hours ago

Have you voted in the 2013 LASERS Board of Trustees Election? For candidate info and voting instructions, visit our website. Voting ends Oct. 25. <http://bit.ly/199mVL>

Reviews

Tafford James Deshotel
The system is fortunate to have Barbara M. McManus on th...
1 · over a year ago

Algernon Moncrief
MY NOMINATION FOR MOST IGNORANT STATEMENT REG...

of likes and they also promote their email service on their Facebook page

facebook Search for people, places and things SC Public Employee Benefi

Louisiana State Employees Retirement System
Timeline Recent

Like · Comment · Share 33 4

Louisiana State Employees Retirement System
August 5

Hot off the press! The Summer 2013 issue of The Beam is now available to view online. In this issue: 2013 Board Election candidates, the 2013 Legislative Session outcome, benefit payment information, and more. Click here to view: <http://bit.ly/1b7INDf>

the BEAM
Membership Newsletter
Summer 2013 Volume 14 Number 1

Candidates Qualify for Board Election

The nomination period for the LASERS Board of Trustees Election has closed. Four open seats must be filled by active members and one by a LASERS retiree. Trustees serve four year terms unless they are filling an unexpired portion of a term.

One candidate, Judge William McManus, qualified to fill the remaining two seats of a vacancy for an active member. His unexpired candidacy eliminates the need for an election for the two-year term.

The names of candidates are listed on page 10 in ballot order. To review their qualifications and photos, visit the ELECTION website, www.lasers.org/election and click on the Board of Trustees 2013 Election banner on the right side of the page.

The names of candidates are listed on page 10 in ballot order. To review their qualifications and photos, visit the ELECTION website, www.lasers.org/election and click on the Board of Trustees 2013 Election banner on the right side of the page.

LASERS members will cast their votes for candidates between September 27, 2013 and October 25, 2013 via the Internet, telephone, or by mail. The election results will be certified by the Board and published in November.

Election packets, including information about the voting process and candidates, will be mailed to LASERS members in September. For additional information, check the LASERS website.

Schedule of Election Events

Louisiana State Employees Retirement System
August 14 near Baton Rouge, LA

Cindy Rougeou, Executive Director of LASERS, has been named President Elect of the Executive Board by members of the National Association of State Retirement Administrators (NASRA).

Rougeou assumes the new position after serving as first Vice President of the Executive Board. Previously, she was Second Vice President of the Executive Board and prior to that, NASRA's Region 4 Vice President, which includes Louisiana, Arkansas, Texas, Oklahoma, Missouri, Colorado, New Mexico, and Kansas.

More here: <http://bit.ly/1cC33Hy>

Like · Comment · Share 23 2 1

Louisiana State Employees Retirement System
July 3

LASERS will be closed Thursday, July 4 and Friday, July 5. Have a happy and safe 4th of July!

Like · Comment · Share 2 1

Louisiana State Employees Retirement System shared a link.
July 1

On Friday, June 28, 2013, the Louisiana Supreme Court unanimously ruled that the Cash Balance Plan enacted in 2012 did not receive the requisite two-thirds vote of the legislature and was therefore unconstitutional. The ruling was in a

Texas Teachers Retirement System



conversations

lots of two-way

facebook Search for people, places and things SC Public Employee Benefit A

Teacher Retirement Syste.. Timeline Recent

Teacher Retirement System of Texas October 4

Friday Fact: There have been 22,250 retirements as of August this year. If you've retired either this year or before, what's been the best part about it?

Like · Comment · Share 1

Celeste Perez Smith, John Michael Strubhart, Vicki L. Cox and 13 others like this.

Write a comment...

Teacher Retirement System of Texas So glad to hear all these wonderful responses, especially when you consider our current retirees' average years of service is nearly 24 years! Here's to a great weekend and many more to come!

Like · Reply · 3 · October 4 at 4:00pm

Lance Johnson I miss the kids, but not the paperwork.

Like · Reply · 3 · October 4 at 1:58pm

View 28 more comments

Teacher Retirement System of Texas October 2

TRS will begin mailing annual statements of account next week, but if you've signed up for MyTRS, you can access yours now online. Just log in at http://buzz.mw/bi3vo_l

Like · Comment · Share

Maxine Hartman, John Michael Strubhart and 2 others like this.

Write a comment...

National Night Out Non-Profit Organization Like

Louisiana School Employees' Retirement System Government Organization · Professional Services Like

The British Monarchy Community Like

Teacher Retirement System of Texas October 3

Regarding 2013 Annual Statements: TRS will begin mailing statements to active members next week--a process that will continue through October and early November. We are also in the process of loading statements online for those who register for MyTRS. Some of you who have already signed up for electronic notification of annual statements using the MyTRS Email Subscription Service should be able to view your statements now. Others who sign up for MyTRS will be able to view 2013 statements as they are loaded. For more info., including a guide to reading your annual statement, see <http://bit.ly/15NIqjl> To sign up for MyTRS, visit <http://bit.ly/1Zvwxz>

Like · Comment · Share 7

John Michael Strubhart, Patricia Y. Voorhees, Norman Scott Monroe and 6 others like this.

Write a comment...

Vanessa Johnson Thank you for all you do.

Like · Reply · October 3 at 4:15pm

facebook Search for people, places and things SC Public Employee Benefit A

Teacher Retirement Syste.. Timeline Recent

Friday's Fact: For our current year retirees, the average age is 61 with almost 24 years of service! Whether you're newly retired or have been away from the classroom for awhile, please know your dedication is appreciated!

Like · Comment · Share

Mary Katherine Adair Taylor, Bonita MarvelouslyCreated Sharpe, John Michael Strubhart and 35 others like this.

Write a comment...

Brennan Rollwitz if our dedication is appreciated, why are you taking away our health insurance if we retire before age 62?

Like · Reply · 1 · September 27 at 1:08pm

Teacher Retirement System of Texas Hello Mr. Rollwitz, Senate Bill 1458 passed during the 83rd session mandated changes to TRS-Care eligibility that TRS must implement. For a full explanation of these changes, please refer to our website <http://bit.ly/15zfw6E> Those with questions may also call our counselors at 888-237-6762.

TRC-Care Eligibility www.trc.state.tx.us

To be eligible for TRC-Care, a retiree cannot be eligible for ERS, UT System, or... See More

Like · 2 · September 27 at 2:02pm

Write a reply...

Rose M Hackett Thanks (30 years) I haven't heard that before.

Like · Reply · September 27 at 2:09pm via mobile

Teacher Retirement System of Texas Wow. 30 years! I'll bet you've got enough stories to write a book 😊

Like · September 27 at 2:38pm

Write a reply...

TRC Steps to Retirement - YouTube

This video describes the basic steps to a TRS retirement, and how to request an estimate of retirement benefits. It also explains the basic forms to be compl...

Like · Comment · Share 1

John Michael Strubhart likes this.

Write a comment...

Teacher Retirement System of Texas September 26

Interested in enrolling in the TRS-Care/Aetna Medicare Advantage Plan? You may want to attend one of several upcoming workshops scheduled across the state or listen in on a phone conference. http://buzz.mw/bi1dr_n

Like · Comment · Share 5

Norman Scott Monroe, John Michael Strubhart and VanceandKaye Worthington like this.

Write a comment...

Barbara Phillips I was put on this without any consultation....I had a choice?

Like · Reply · September 27 at 10:00am · Edited

Teacher Retirement System of Texas replied · 2 Replies

Patricia Budak Will someone be there to answer questions about those of us who do not have BOTH Medicare A and B - who are not eligible for Medicare Advantage?

Like · Reply · September 26 at 7:44pm

More engagement and shares



Teacher Retirement System of Texas

Timeline

Recent

Liked

Do you have any unreported service you need to verify with TRS? Please be aware of legislative deadlines. Details at <http://bit.ly/1fbK089>

Like · Comment · Share

Ann Wentz, Frances Fontenot, Clinton Carolyn White and 2 others like this.



Write a comment...



Tommy Jean Elliott Thanks. I appreciate you taking the time to answer.

Like · Reply · September 24 at 10:45am via mobile



Teacher Retirement System of Texas You're very welcome!

Like · September 24 at 12:17pm



Write a reply...



Tommy Jean Elliott Question: I did some substitute teaching in 96, 97, & 98 after I retired in 1996, how much subbing do you have to do to count toward service?

Like · Reply · September 23 at 6:21pm via mobile



Teacher Retirement System of Texas Hello, Thank you for your question. When a retired TRS member works as a substitute, or any form of employment after retirement, they do not earn service credit. Please let us know if we can help with any other information you might need.

Like · September 24 at 10:43am



Write a reply...



Paul Guillot I have 10 years prior military service I would like to verify but I have only worked 3 years for the state. Can I go ahead and verify it before paying?

Like · Reply · September 23 at 12:29pm



Teacher Retirement System of Texas replied · 3 Replies

Like · Comment · Share

John Michael Strubhart and Cindy Huntington Hill like this.



Write a comment...

**Teacher Retirement System of Texas**

September 20

Friday Fact: Did you know MyTRS email subscriptions allow members to receive notice of publications and announcements, including meetings, webcasts & presentations right in your inbox? Sign up today at <http://bit.ly/17vwxz>

Like · Comment · Share

RW Washburn Curl, John Michael Strubhart, Patricia Y. Voorhees and 2 others like this.



Write a comment...

**Teacher Retirement System of Texas** shared Texas A&M

Veterinary Medical Teaching Hospital's photo.

September 19

Texas A&M Vet students are asking for your vote on a name for this adorable miniature calf. If you think her name should be "Cutest Calf Ever", like this post!

Check out this precious miniature Hereford calf who visited our Large Animal Hospital for a wellness check-up! Since she was born a little premature, her family does not have a name for her just yet. We're asking for any suggestions you may have!

Other things TRS includes on their Facebook page:



Teacher Retirement System of Texas
September 17 · 🌐

Tamela Louvier, Benefit Processing — at Teacher Retirement System of Texas.

Like · Comment · Share

 Write a comment... 



Teacher Retirement System of Texas
July 26 🌐

"Friday Fun Fact"—TRS' Health and Insurance Benefits Counselors answered 5004 calls last month! Maybe you were a caller? If so, we trust you received excellent customer service from counselors like Elvira George. She's a TRS employee who's always happy to help.

Like · Comment · Share

 Averil Pardee Mullins, Kay Savay, Sandra McKinney Ervin and 26 others like this.

3 shares

 **Robert Grimes** EVERY TIME I have had, or needed, to call TRS the counselors have been exceptionally knowledgeable and helpful! Thanks to all of them!
Like · Reply · 🗨️ 3 · July 26 at 6:37pm

 **Suzy McCrary Williams** They are very helpful!
Like · Reply · 🗨️ 1 · July 26 at 8:55pm

 **Bonnie Ellis** I have talked with her before, she is very nice.
Like · Reply · July 26 at 7:52pm

 Write a comment... 

Teacher Retirement System of Texas's Photos in Timeline Photos

Options · Share · Like



Teacher Retirement System of Texas's Photos
in Videotaping "TRS Today Segments"

Options | Share | Like



Teacher Retirement System of Texas

July 9 · 🌐

At Teacher Retirement System of Texas.

Like · Comment · Share



Write a comment...



Next

CALPERS

The screenshot shows the top portion of the CalPERS Facebook page. The cover photo is a large image of a modern building's glass and steel structure. The profile picture is the CalPERS logo. The page name is 'CalPERS' with 9,019 likes and 92 people talking about it. A red circle highlights the '9,019' likes count. Below the profile information, there are tabs for 'About', 'Photos', 'Events', 'Notes', and 'Likes'. The 'About' section describes CalPERS as a Government Organization serving California for over 80 years. The '2013 Spotlight on Excellence' section is also visible.

Lots of likes and some engagement.

The screenshot shows the timeline of the CalPERS Facebook page. The top navigation bar includes 'CalPERS', 'Timeline', and 'Recent'. The timeline features several posts, including a post about Open Enrollment and a post about the CalPERS Board Election. A red circle highlights the post about the CalPERS Board Election, which mentions Incumbents Joseph Jelincic and Michael Bilbrey as Preliminary Winners. The post includes a link to the CalPERS website and a photo of the winners. Below the post, there are comments from users like Christy Miovsky, David Wesley Capuano Fowlkes, and Ben Blanton.

South Carolina
PUBLIC EMPLOYEE BENEFIT AUTHORITY

PEBA

Social Media

P2F2 Conference

October 28, 2013

Megan B. Lightle
Communications Director

S.C. Public Employee Benefit Authority

- Created July 1, 2012
- Merged two existing divisions of another state agency:
 - South Carolina Retirement Systems
 - Employee Insurance Program
- Administers and manages the state's employee insurance programs and retirement systems

About PEBA Insurance Benefits

- Insurance products/programs offerings:
 - Health insurance (including prescription drug coverage)
 - Dental insurance
 - Vision care
 - Life insurance
 - Long term disability
 - Flexible spending accounts
 - Vision care discounts
- Insures more than 436,000
- Approximately 660 participating employer groups

About PEBA Retirement Benefits

- Administers five defined benefit retirement plans and one defined contribution retirement plan
- More than 500,000 total members
- Approximately 850 participating employers
- Assuming direct oversight of voluntary, supplemental retirement savings program January 1, 2014

Launched Social Media in 2011

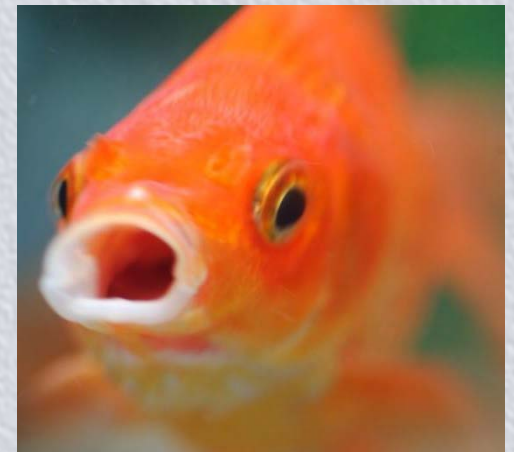
- S.C. Retirement Systems began using social media in January 2011 with Facebook and Twitter pages
- Weekly posts, mostly retirement benefits related
- Occasional posts about holidays and other special observances

Why Use Social Media?

Average attention span of people in 2000:
12 seconds

Average attention span of people in 2012:
8 seconds

Average attention span of a goldfish:
9 seconds



Why Use Social Media?

- Information Overload Day was October 21, 2013
- Information Overload Research Group was incorporated in June 2008 as an Oregon nonprofit organization
 - *Reducing Information Pollution*
- Provide information bytes with links to more detailed information – user's choice to learn more
- Direct traffic to our informational and transactional websites

How PEBA Uses Social Media

- Agency branding and identity campaigns, which included renaming of Facebook and Twitter pages
- Integration of insurance program information into “new” PEBA sites
- Has resulted in more substance and variety

How PEBA Uses Social Media

- Quickly disseminate information
- Increase understanding of retirement benefits and insurance programs
- Engage stakeholders and encourage two-way dialogue
- Cultivate transparency in how our agency operates and manages benefits

Responsibility for Social Media

- PEBA's Communications staff is responsible for the agency's social media
 - Strategy and planning
 - Creation and delivery of content
 - Monitoring of activity and comments
 - Responding to questions and comments

PEBA's Social Media Experience

- No bad experiences
- Fewer than five posts deleted due to policy violations – all advertisements or solicitations
- Some negative commenting
- Conversations with members

PEBA's Facebook Page

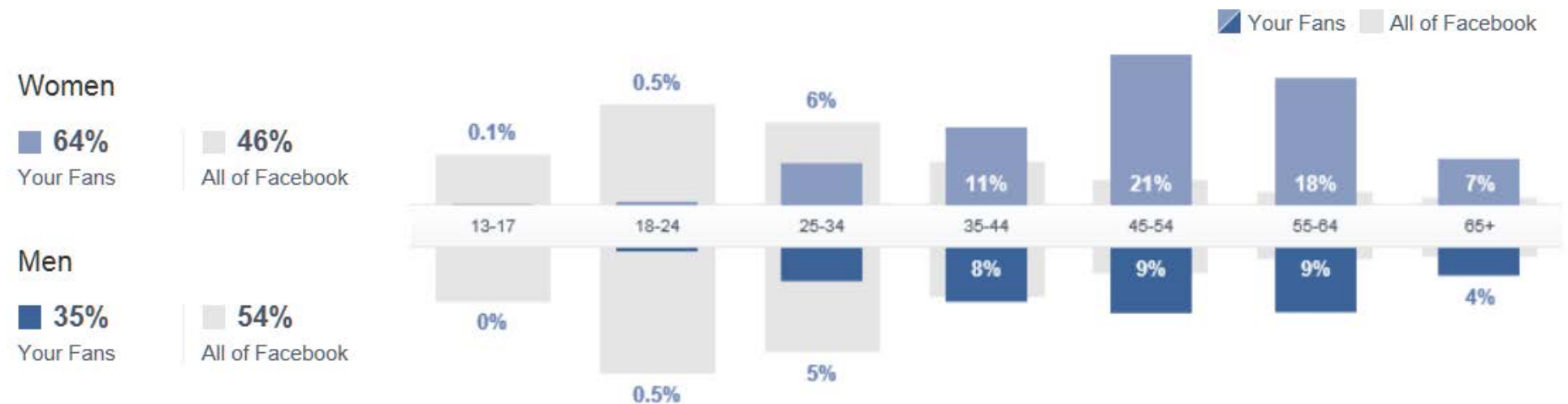
- 780 Likes
- Average of 270 viewers per post
- Some member, subscriber engagement



FB Age and Gender Demographics

Age & Gender

Compare demographics of people who like your Page with the demographics of Facebook's total population.



PEBA's Twitter Page

- 280 followers
 - Links to website
 - General updates
- We follow:
 - State agencies
 - Pension systems
 - Media
 - Professional organizations

The screenshot shows the Twitter profile for SCPEBA (@scpeba). The profile header includes a profile picture of a building, the name SCPEBA, the handle @scpeba, and a bio: "The S.C. Public Employee Benefit Authority (PEBA) administers and manages the state's employee insurance programs and retirement systems." The location is listed as "Columbia, South Carolina" with the website "peba.sc.gov". Below the header, statistics show 429 tweets, 299 following, and 285 followers. A "Tweets" section displays three recent tweets from SCPEBA, each with a building profile picture. The first tweet is dated 3 Oct and promotes email subscriptions. The second is dated 2 Oct and promotes flu shot information. The third is dated 1 Oct and promotes open enrollment for health insurance. On the left sidebar, there are links for Tweets, Following, Followers, Favorites, and Lists. Below these are "Photos and videos" and a "Who to follow" section featuring VerizonWirelessDeals, Jeff Wilkinson, and Sun Solutions.

Tweets

Following

Followers

Favorites

Lists

Photos and videos

Who to follow · Refresh · View all

VerizonWirelessDeals @VZ...
Follow Promoted

Jeff Wilkinson @wilkinson_Jeff
Follow

Sun Solutions @sunprinting
Follow

Popular accounts · Find friends

SCPEBA @scpeba
The S.C. Public Employee Benefit Authority (PEBA) administers and manages the state's employee insurance programs and retirement systems.
Columbia, South Carolina · peba.sc.gov

429 TWEETS 299 FOLLOWING 285 FOLLOWERS Edit profile

Tweets

SCPEBA @scpeba 3 Oct
Did you know PEBA's email subscriptions allow you to receive the latest news and updates in your inbox? Sign up: 1.usa.gov/hwXkJL.
Expand

SCPEBA @scpeba 2 Oct
What's the best way to protect yourself against getting the flu? For most, a flu shot! Info on upcoming flu season: 1.usa.gov/11Q1bBh.
Expand

SCPEBA @scpeba 1 Oct
Open enrollment for subscribers covered under a health insurance plan administered by PEBA is 10/1-10/31/13. Go to: eip.sc.gov.
Expand

Social Media Challenges

- Member/subscriber engagement
- Two-way conversations
 - It's not so much about the number of "likes"
- Educating PEBA Board members and agency staff about social media and how they can play a part in its content and success
- Expand reach and retain current followers
- Measuring the effectiveness and ROI

Questions? Contact Me.

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This presentation is meant to serve as a guide but does not constitute a binding representation of the South Carolina Public Employee Benefit Authority. Title 9 of the South Carolina Code of Laws contains a complete description of the retirement benefits, their terms and conditions, and governs all retirement benefits offered by the state. State statutes are subject to change by the General Assembly.

Employers covered by the South Carolina Public Employee Benefit Authority are not agents of the South Carolina Public Employee Benefit Authority.