

Meeting Minutes | Board of Directors

Thursday, September 15, 2016 | 1:00 p.m.
200 Arbor Lake Dr., Columbia, SC 29223 | Second Floor Conference Room

Minutes Approved October 20, 2016

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

Board Members Present via Telephone: Ms. Stacy Kubu, Mr. Steve Matthews, Mr. Steve Osborne, and Chairman John Sowards

Board Members Absent: Sheriff Leon Lott

Others Present for All or a Portion of the Meeting: Peggy Boykin, Amber Carter, Sarah Corbett, Jennifer Dolder, Doug Hislop, Megan Lightle, Heather Muller, Tammy Nichols, Darry Oliver, Travis Turner, Stephen Van Camp, and Justin Werner from the South Carolina Public Employee Benefit Authority (PEBA); Lewis Carter from the South Carolina Department of Administration’s Executive Budget Office; Wayne Pruitt from the State Retirees Association of South Carolina; and Thompson Kinney from Milliken Law Firm.

I. Call to Order

Chairman John Sowards called the PEBA Board of Director’s (Board) meeting to order at 1:05 p.m., and stated that the public meeting notice was posted in compliance with the Freedom of Information Act.

II. Adoption of Proposed Agenda

It was noted that the proposed Board meeting agenda was adopted unanimously as presented.

III. Approval of Meeting Minutes- August 18, 2016

It was noted that the August 18, 2016, meeting minutes were adopted unanimously as presented.

IV. Committee Reports

A. Health Care Policy Committee

Mr. Rocky Pearce reported that the Health Care Policy Committee met earlier in the day, and received a presentation from Blue Cross Blue Shield of South Carolina (BCBSSC), related to a new telehealth benefit that will be available to State Health Plan (SHP) members effective January 1, 2017. Blue CareOnDemand will enable members to connect with board-certified physicians via telecommunications and video technology. It was noted that telehealth is not a replacement for a member’s primary care physician, but allows members to be seen for urgent

care issues when their primary care physician is not convenient or available, or as an alternative to an emergency room visit.

Mr. Pearce stated that the Committee received a brief overview of the Rally platform that will begin January 1, 2017. Mr. Pearce explained that Rally is a very dynamic and interactive digital health program designed to engage members and help them stay healthy through personalized challenges and rewards.

Ms. Sarah Corbett, Chief Operating Officer, stated that the 2016 Benefits at Work (BAW) conference was held August 29, 2016, through September 1, 2016, at the Columbia Metropolitan Convention Center. Ms. Corbett reviewed a presentation that she provide at the BAW conference related to the State Health Plan and the benefits of getting involved in an employees' health.

B. Retirement Policy Committee

Mr. David Tigges reported that the Retirement Policy Committee did not meet in September.

C. Finance, Administration, Audit and Compliance (FAAC) Committee

Mr. Steve Matthews advised that the FAAC Committee did not meet in September.

V. Old Business

A. Director's Report

Ms. Peggy Boykin stated that the State Fiscal Accountability Authority (SFAA) met on August 23, 2016, and approved the 2017 State Health Plan benefits and contribution rates. Ms. Boykin added that SFAA also adopted the 2016 Experience Study and the actuarial assumptions, with the exception of the Rate of Return, which is determined by the General Assembly.

Ms. Boykin stated that the House and Senate formed a Special Joint Committee on Pensions, and the first meeting was held on August 30, 2016. Ms. Boykin advised that she provided a presentation to the Committee regarding background and demographics of the plan; historical funding of the plan; and the role of the actuaries. Ms. Boykin added that Mr. Danny White and Mr. Joe Newton from Gabriel Roeder Smith & Company (GRS), also provided current funding information for the plan based on the 2015 Valuations and adopting the new actuarial assumptions.

Ms. Boykin reminded the Board that the State Health Plan is transitioning to the Express Scripts National Preferred Formulary, and letters will be mailed to participants explaining changes to the drug coverage which will be effective January 1, 2017.

Ms. Boykin reported that the upgrade to PEBA's Call Management System is complete, and thanked staff for their hard work during the six month implementation process.

B. Roundtable Discussion

At the conclusion of the Director's Report, Chairman Sowards provided an opportunity for a roundtable discussion.

VI. Executive Session to receive legal advice pursuant to S.C. Code Ann. Section 30-4-70(A)(2)

At 1:30 p.m., Mr. Matthews made a motion, which was seconded by Mr. Tigges, and passed unanimously, to recede into executive session for the purpose of receiving legal advice.

The Committee reconvened in open session at 2:19 p.m. Chairman Sowards announced that no action was taken by the Board while in executive session.

VII. Adjournment

There being no further business, and upon motion by Mr. Fusco which was seconded by Mr. Heisler, and approved unanimously, the Board meeting adjourned at 2:20 p.m.