



Meeting Agenda

**Meeting Agenda | Finance, Administration, Audit and Compliance Committee |
Health Care Policy Committee | Retirement Policy Committee | Board of Directors**

Thursday, October 1, 2020

Via teleconference: 888 475 4499 Meeting ID 646 749 5163 ##

Via YouTube: <https://www.youtube.com/channel/UC2JqAZyM3EwTQxRyif1hmCA>

Finance, Administration, Audit and Compliance Committee | 9:00 a.m.

- I. Call to Order
- II. Approval of Meeting Minutes July 22, 2020
- III. Election of Committee Vice-Chairman
- IV. Committee Charter Review
- V. Internal Audit Plan Review
- VI. Vendor Referral Policy
- VII. Old Business/Director's Report
- VIII. Adjournment

Health Care Policy Committee | 9:30 a.m.

- I. Call to Order
- II. Approval of Meeting Minutes March 4, 2020
- III. Election of Committee Vice-Chairman
- IV. Committee Charter Review
- V. 2021 State Health Plan Approval of Benefits and Contributions
- VI. Old Business/Director's Report
- VII. Adjournment

Retirement Policy Committee | 10:00 a.m.

- I. Call to Order
- II. Approval of Meeting Minutes March 4, 2020
- III. Election of Committee Vice-Chairman
- IV. Committee Charter Review
- V. Approval of State ORP Investment Lineups
- VI. Defined Contribution Quarterly Reports
 - i. Deferred Compensation Program Investment Performance Report
 - ii. State ORP Investment Performance Report
- VI. Deferred Compensation Program Plan Summary
- VII. Old Business/Director's Report
- VIII. Adjournment

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.

Board of Directors | 11:00 a.m.

- I. Call to Order
- II. Approval of Meeting July 22, 2020
- III. COVID-19 Update
- IV. Legislative/Health Update
- V. Approval of 2021 Board and Committee Meeting Dates
- VI. Discussion of 2022 State Health Plan Budget Requirements
- VII. Committee Reports
 - A. Finance, Administration, Audit and Compliance Committee
 - a) Committee Charter Approval
 - b) Vendor Referral Policy
 - B. Health Care Policy Committee
 - a) 2021 State Health Plan Approval of Benefits and Contributions
 - b) Committee Charter Approval
 - C. Retirement Policy Committee
 - a) Committee Charter Approval
 - b) Approval of State ORP Investment Lineups
- VIII. Old Business
 - A. Director's Report
 - B. Roundtable Discussion
- IX. Executive Session for the Purpose of Discussing Contractual Matters Pursuant to S.C. Code of Laws § 30-4-70(a)(2)
- X. Adjournment

PUBLIC EMPLOYEE BENEFIT AUTHORITY AGENDA ITEM
Health Care Policy Committee

Meeting Date: October 1, 2020

1. Subject: Election of Health Care Policy Committee Vice-Chairman

2. Summary: According to the PEBA Board Bylaws: At the first committee meeting after the Chairman's appointment of the standing committee members and chairmen each even-numbered year, each standing committee shall elect a vice-chairman to preside over the committee and oversee committee business in the absence of the committee chairman.

3. What is the Committee asked to do? Elect a Health Care Policy Committee Vice-Chairman

4. Supporting Documents:

(a) Attached: None

PUBLIC EMPLOYEE BENEFIT AUTHORITY AGENDA ITEM
Health Care Policy Committee

Meeting Date: October 1, 2020

1. Subject: Health Care Policy Committee Charter Review

2. Summary: Periodic review and update of the Committee Charter

3. What is the Committee asked to do? Approve the revised Committee Charter

4. Supporting Documents:

(a) Attached: Health Care Policy Committee Charter 2020 Legal Draft



Health Care Policy Committee Charter

[As adopted by the PEBA Board on ~~October 18, 2020~~ October 18, 2017]

- (A) **Purpose:** To ensure the State Health Plan and other insurance plans and programs administered by PEBA are a financially sustainable, health program that improves member health, and provides a positive member experience.
- (B) **Authority:** The authority of the Health Care Policy Committee is limited to information-gathering and advice and recommendations to, and on behalf of, the Board, and to ministerial acts. The Committee may invite administrators, consultants, staff, external auditors, and/or others to attend meetings and provide pertinent information as necessary. PEBA Board of Directors Bylaws, Section V(C).
- (C) **Composition:** The Health Care Policy Committee will be established pursuant to the process defined in the PEBA Board of Directors Bylaws.
- (D) **Meetings:**
- (1) The Health Care Policy Committee will meet as circumstances require upon the call of the Committee Chair.
 - (2) Health Care Policy Committee meetings will adhere to the rules outlined in the PEBA Board of Directors Bylaws and with applicable law.
- (E) **Responsibilities:** The Health Care Policy Committee will carry out the following responsibilities:
- (1) Ensure the PEBA strategic plan includes strategic issues and projects within the Health Care Policy Committee's purpose, noted in Section A.
 - (2) Approve pilot projects for upcoming plan years that focus on improved health and lower costs, with appropriate evaluation methods of health outcomes, costs, and resources identified;
 - (3) ~~At least quarterly, meet~~ Meet with the PEBA Executive Director, or a designee, regarding the operational and financial performance of the PEBA insurance programs to monitor progress toward strategic objectives and make recommendations to the PEBA Board;
 - (4) No later than November of each year, develop recommendations to the PEBA Board concerning proposed premiums for the proposed State Health Plan for the Plan Year beginning thirteen months later for purposes of the State's budgeting process;
 - (5) No later than July of each year, considering the final State budget, make recommendations to the PEBA Board regarding the final State Health Plan design and final premiums for the State Health Plan for the Plan Year beginning six months later;

- (6) Receive information from the actuaries concerning the Other Post Employment Benefits (OPEB) valuations for retirees in the State Health Plan and for beneficiaries of Long-Term Disability benefits and make recommendations to the PEBA Board; and
- (7) Oversee agency communications involving areas of Health Care responsibilities.

As approved and adopted:

**SOUTH CAROLINA PUBLIC EMPLOYEE BENEFIT AUTHORITY
BOARD OF DIRECTORS**

By: _____	By: _____
John A. Sowards, Chairman	Alex Shissias

By: _____	By: _____
Frank W. Fusco	Stephen Heisler

By: _____	By: _____
Ed Walton	Sheriff Leon Lott

By: _____	By: _____
Steve A. Matthews	Joe W. "Rocky" Pearce, Jr.

By: _____	By: _____
Audie Penn	David J. Tigges

Dated: _____

PUBLIC EMPLOYEE BENEFIT AUTHORITY AGENDA ITEM
Health Care Policy Committee

Meeting Date: October 1, 2020

1. Subject: 2021 State Health Plan Approval of Benefits and Contributions

2. Summary: Rob Tester will present contribution rates and plan design changes for 2021, as well as other proposals to achieve savings and/or enhance program value.

3. What is the Committee asked to do? Approve the 2021 State Health Plan Benefits and Contributions

4. Supporting Documents:

(a) Attached: State Health Plan Approval of Benefit and Contribution 2021

State Health Plan approval of benefits, contributions for 2021

State Health Plan contribution rates will remain unchanged for 2021. In August, prior to the return of the General Assembly, PEBA, on the basis of updated information, revised SHP budget requirements such that no additional funds were necessary to sustain the current plan of benefits through 2021. Ultimately, the General Assembly did not pass an Appropriation Act for fiscal 2020-2021, with the Continuing Resolution enacted in May that maintained spending at prior fiscal year levels remaining in force for now.

This will mark the 2nd consecutive year with no employer rate increase in the SHP. Employee rates have not changed since 2012 and have now remained constant for 15 of the past 16 years.

2021 employer rates for all health plans (no change from 2020)

Enrollee only \$402.70

Enrollee/spouse \$797.68

Enrollee/children \$618.06

Full Family \$998.72

2021 employee rates (no change from 2020)

	<u>Standard Plan, Medicare Supplement</u>	<u>Savings Plan</u>
Enrollee only	\$97.68	\$9.70
Enrollee/spouse	\$253.36	\$77.40
Enrollee/children	\$143.86	\$20.48
Full Family	\$306.56	\$113.00

Program changes

Hospice—conversion of dollar limit to visit limit

From the time hospice was included as a covered service in the State Health Plan, it has been subject to a lifetime dollar benefit limit. That limit is currently set at \$7,500. Because Hospice is designated as an Essential Health Benefit in the ACA's regulatory framework, a dollar limit is no longer permissible. Therefore, it is proposed that the benefit be re-structured to have an 80 visit/lifetime limit, which has similar financial impact as the dollar limit and is permissible under the ACA.