



Meeting Minutes | Health Care Policy Committee

Wednesday, March 4, 2020 | 10:30 a.m.

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

Minutes Approved October 1, 2020

Board Members Present: Mr. Calvin Elam, Mr. Joe “Rocky” Pearce, Chairman, and Mr. Alex Shissias

Others Present for All or a Portion of the Meeting: Peggy Boykin, Phyllis Buie, Amber Carter, Sarah Corbett, Georgia Gillens, Joe Greene, Patrick Harvin, Jessica Moak, Heather Muller, Laura Smoak, Stephen Van Camp, Justin Werner, Chuck Wilson, and Heather Young from the South Carolina Public Employee Benefit Authority (PEBA); Sam Griswold and Wayne Pruitt from the State Retirees Association of South Carolina; Brooks Goodman, Tripp Jennings, and Carmen Wilson from BlueCrossBlueShield of South Carolina; Robin Scott from Express Scripts, Inc.; Richard Lomax from Novo Nordisk, Inc.; Michael Craig from UCB; Jason Richardson from Allergan; and Charlie Whitney from Milliken Law Firm.

I. Call to Order

Chairman Rocky Pearce called the PEBA Health Care Policy Committee (Committee) meeting to order at 10:30 a.m., and stated that the public meeting notice was posted in compliance with the Freedom of Information Act.

II. Approval of Meeting Minutes – December 4, 2019

Mr. Alex Shissias made a motion, which was seconded by Mr. Calvin Elam, and passed unanimously, to approve the minutes from the December 4, 2019, Committee meeting.

III. Naturally Slim Update

Ms. Carmen Wilson, Account Executive, from BlueCrossBlueShield of South Carolina, presented the findings from the State Health Plan’s (SHP) first year of experience with Naturally Slim, the weight management program introduced to Plan membership in September 2018.

Ms. Wilson stated that 52,759 SHP members have applied to participate in Naturally Slim; 45,593 participants were accepted; 35,093 started the program; and 28,233 members have participated in two or more sessions. Ms. Wilson discussed the demographics and risk factors of the participants; weight loss by gender; and clinical benefits of modest weight loss.

Ms. Wilson reported that 84 percent of participants felt more in control of their weight; 62 percent of individuals reported an increase in energy levels; and 68 percent of individuals reported being more physically active.

Ms. Wilson concluded her presentation by reviewing participants biometric results and tracking specific risk factors related to Metabolic Syndrome. Ms. Wilson stated that the total weight loss for PEBA’s Naturally Slim participants is 135,000 pounds.

IV. Benchmark Review

Ms. Laura Smoak, Analytics and Health Initiatives Director, presented the State Health Plan update and benchmarking review in which key SHP measures are compared with peer and national benchmarks. Ms. Smoak reviewed the SHP enrollment as of March 2020; compared SHP premiums and cost sharing to large employers nationwide from 2008-2018; reviewed the SHP growth and expenditure per member to national trends; the SHP contribution rate increases versus the Consumer Price Index growth for medical care; 2020 actuarial value rates; and the 2019 average monthly total premiums.

Ms. Smoak also discussed the 2019 average annual deductible; the 2018 average annual gross plan cost per active employee; and the 2020 composite monthly premiums. Ms. Smoak stated that the State Health Plan continues to compare very favorably to other public and private employers.

V. Local Government Experience Rating

Ms. Peggy Boykin, Executive Director, explained that local political subdivisions and other optional employers that participate in the State Health Plan are subject to experience rating of health insurance premiums. For the experience rating, a load factor is added to the optional employer's health insurance premiums based on claims history. This load factor is adjusted each year using the past two plan years' worth of claims experience. The load factor is currently capped at 50 percent.

Ms. Boykin advised that the General Assembly is currently evaluating whether to appropriate additional funding to the State Health Plan to allow for a reduction in the maximum experience rating load factor for the 2021 plan year without adversely affecting the plan's funding. Formal action by the PEBA Board is desired to confirm that the maximum load factor for the State Health Plan for the 2021 plan year would be reduced to conform with such additional funding, if appropriated.

Mr. Shissias made a motion, which was seconded by Mr. Elam, and passed unanimously, to recommend that the PEBA Board resolve that, if the General Assembly appropriates additional funding to the State Health Plan to reduce the maximum experience rating load factor for the 2021 plan year, PEBA will reduce the maximum load factor for the 2021 State Health Plan to conform to that additional funding.

VI. Old Business/Director's Report

Ms. Boykin stated that the House Ways and Means Committee has completed their deliberations of the budget, which will move to the House floor next week. Ms. Boykin reported that the State Health Plan is fully funded in this version of the budget, and funding was included to provide adult well visit benefits to all members annually with no cost to the member, and no age frequency restrictions.

Ms. Boykin reminded the Committee that the full Board will meet at 2:00pm today to allow for educational training on ethics and fiduciary responsibilities, and the experience study review of the Retirement Systems.

VII. Adjournment

There being no further business, the Committee meeting adjourned at 11:11 a.m.