

**State and Public School Life and Health Insurance Board
Benefits Sub-Committee**

Minutes
August 14, 2009

The Benefits Sub-Committee of the State and Public School Life and Health Insurance Board (hereinafter called the Committee) met on Friday, August 14, 2009 at 9:00 a.m. in the EBD Board Room, 501 Woodlane, Suite 500, Little Rock, Arkansas.

Members Present

Jeff Altemus
Lloyd Black
Janis Harrison
Becky Walker
Joe Musgrove
Shelby McCook

Members Absent

Jason Lee, Executive Director, Employee Benefits Division.

Others Present:

George Platt, Leigh Ann Chrouch, Doug Shackelford; Paige Harrington, Stella Greene, Amy Tustison, Amy Redd, Sherri Saxby, Donna Cook, Pamela Lawrence, Sherry Bryant, Tracy Collins, Florence Marvin, Cathy Harris, EBD; Barbara Melugin, Ron Deberry, AR BC/BS Health Advantage; John Herzog, Electronic Data Systems; Sharon Marcum, LifeSynch; Shonda Rocke, Informed Rx; Marc Watts, ASEA; Carol White, PDB Enterprise, Robbie Weaver, AR Children Hospital; Wayne Whitley, Ronda Walthall, AR Highway & Transportation Dept; Christi Pittman, Delta Dental; Scott Pace, AR Pharmacist Association; Jeff Britt, Dawn Clemence, Pfizer;

Call to Order

The meeting was called to order by Jeff Altemus, Chairman.

Approval of Minutes

A request was made by Altemus to approve June 12, 2009, minutes. Walker made the motion to approve. Harrison seconded. All were in favor. Minutes Approved.

Benefits Strategic Planning Workgroup (BSPW) REPORT *by George Platt, Chairman*

Platt informed the committee that the BSPW met on August 11, 2009, and then presented three recommendations for the committee's consideration.

1. Air Ambulance

Platt explained that in February 09 the Board increased ambulance benefit to \$2,000 dollars per member per plan year. The BSPW had planned to discuss air ambulance as a separate issue in the March 09 Benefits meeting, but the issue was put on hold by the Board until further information was received about the upcoming trauma system.

Platt said they are revisiting the issue again because they want to do something now to take care of the members, if only for the next plan year. The benefit air ambulance services can range up to \$20,000. Platt said the BSPW discussed offering air ambulance as a voluntary product but that there are some provider contract concerns that they have with that.

Recommendation: Offer air ambulance benefit without a cap, with a 10% coinsurance for in-network or out-of-network. The co-insurance would apply to the out of pocket maximum.

Harrison made the motion to adopt recommendation for air ambulance. Musgrove seconded.

A brief discussion ensued.

Musgrove suggested they carefully monitor claims for appropriate utilizations. McCook said they should also set up a process where they can go back and get statistics from the last two years to see what effort their actions has had on this decision.

All were in favor of the motion. Motion carried.

2. Temporomandibular Joint Disorder (TMJ)

Platt explained in 2007 the Board decided to remove the cap for TMJ and move it into Case Management because the \$500 CAP was not sufficient to the members' needs. But TMJ does not lend itself very well with Case Management so the BSPW recommended in March 09 to move TMJ from case management to the benefit schedule and increase the cap to \$1000 a year. As a result of that recommendation, the Board requested that the work group also figures out a way to help members facilitate TMJ services.

Recommendation: Increase cap to \$1,000 for TMJ with optional service coordination. Services that fall underneath the cap to be defined by looking at the claims data from the last couple of years with assistance from the carriers

A discussion ensued.

Musgrove made the motion to adopt recommendation for TMJ. Walker seconded. Motion carried.

3. E-Prescribing

Platt informed the Board that the work group invited representatives from the pharmacy and medical society to come and speak to them about E-Prescribing. Roy Jeffus, with Medicaid, and John Herzog, EDS, participated in the meeting as well.

Platt said the work group also talked about incentives for pharmacists. Medicare & Medicaid offers providers incentive payments when they use an electronic prescribing (e-prescribing) and some private health plans also have begun offering some type of incentive.

Platt said Pharmacies pay transaction fees based on the number of electronic prescriptions, such fees are typically about 25 cents per transmission. There are no incentives currently being offered to the pharmacists.

Recommendation: 1) Encourage the board to publicly embrace E-Prescribing and explore various incentives for the pharmacists.

A discussion ensued.

Musgrove made the motion to adopt recommendation for E-Prescribing. Black seconded.

McCook suggested UAMS College of Pharmacy propose a structure as to how to provide an incentive to the pharmacists as part of the reimbursement program and bring to the Board.

All were in favor. Motion carried.

PSE Open Enrollment Update *by Jason Lee, EBD Director*

Lee reported they are two weeks into 2010 PSE Active open enrollment period; and they have received approximately 2,148 calls with a 1% abandonment rate. Lee said they received about 3,000 calls with a 2% abandonment rate during this time last year. Lee said it is a relatively quiet open enrollment period compared to last year.

Director's Comment *by Jason Lee*

Lee informed the committee that CHEIRON is the new Actuarial consulting team for the plan. Lee said he will introduce them at the Board meeting on Tuesday.

Lee reported that Data Path has been extended the new contract for the health savings account.

Meeting adjourned.