

Minutes

State, Local Education and Local Government Insurance Committees January 21, 2021

The State, Local Education and Local Government Insurance Committees met on January 21, 2021 at 1:00 pm (central) via WebEx.

State Insurance Committee members participating:

Eugene Neubert, representing Butch Eley, Commissioner, Finance and Administration
Rachel Buckley, representing Jason Mumpower, Comptroller of the Treasury
David Lillard, State Treasurer
Brian Hoffmeister, representing Carter Lawrence, Commissioner, Commerce and Insurance
Juan Williams, Commissioner, Human Resources
Michelle Consiglio-Young, state employee representative
Randy Stamps, Tennessee State Employees Association
Rob Chance, representing Higher Education

Local Education Insurance Committee members participating:

Eugene Neubert, representing Butch Eley, Commissioner, Finance and Administration
Rachel Buckley, representing Jason Mumpower, Comptroller of the Treasury
David Lillard, State Treasurer
Brian Hoffmeister, representing Carter Lawrence, Commissioner, Commerce and Insurance
Erin Johnson, east Tennessee teacher representative
Jennifer White, Tennessee School Board Association

Local Government Insurance Committee members participating:

Eugene Neubert, representing Butch Eley, Commissioner, Finance and Administration
Rachel Buckley, representing Jason Mumpower, Comptroller of the Treasury
David Lillard, State Treasurer
Kevin Krushenski, Tennessee Municipal League

Deputy Commissioner Neubert called the meeting to order at 1:00 pm (central). A roll call of attendance noted a quorum was present for each Committee. The following announcements were made regarding Committee membership:

- Jason Mumpower, newly elected Comptroller, is now a member of the State, Local Education and Local Government Insurance Committees (represented at this meeting by Rachel Buckley)

- Carter Lawrence, newly appointed Commissioner of the Department of Commerce and Insurance, is now a member of the State and Local Education Insurance Committees (represented at this meeting by Brian Hoffmeister)
- Representative Patsy Hazlewood, newly appointment Chair of the House Finance, Ways and Means Committee, is now a member of the State Insurance Committee

Deputy Commissioner Neubert advised that Executive Order #71 signed by Governor Lee provides that a governing body may conduct essential business by electronic means without a quorum of members present in the same location, if the governing body determines that meeting electronically is necessary to protect the health, safety, and welfare of Tennesseans in light of the COVID-19 outbreak.

The items on the agenda for the Committees’ consideration included:

- Changes to Disability and Life Insurance Programs
- Tennessee Plan Approval
- Congestive Heart Failure Pilot Update

Commissioner Williams made a motion that the State Insurance Committee approve proceeding electronically without a quorum present at the same location. Ms. Buckley seconded the motion which passed with the following roll call vote:

Neubert	yes	Buckley	yes
Lillard	yes	Hoffmeister	yes
Williams	yes	Consiglio-Young	yes
Stamps	yes	Chance	yes

On behalf of the Local Education Insurance Committee, Ms. White made a motion to approve proceeding electronically without a quorum present at the same location. Deputy Commissioner Neubert seconded the motion which passed with the following roll call vote:

Neubert	yes	Buckley	yes
Lillard	yes	Hoffmeister	yes
Johnson	yes	White	yes

On behalf of the Local Government Insurance Committee, Mr. Krushenski made a motion to approve proceeding electronically without a quorum present at the same location. Treasurer Lillard seconded the motion which passed with the following roll call vote:

Neubert	yes	Buckley	yes
Lillard	yes	Krushenski	yes

Agenda Item #1A – Minutes of October 22, 2020 Meeting

Mr. Chance made a motion that the State Insurance Committee approve the October 22, 2020 minutes as presented. Commissioner Williams seconded the motion, which passed with the following roll call vote:

Neubert	yes	Buckley	yes
Lillard	yes	Hoffmeister	yes
Williams	yes	Consiglio-Young	yes
Stamps	yes	Chance	yes

On behalf of the Local Education Insurance Committee, Ms. White made a motion to approve the minutes as presented. Ms. Johnson seconded the motion, which passed with the following roll call vote:

Neubert	yes	Buckley	yes
Lillard	yes	Hoffmeister	yes
Johnson	yes	White	yes

On behalf of the Local Government Insurance Committee, Mr. Krushenski made a motion to approve the minutes as presented. Treasurer Lillard seconded the motion, which passed with the following roll call vote:

Neubert	yes	Buckley	yes
Williams	yes	Krushenski	yes

Agenda Item #1B – Minutes of December 4, 2020 Meeting

Commissioner Williams made a motion that the State Insurance Committee approve the December 4, 2020 minutes as presented. Treasurer Lillard seconded the motion, which passed with the following roll call vote:

Neubert	yes	Buckley	yes
Lillard	yes	Hoffmeister	yes
Williams	yes	Consiglio-Young	yes
Stamps	yes	Chance	yes

Agenda Item #2 – Changes to Disability and Life Insurance Programs (STATE Only)

Laurie Lee, Executive Director, Benefits Administration (BA), advised that staff is currently completing a comprehensive review of the Plan Documents and employee materials for consistency and compliance with federal laws. As part of this review, BA recommends changing the new hire enrollment period from 31 days to 30 days, including the hire date, for the disability and life insurance programs. The Insurance Committee memo, dated January 13,

2021, includes the specific plan document language for the short-term, long-term disability insurance and the voluntary term and AD&D coverage. If approved, the effective date will be March 1, 2021 and will apply to anyone hired on March 1st or later. This change would align all enrollment dates for all plans and complies with federal and state laws.

Treasurer Lillard made a motion that the State Insurance Committee approve the change to the enrollment period as presented. Ms. Buckley seconded the motion, which passed with the following roll call vote:

Neubert	yes	Buckley	yes
Lillard	yes	Hoffmeister	yes
Williams	yes	Consiglio-Young	yes
Stamps	yes	Chance	yes

Agenda Item #3 – The Tennessee Plan Approval (STATE Only)

Director Lee noted that The Tennessee Plan (Medicare Supplement Insurance) contract was with the State Insurance Committee but enrollment included all three plans as the benefit was for members in the Tennessee Consolidated Retirement System (TCRS). The Tennessee Plan has been in place since 1989, was authorized in state statute, and includes more than 45,000 members in the plan.

Seannalynn Brandmeir, Director of Contracts and Procurement, advised that the Request for Proposals (RFP) for this benefit was issued in October 2020 and BA received two proposals; one from BlueCross Blue Shield of Tennessee (BCBST) and one from UMR. Ms. Brandmeir reviewed the different sections of the RFP, the components of each section and the maximum points available for scoring purposes. The cost proposals, consisting of one table for a per member per month administrative fee, were opened following the scoring of the technical portion of the RFP.

Based upon the Evaluation Team Report, BA recommends that the State Insurance Committee enter into a contract with UMR for the provision of The Tennessee Plan benefits, with a beginning date of March 1, 2021 and ending June 30, 2028. Members were advised that the benefit period for members is January 1, 2022 through December 31, 2026. The contract period includes nine months for implementation and eighteen months for claims run out.

At this point in the meeting, Commissioner Eley assumed the role of Chair.

Mr. Hoffmeister made a motion that the State Insurance Committee approve the staff's recommendation to enter into a contract with UMR for provision of The Tennessee Plan benefits. Commissioner Williams seconded the motion, which passed with the following roll call vote:

Eley	yes	Buckley	yes
Lillard	yes	Hoffmeister	yes
Williams	yes	Consiglio-Young	yes
Stamps	yes	Chance	yes

Agenda Item #4 – Congestive Heart Failure (CHF) Pilot Update

Paige Turner, Director of Population Health, advised the CHF pilot, provided through Active Health, launched in May 2020 with participants receiving home monitoring kits to monitor blood pressure, heart rate and fluid retention. Participant biometric data, along with member’s daily health assessment, triggers action or intervention from a care manager. Ms. Turner reviewed a six-month comparison of two sets of members identified for the program – enrolled members who participated in the program and non-enrolled members who were identified for the program but who were not enrolled.

Key findings during the initial six-month pilot included:

- The non-enrolled group had much higher counts of in-patient admissions compared to the enrolled group on both all-cause and CHF specific basis.
- All-cause ED utilization was much higher for the non-enrolled group compared to the enrolled group, although CHF-specific ED utilization was the same in both groups.
- All-cause out-patient utilization was much higher in the non-enrolled group compared to the enrolled group but this difference disappeared in the comparison of CHF-specific out-patient utilization.
- CHF-related in-patient admissions per member was 85% lower in the enrolled group vs. the non-enrolled group
- Emergency room visits per member and out-patient visits per member were the same in both groups.

Ms. Turner noted that due to the small participation numbers, BA could not provide statistical significance on these preliminary results; however, the outcomes were directionally positive and an indication of program value.

Mr. Krushenski requested that BA provide information on the breakdown of participation by plan and the method by which members were approached for participation. Members were advised that BA will continue to monitor results through the 12-month pilot and determine if Active Health will offer this benefit through its current contract and if so, what the cost would be.

New Business

Executive Director Lee noted that BA had been contacted by Ms. Consiglio-Young regarding recent IRS rule changes relative to Flexible Spending Account (FSA) plans. The changes were approved at the end of December and were optional for FSA medical and dependent care

accounts. The changes dealt with the additional carryover of funds from 2020 to 2021 due to the impact of COVID on utilization of funds. Executive Director Lee noted that BA staff is reviewing the changes and plan to bring a recommendation to the State Insurance Committee at its February meeting.

Noting no additional business for the Committees, Commissioner Eley advised that the next meeting was scheduled for February 25, 2021 at 1:00 pm. The meeting was adjourned at 1:40 pm.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Laurie S. Lee". The signature is written in a cursive, flowing style.

Laurie S. Lee