Idaho State Group Insurance Advisory Committee
February 2, 2012
Meeting Minutes

The February 2, 2012 meeting of the Idaho State Group Insurance Advisory Committee was held in Conference Room 302, 3rd' Fl., 650 W. State Street, Boise, Idaho.

ATTENDANCE
Members Present:
Director Teresa Luna, Chair
Representative Phylis King
Senator Melinda Smyser
Member Betsy Johnson, Active Employee, Co-Chair
Andrea Patterson, Judiciary
Dick Humiston, Retired Employee

Others Present:

Professional Technical Education: Jody Zauha
State Board of Education: Matt Freeman
Division of Financial Management: Keith Reynolds
Department of Human Resources: Lee McCormick
Department of Administration: Rebecca Fry, Kirk Weiskircher, Connie Smith,
Margaret Odedo, Management Assistant

WELCOME
Director Luna called the meeting to order at 8:36 a.m. welcoming Kirk Weiskircher as the Department's new Fiscal Officer as Connie Smith is retiring. Committee members extended congratulations to Ms. Smith and thanked her for her service to the group.

GENERAL BUSINESS

Approval of Minutes:
MOTION: Representative Dick Huminston moved to approve the minutes of the December 2, 2011 meeting as written. Seconded by Member Andrea Patterson, motion passed.

UPDATES/PROJECTS:

Current RFP Review: Ms. Luna explained that in November we put out an RFP on Life and Disability programs. We have received nine proposals back from perspective venders; they are currently being reviewed on two different levels. Our consultant is reviewing the proposals relative to administrative procedures, claims administration, and reporting to make sure that each responded to the bid specifications. In addition, our outside actuary is reviewing the bids relative to underwriting, pricing and reserving practices. Once that has been completed we will come back to this committee and we'll look at it to make recommendations on the plans. The desire is to expand the current voluntary benefits options to provide more opportunities available to our employees. We expect to have those reports back for our next meeting April 5th and have the plans available for the open enrollment period July 1, 2012. It was noted that we will not be offering a home and auto portion at this time, as we are looking at remarketing it. Once we have completed this aspect, we will make it available again. Also noted is that our major health insurance component will not lapse for at least another year.

Agenda was re-ordered to discuss Medicare Supplement Plans: Ms. Luna reviewed that we have five different providers that have agreements that allow PERSI to use unused sick leave funds to pay premium for a retiree choosing to enroll in one of the carriers' Medicare supplemental plans. For the most part this method works well, with the minor exception of some billing issues. We continue to receive requests from other insurers wanting to be included in the list of existing groups, but we are struggling with what process we use to allow or deny their request. We want to make sure that retirees have access to Medicare supplemental plans to be able to use their sick leave funds to pay premiums. The question

is, can we have too many carriers on the list for our retirees and dependents over age 65. Would it be too confusing for them? We are looking for input from the Committee as to how to manage this option and requests from carriers to be included. After much discussion it was decided that a survey would go out to the retirees to get direct feedback from them.

Other Opportunities: As we go through renewals of our contracts we will be focusing on benefits. We do not intend to raise premiums. Our reserves that we pay premium holiday out of are shrinking, so we will not offer a premium holiday in FY2013. We are looking at possible improvements to the vision coverage. Last July we eliminated the 90 day waiting period. This year we will change the flexible spending account plan to allow any new employee to enroll in the plan to begin on the first day of the following month. We are also considering changing the tiers on the part time premium from three to two tiers. We will be asking for a Group Insurance Administrator with a very strong finance background. We will also be looking for a wellness benefits coordinator. After additional discussions it was decided that the group will be looking at different usage for sick leave balances.

ANY OTHER BUSINESS:

ADJOURNMENT
The committee adjourned at 10:50 a.m.

Respectfully submitted

Margaret Odedo

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