

**IDAHO STATE GROUP INSURANCE
ADVISORY COMMITTEE
September 11, 2013
MEETING MINUTES
*Draft***

The September 11, 2013 meeting of the Idaho State Group Insurance Advisory Committee was held in the LBJ Building, Conference Room 155, located at 650 W. State Street, Boise, Idaho

ATTENDANCE

Members Present:

Director Teresa Luna, Chair
Senator Fred Martin
Representative Phylis King
Retired Employee Dick Humiston
Judiciary Member Andrea Patterson

Absent Members

Employee Member Roxanne Lopez

Others Present:

Consultant: Doug Toschi
Legislative Service Office: Robyn Lockett, Analyst
Department of Administration: Amy Johnson, Cindy Dickinson, Nicole Fitzgerald, Keith Reynolds, Rebecca Fry and Margaret Odedo

WELCOME

Director Luna called the meeting to order at 1:05 p.m. and welcomed all members.

GENERAL BUSINESS

Approval of Minutes:

MOTION: Senator Martin moved to accept the September 10, 2013 minutes as written. Seconded by Representative King, motion passed.

Executive Session: Director Luna explained that the purpose of the meeting was to consider hiring an agent. Senator Martin moved to go into executive session for further discussion. Seconded by Representative King. Roll call: Director Luna, yes, Senator Martin, yes, Representative King, yes, Dick Humiston, yes, Andrea Patterson, yes. Motion passed.

At 2:15 p.m. Senator Martin moved to close executive session. Seconded by Representative King. Motion passed. No action was taken by the committee during Executive Session.

MOTION: Upon return to open session Senator Martin moved to recommend that the group move forward with negotiations with HMS as the dependent audit vendor. Seconded by

Representative King. Roll call: Director Luna, yes, Senator Martin yes, Representative King, yes, Dick Humiston, yes, Andrea Patterson, yes. Motion passed.

MOTION: Senator Martin moved that any mail sent to employees by HMS contain the Boise address. Seconded by Representative King. Motion passed.

FINANCIAL UPDATE: Amy Johnson provided a financial update that the appropriation request for FY2015 would be \$10,550 per employee, based on the Milliman report dated June 14, 2013. This amount represents a 15.9% increase in appropriation over the previous year. Although 15.9% is a significant increase, it's important to consider prior funding decisions to fully understand the FY2015 increase. For several years, the State utilized reserve funds to draw down increased costs so that it would not have to pass those increases on to employees and minimize the impact to the State. However, health care costs continued to rise and the State no longer has a reserve balance in excess of our contractual obligation to buy down plan increases, resulting in the requested appropriation and premium increases for FY2015.

HEALTH PROMOTION UPDATE: Nicole Fitzgerald reviewed the mission of the new health promotion program and explained how participants accumulate points toward the incentive by completing the requirements of the program. She also shared the tentative communication schedule for the new health promotions program including an overview of the October 1 kickoff event where the Governor will announce the program name that was selected from the more than 1600 name submissions.

ADJOURNMENT: Senator Martin moved to adjourn the meeting. Seconded by Representative King. Motion passed. Being no other business the committee adjourned at 3:20 p.m.

Respectfully submitted

Margaret Odedo, Department of Administration