

**MISSOURI DEPARTMENT OF TRANSPORTATION AND
MISSOURI STATE HIGHWAY PATROL
MEDICAL AND LIFE INSURANCE PLAN**

**MINUTES OF THE BOARD OF TRUSTEES' MEETING
VIA WEBEX
OPEN SESSION
June 24, 2020**

MEMBERS PRESENT: Ms. Ashley Halford, Chairman
Mr. Ben Reeser, Vice Chairman
Mr. Richard Coffey, MSHP Retired Member
Lt. Stephen Burgun, MSHP Member
Ms. Javal Burton, Secretary-Treasurer
Mr. Jeffrey Padgett, MoDOT Retired Member
Mr. Steve Campbell, MoDOT Member
Ms. Holly Haarmann, MSHP Member

MEMBERS ABSENT:

STAFF PRESENT: Ms. Melinda Grace-Beasley, Chief Counsel Staff
Mr. Brandon Denkler, Employee Benefits Staff
Ms. Brook Luecke, Employee Benefits Staff
Ms. Jill Kliethermes, Employee Benefits Staff

GUESTS PRESENT: Colonel Eric Olsen, MSHP Staff
Mr. Patrick McKenna, MoDOT Director
Mr. Lester Woods, MoDOT Chief Administrative Officer
Ms. Colleen Huber, Aon Hewitt Staff
Ms. Claire Backstrom, AON Hewitt Staff
Mr. Les Renn, Central Bank Staff
Mr. Dave Meyer, Central Bank Staff

OPEN SESSION

The meeting was called to order at 8:02 a.m.

Consideration of Consent Agenda Items– (It is the understanding of the Board for those items to be reviewed before the Board Meeting and will only be discussed if necessary) Consent Agenda items were as follows:

Approve Minutes from May 27, 2020 Board Meeting
Financial Statement – May 2020
Central Bank Investment Report – May 2020

2020 Year-to-Date Medical and Life Insurance Plan – Profit/Loss Report
Medical Plan Fund Account Balance-thru May 2020
Claims and Contributions Report-thru May 2020
Anthem Reports- May 2020

- Membership and Paid Amount by Month
- Medical Paid Amounts and Plan Savings
- Paid Claims Distribution
- Utilization by Setting

Mr. Coffey made a motion to approve the Consent Agenda items. Lt. Burgun seconded; motion carried.

Anthem Claims Summary (2019/2020) – Ms. Halford reported Plan medical claim payouts have increased 19.8% when compared to 2019 through the fifth month of the 2020 calendar year.

MoDOT/MSHP Prescription Drug Paid Claims Monthly Comparison (2019/2020) - Ms. Halford reported Plan prescription claims costs have increased 7.8% when compared to 2019 through the fifth month of the 2020 calendar year.

AON Hewitt Annual Report- Ms. Halford welcomed AON staff to the meeting.

Semi-Annual Actuarial Evaluation – Ms. Backstrom presented financial data and projections used to determine related cost and contributions for the Plan. She reported Year to Date 2020 income was more than expenses by \$2.8 million, which has increased Retained Earnings to \$45.6 million. The ultimate incurred claim liability for FY2020 is estimated to be \$123.3 million; this is a 2.1% increase over FY2019's \$120.8 million.

Ms. Backstrom provided contribution and plan design changes for consideration to assist the Board in deciding an appropriate contribution level for Calendar Year 2021. AON is recommending a 0% increase in premiums. Mr. Pagett made a motion to approve AON's recommendation of 0% increase in premiums for calendar year 2021. This includes no Plan design changes and an increase of HSA employer funding to \$500 individual/\$1,000 for all other rate categories. Ms. Haarmann seconded; motion carried.

Central Bank- Ms. Halford welcomed Central Bank staff to the meeting. Mr. Renn provided an overview of the Medical and Life Insurance Plan's investment portfolio and

investing policy.

Other Business- Ms. Halford informed the Board follow up information from Anthem is included in the Board books for the members to review regarding the Anthem Medicare Advantage Plan. The Board would like to see pharmacy information as well, which requires Anthem to receive prescription claims data from MedImpact. Mr. Coffey made a motion for the Plan to share prescription claims data with Anthem in regard to review of the Medicare Advantage Plan. Ms. Haarmann seconded; motion carried.

Ms. Halford updated the Board on the impacts of the Shared Work Program implemented by MoDOT. It was discovered that the state paid life coverage amount could be impacted due to the salary reduction since the annual base benefit rate is dependent on the employee's salary as of July 31. Staff has worked with Securian and legal counsel to work on an amendment to the contract so the salary reduction through the Shared Work Program does not negatively impact state paid life coverage.

Ms. Haarmann made a motion to adjourn at 9:59 a.m. Mr. Coffey seconded; motion carried.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "Javal Burton", is enclosed within a thin black rectangular border.

Ms. Javal Burton, Secretary-Treasurer
Medical and Life Insurance Board of Trustees