

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

**MINUTES OF THE BOARD OF TRUSTEES' MEETING
OPEN SESSION
June 29, 2022**

MEMBERS PRESENT: Ms. Ashley Halford, Chairman
Mr. Ben Reeser, Vice Chairman
Ms. Javal Burton, Secretary-Treasurer
Mr. Richard Coffey, MSHP Retired Member
Mr. Jeffery Padgett, MoDOT Retired Member
Ms. Holly Haarmann, MSHP Member
Lt. Stephen Burgun, MSHP Member
Ms. Amy Crawford, MoDOT 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: Ms. Colleen Huber, AON Hewitt Staff
Ms. Claire Backstrom, AON Hewitt Staff
Mr. Michael Lucchese, AON Hewitt Staff
Major Scott Shippers. MSHP Leadership
Mr. Patrick McKenna, MoDOT Leadership

OPEN SESSION

The meeting was called to order at 8:15 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 25, 2022 Board Meeting
Financial Statement – May 2022
Central Bank Investment Report – May 2022
2022 Year-to-Date Medical and Life Insurance Plan – Profit/Loss Report
Medical Plan Fund Account Balance-thru May 2022

Claims and Contributions Report-thru May 2022

Anthem Reports- May 2022

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

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

Anthem Claims Summary (2021/2022) – Ms. Halford reported Plan medical claim payouts have increased 3.8% when compared to 2021 through the fifth month of the 2022 calendar year.

MoDOT/MSHP Prescription Drug Paid Claims Monthly Comparison (2021/2022) - Ms. Halford reported Plan prescription claim costs have increased 14.3% when compared to 2021 through the fifth month of the 2022 calendar year.

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

Semi-Annual Actuarial Evaluation – Ms. Colleen Huber presented financial data and projections used to determine related cost and contributions for the Plan. She reported Year to Date 2022 income was less than expenses by \$793,000, which has increased Retained Earnings to \$48.6 million. The ultimate incurred claim liability for FY2022 is estimated to be \$136.8 million; this is a 6% increase over FY2021's \$129.1 million. Ms. Claire Backstrom provided contribution and plan design changes for consideration to assist the Board in deciding an appropriate contribution level for Calendar Year 2023. AON is recommending a 6.5% increase in premiums beginning in Calendar Year 2023 with no plan design changes. Mr. Padgett made a motion to approve a 0% increase for all rate categories, leaving the Medicare rates the same as 2022 while passing on the savings due to the Medicare Advantage Prescription Drug plan change to the employee and non-Medicare retiree rate category. Ms. Burton seconded; motion carried.

The Board discussed the Medicare Advantage Plan RFP analysis in Closed Session. The Board recommends implementing United Health Care (UHC) Medicare Advantage Plan with a Rx plan design option 2 beginning January 1, 2023. Ms. Crawford made a motion to approve the recommendation. Mr. Padgett seconded; motion carried.

Other Business- None.

Lt. Burgun made a motion to go back into Closed Session. Ms. Crawford seconded; motion carried. (Meeting adjourned in Closed Session.)

Respectfully submitted,

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