



Dale R. Folwell, CPA
State Treasurer of North Carolina
DALE R. FOLWELL, CPA

Board of Trustees Teleconference

June 5, 2018

Minutes

Welcome

The teleconference of the North Carolina State Health Plan was called to order at approximately 4:00 p.m. on June 5, 2018.

Board Members Present

Dale R. Folwell, Chair, Charles Perusse, Ted Brinn, Peter Chauncey, Kim Hargett, Donald Martin, Aaron McKethan, Elizabeth Poole, Peter Robie, Margaret Way

Conflict of Interest

No conflicts of interest were noted.

Board Approval

Approval of Minutes

The minutes from the February 8, 2018, meeting were unanimously approved by the Board members.

UnitedHealthcare Medicare Advantage Rates and Amendment Status

Dee Jones, Executive Director, introduced new State Health Plan staff Matthew Rish, Sr. Director, Finance, Planning and Analytics and Charles Sceiford, Health and Benefits Actuary. She also provided a summary of the negotiating process and acknowledged UnitedHealthcare for the management of the Plan's Medicare members.

Matthew Rish, Sr. Director, Policy, Planning and Analytics, summarized the calculation of the 2019 UnitedHealthcare (UHC) Medicare Advantage (MA) Plan renewal rates and stated that member premiums will decrease in 2019.

Board Question(s) Addressed: The star rating of the UHC plan is 4.5%.

Follow-up Action: Plan staff will provide the actuarial value of the MA plan options to the Board.

Plan Recommendation: Maintain the \$0 subscriber premium for the UHC Base MA plan; decrease cost for the UHC Enhanced MA plan (\$63/month instead of \$66/month), as negotiated with UHC; align MA dependent premiums with the 2019 subscriber rates; maintain the per member per month administrative fee for dependent coverage at \$4.00;

Recommended 2019 Premium Rates *(Requires Vote)*

Medicare Primary Subscribers

	Medicare Advantage		Retirement System Contribution ¹
	Base Plan	Enhanced Plan	
Non-Contributory Medicare Primary Subscribers			
Medicare Primary for Retiree and One or More Dependents			
Subscriber Only	\$0.00	\$63.00	\$402.94
Subscriber + Child(ren)	\$89.00	\$215.00	\$402.94
Subscriber + Spouse	\$89.00	\$215.00	\$402.94
Subscriber + Family	\$178.00	\$367.00	\$402.94
50% Contributory Medicare Retirees			
Medicare Primary for Retiree and One or More Dependents			
Subscriber Only	\$89.00	\$152.00	\$201.47
Subscriber + Child(ren)	\$178.00	\$304.00	\$201.47
Subscriber + Spouse	\$178.00	\$304.00	\$201.47
Subscriber + Family	\$267.00	\$456.00	\$201.47
100% Contributory Medicare Retirees			
Medicare Primary for Retiree and One or More Dependents			
Subscriber Only	\$89.00	\$152.00	\$0.00
Subscriber + Child(ren)	\$178.00	\$304.00	\$0.00
Subscriber + Spouse	\$178.00	\$304.00	\$0.00
Subscriber + Family	\$267.00	\$456.00	\$0.00

1. Retirement System Contribution assumes 4% increase from 2018.

Vote: The Board unanimously approved the recommended rates.

Caroline Smart, Sr. Director, Plan Integration, provided a brief summary of the 2018 Medicare primary enrollment strategy and presented the Plan's recommendation for 2019.

Board Question(s) Addressed: Education and materials for Medicare primary members will include a mailed packet of enrollment information and instructions, in person outreach events around the State and possible tele-town hall meetings. UnitedHealthcare will also send information to members.

Plan Recommendation: Move the Medicare primary members currently enrolled in the 70/30 PPO Plan back to the UHC Medicare Advantage Base Plan. Members currently enrolled in the Base and Enhanced MA plans will remain there.

Vote: The Board unanimously approved the Plan's recommendation.

Operations Updates

SHP Update

Ms. Jones stated that since the February 8 Board meeting, the Plan has hired 8 new staff members and will add 4 more by the end of June.

The Board teleconference to discuss and vote on active and non-Medicare premium rates is scheduled for July 17, 2018, 4-5 p.m.

The next regular, in person Board meeting will be scheduled on either August 30 or September 10, 2018.

Follow-up Action: Plan staff will finalize the date for the next regular meeting and poll the Board for another regular meeting date in either late November or early December.

Calendar and Fiscal Years Financial Status with Updated Forecast

Mr. Rish reviewed the calendar year to date financial results and the allocation of expenditures as of April 2018. A detailed report of the 2018 administrative expenses was included in the Board packet.

Contracting Update

Ted Enarson, Sr. Director, Contracts and Compliance, presented the status of the Plan's current Request for Proposals (RFPs).

2018 Short Session Legislative Agenda

Andrew Norton, Deputy General Counsel, presented a summary of some of the pending proposed/anticipated legislative changes relative to the Plan.

Adjournment

The teleconference was adjourned at 4:45 p.m.

Minutes submitted by: Andrew Norton, Secretary

Approved by: _____


Dale R. Folwell, Chair