

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

**MINUTES OF THE BOARD OF TRUSTEES' MEETING
August 27, 2003**

MEMBERS PRESENT: Mr. Jeff Padgett, Chairman
Captain Terry Moore, Vice Chairman
Ms. Pamela Otto, Secretary-Treasurer
Mr. C.F. Barnes, Member (MoDOT Retired)
Mr. George Ellis, Member
Lt. James Remillard, Member
Ms. Teresa White, Member



MEMBERS ABSENT: Mr. Dan Pritchard, Attorney to the Board
Mr. Roy Bergman, Member (MSHP Retired)

STAFF PRESENT: Mr. Bill Buerky, Employee Benefits Staff
Ms. Marge Doerhoff, Employee Benefits Staff
Ms. Jennifer Wilbers, Employee Benefits Staff

GUESTS PRESENT: None

Mr. Padgett called the meeting to order at 8:15 a.m.

CLOSED SESSION:

Mr. Ellis motioned to go into Closed Session. Ms. White seconded. Motion carried. Several cases were discussed during Closed Session.

Lieutenant Remillard motioned to go into Open Session. Mr. Barnes seconded. Motion carried.

Consideration of the Consent Agenda Items *(It is the understanding of the Board that these items are to be reviewed before the Board meeting and will only be discussed if necessary.)* Consent agenda items were as follows:

- Approve Minutes of July 30, 2003 Board Meetings
- Financial Statement (July 2003)
- 2003 Medical and Life Insurance Plan – Profit/Loss Report
- Medical Plan Fund Account Balance
- 52-Week Report
- Claims and Contributions Summary
- Westport Monthly Reports (July)
 - Claim Summary
 - Highest Paid Claims
 - Lifetime Major Medical
- Eckerd Prescription Reports
 - July 2003

Consideration of the Consent Agenda Items

Ms. White motioned to approve the Consent Agenda items. Captain Moore seconded. Motion carried.

HIPAA Opt Out

On an annual basis, Mr. Pritchard writes a letter to the federal government stating the HIPAA provisions the Plan elects to opt out. Mr. Barnes motioned for Mr. Pritchard to send the annual letter regarding opting out of HIPAA provisions. Ms. Otto seconded. Motion carried.

Medical Claims Audit

Staff is developing the bullet points for potential medical claims audit vendors. Ms. Julie Muhlhauser of Arch Brokerage has not provided additional vendor's names. Mr. Padgett suggested contracting with Meridian, who was previously recommended by Ms. Muhlhauser. Motion to contract with Meridian made by Lieutenant Remillard. Ms. White seconded. Motion carried. Staff will follow up with Ms. Muhlhauser.

Open Enrollment

Staff presented a recommendation to modify the open enrollment criteria approved at the May 1, 2003 meeting. The surviving spouse category needs clarification.

Captain Moore stated the intent of his motion on May 1, 2003, was to allow all surviving spouses into the plan effective January 1, 2004, if they are not currently enrolled. However dependents of surviving spouses are not eligible. Discussion ensued regarding coverage for surviving spouses and dependents. Mr. Barnes motioned to accept the recommendation to exclude surviving spouses who are not currently enrolled in the Plan. Ms. Otto seconded. Captain Moore stated this recommendation proves a disservice to the members. A voice vote was taken: Captain Moore – no; Lieutenant Remillard – no; Mr. Ellis – no; Ms. White – yes; Ms. Otto – yes; and Mr. Barnes – yes. Mr. Padgett voted yes to break the tie. Motion carried.

Captain Moore asked how many people have been informed that surviving spouses will be included in the open enrollment. Mr. Padgett stated all members have been notified of an open enrollment for 2004, but were informed that the categories were subject to change. Captain Moore stated that Colonel Stottlemire has been informed and has distributed the information to the Troops. Mr. Padgett stated an alternative would be to allow all surviving spouses into the plan as well as their current dependents.

In light of the fact that information had been dispursed about open enrollment to include surviving spouses, Mr. Barnes withdrew his previously approved motion and a new motion was made.

Ms. Otto motioned to have an open enrollment for January 1, 2004 effective date that will include active employees, retirees, disability recipients and their eligible dependents. This also includes surviving spouses only. Vested and COBRA members will be excluded from the open enrollment. This motion superceded the previously passed motion. Mr. Barnes seconded. Motion carried.

TriState Health Care Coalition

Information regarding a health care coalition in the Hannibal area was included in the Board materials. Ms. Judy Dawson of HealthLink has provided Mr. Padgett with information regarding discount fees. The cost of the coalition would be an additional out-of-pocket cost for the employee or to the Plan.

Westport 2Q03 Performance Guarantee Summary

The second quarter 2003 performance reports were included in the Board packet.

HealthLink

Average Speed of Answer Report – The performance guarantees for call time are slightly out of range. Mr. Padgett will monitor for payment of penalty.

July 2003 Turn Around Time Report – These reports were included in the Board materials. All standards were met for July.

2Q03 Summary Management Reports – This report was included in the Board materials.

2Q03 Management Reports – Captain Moore identified some inconsistencies with these reports. Mr. Padgett will discuss with Ms. Judy Dawson of HealthLink for clarification.

Disease Management

Mr. Padgett stated that during the September 24 Board meeting several disease management vendors would make presentations.

Death Benefit Funding

Mr. Barnes has talked with Mr. Norm Robinson regarding the \$5,000 death benefit paid to a survivor. This money is taxed and therefore the survivor does not receive the full \$5,000 benefit. Mr. Robinson is reviewing the cost to provide a \$5,000 life insurance policy.

Life Bids

Mr. Padgett reported letters have been sent to all the companies who submitted a bid notifying them that Hartford Life Insurance was chosen to provide life insurance services. Hartford Life Insurance was approved at last month's Commission meeting. Ms. Otto distributed an updated rate chart for optional life insurance.

IPC Audit

Mr. Padgett stated 50 percent of the data analysis is complete on the prescription claim audit being done by IPC.

Quarterly Planning Sessions

As stated previously, disease management vendor presentations are scheduled for September 24. Another planning session will be scheduled before the end of the year.

Items Removed from Consent Agenda

There were no items removed from the Consent Agenda. Mr. Barnes asked if there was information from COMAP regarding spouse contributions for those who are employed by MoDOT/Patrol and another state agency. Mr. Padgett responded MCHCP does not allow this because it is against their statute. Captain Moore asked if our Plan should allow it and do we have authority to allow spouse contributions. Staff will ask Mr. Pritchard to review.

Other Business

Boyce and Bynum Labs – Mr. Padgett reported Boyce and Bynum Labs have an HMO contract however, the doctors and pathologists are PPO providers. Staff will develop communication to alert members that there are other options for laboratory services.

November 26 Board Meeting – Mr. Padgett asked if the November 26 Board meeting should be rescheduled since it is the day before Thanksgiving. The consensus was not to reschedule the meeting.

Member Communication – Ms. Otto distributed a sample of the correspondence to be sent to members. She has received a bid from AAA and State Print Shop. For labor printing and postage, AAA's bid is \$17,537 and State Print Shop's bid is \$12,000. To hand out the materials to all active employees, the bid from State Print Shop is \$7,000. Lieutenant Remillard motioned to mail out the communication to all members using State Print Shop. Ms. White seconded. Motion carried.

Veteran's Administration Language – Ms. Otto proposed a change to the Plan document regarding coverage of medical and prescription services received at Veteran's facilities. The proposed changes follow:

4.06 Coverage for Veterans Administration (VA) Facilities

If a participant (non-Medicare) is confined in a VA hospital, the Plan will pay 80% of the billed amount on eligible charges after the Plan's yearly deductible has been met. Only non-military service related medical expenses, or services and supplies, are eligible and only if benefits are not available under any governmental health plan, (except Medicaid), except to the extent required under existing state or federal laws and regulations. Payment will be made to the VA facility only.

4.07 Prescription Drug Card Program

(j) The Plan will not coordinate benefits on prescription drugs purchased through another plan, or a VA facility.

8.07 Coverage for Veterans Administration (VA) Facilities

(a) If a Medicare member is confined in a VA hospital, the Plan will consider the equivalent of the current Medicare Part A deductible as an eligible expense, which will be paid to the VA hospital at 100% after the Plan's yearly deductible has been met; and

(b) services received from a VA doctor or facility will be covered at 20% of the billed eligible expense, after the Plan's yearly deductible has been met. Payment will be made to the doctor or facility only. This coverage is equivalent to eligible expenses covered by the Plan for Medicare Part B; and

(c) the Plan will not coordinate benefits on prescription drugs purchased through another plan or a VA facility.

8.08 Coverage for Medicare Denied Claims

If Medicare denies a claim for services considered a covered service under the Plan for non-Medicare members, the services will be paid in accordance with the Plan's usual co-payments, deductibles and co-insurance.

Ms. White motioned to accept the recommended changes to the Plan document. Mr. Ellis seconded. Motion carried. Staff will update the Plan document accordingly.

Mr. Padgett stated Mr. Al Laffoon's father passed away. A card was signed by all Board members and sent to Mr. Laffoon.

Motion made by Ms. White to adjourn the meeting. Mr. Barnes seconded; motion carried. The meeting was adjourned at 11:00 a.m.

Respectfully submitted,

Pamela R. Otto, Secretary-Treasurer
Medical and Life Insurance Board of Trustees

md