

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

**MINUTES OF THE BOARD OF TRUSTEES' MEETING  
January 29, 2003**

**Condensed**

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

**MEMBERS ABSENT:** 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:** Mr. Steve Cox, Employee's Association

Mr. Padgett called the meeting to order at 8:05 a.m.

**CLOSED SESSION:**

Several cases were discussed during Closed Session.

Motion made by Ms. White to go into Open Session. Seconded by Mr. Ellis; 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 January 8, 2003 Board Meeting
- Financial Statement (December 2002)
- 2002 Medical and Life Insurance Plan – Profit/Loss Report
- Medical Plan Fund Account Balance
- 52-Week Report
- Claims and Contributions Report (December)
- Westport Monthly Reports (December)
- Eckerd Monthly Prescription Reports (December)
- Eckerd Quarterly Prescription Reports (4Q02)

**Consideration of the Consent Agenda Items**

Captain Moore brought attention to the fact that the prescription amounts on the Claims and Contribution Reports are in a deficit status. This is always the case because the contributions are applied to medical and not prescription. Captain Moore motioned to approve the Consent Agenda items. Mr. Ellis seconded; motion carried.

Mr. Barnes asked Mr. Steve Cox of the Employee's Association if he had any comments regarding decisions made by the Board. Mr. Cox is concerned how the proposed buy-out for early retirement will affect the medical plan. Mr. Padgett stated until legislation is finalized it is very difficult to project. However, if the employees who retire are not replaced, it will change the demographics of the Plan tremendously. These members would be reported as active, but actually be retired. If the number of retirees is greater than the number of actives, it could have an adverse effect on the Plan.

### **Allsup Claims Resolution Agreement**

Ms. Darlene Winters responded to Mr. Padgett's question regarding the Plan paying additional fees on the interest penalty that would accrue during a review by Allsup. The Plan would pay only a percent of the savings if verified Medicare is primary. Staff recommends Board approval to enter into the Claims Resolution Agreement with Allsup. Mr. Ellis motioned to contract with Allsup for Claims Resolution. Ms. Otto seconded. Motion carried.

### **Gastric Bypass Statistics**

Westport provided information on the gastric bypass surgeries performed to date. Ms. Otto asked Ms. Mary Grubbs how other plans cover gastric bypass. Ms. Grubbs responded that United Health Care and Blue Cross/Blue Shield do not cover gastric bypass. Mr. Padgett asked if the Board was interested in not covering gastric bypass surgery. Ms. White motioned to change the plan document to clearly state not covering gastric bypass effective June 1, 2003. Motion seconded by Mr. Barnes. Motion carried. A notice will be sent to participants notifying them of this change in benefits.

### **HealthLink**

Precertification Confirmation – HealthLink responded to the question whether they provide a confirmation number when a precertification is obtained. According to HealthLink, a number is provided to the member or provider on the phone and a letter is sent, which includes the precertification number.

Provider Update – The December 2002 HealthLink and Freedom Network PPO providers were included in the Board packet. This report shows the numbers of providers in the network. Mr. Padgett announced that Columbia Anesthesia Associates are back in the HealthLink network effective January 15, 2003. A notice will be included in the Patrol and MoDOT newsletters to inform members.

### **HIPAA Policies**

A draft of the HIPAA policies that will affect the medical plan was reviewed and discussed. Staff recommended including these policies in the Plan document.

### **Pharmacy Benefit Manager LOI from IPC**

IPC provided a letter of intent (LOI) to assist the Board in soliciting RFPs for a pharmacy benefit manager (PBM). The projected cost is \$25,000. Staff recommends engaging IPC to solicit a PBM. The contract for the current PBM, Eckerd Health Services, will end December 31, 2003. Mr. Ellis motioned to accept the LOI from IPC. Ms. White seconded. Motion carried.

### **Contracts**

HealthLink (Open Access) – WellPoint is reviewing the contract for Open Access. HealthLink is required to have WellPoint review all contracts.

### **Medical Underwriting**

Staff is awaiting review by the legal department at USI regarding a contract for medical underwriting services.

### **Proposed Plan Document Changes**

Ms. Otto and Mr. Buerky have made the recommended changes to the Plan document, and formatting is being finalized. In order to expedite final approval of the document, a hard copy of the document will be sent to each Board member. A deadline to review and make changes will be given. Staff will send out the Plan document as soon as the final changes are made.

### **Items Removed from Consent Agenda**

There were no items removed from the Consent Agenda.

### **Other Business**

Insurance Coverage for Dependents of Active Military Personnel – Several members have inquired about maintaining the insurance for their spouse and children when reporting for active full-time military duty. They can continue the coverage, but do not receive the state share. Thus, they have to pay the full family rate. For the PPO, the monthly premium is \$763; and for Open Access III, the monthly premium is \$891. Staff recommends allowing the spouse to enroll in his/her own plan with one child and the premium would be \$500 per month for PPO and \$584 per month for Open Access III. For a spouse and two children, the cost would be \$570 per month for PPO and \$665 per month for Open Access III. The spouse would be enrolled as a COBRA member, which would allow him/her to be set up as the subscriber. Mr. Ellis stated there might be an option for the family to obtain coverage and the Department of Defense would pay for it. Staff will call the mobilization unit and ask what benefits are provided upon activation. Mr. Ellis motioned to proceed with staff's recommendation. Ms. White seconded. Motion carried.

Total Income by Reserve Category – Mr. Padgett asked if it is necessary to continue producing this report, which is part of the Claims and Contributions Report. The Claims and Contributions Report is currently being reorganized to incorporate the changes made for 2003. The Board agreed it is not necessary to continue producing the Total Income by Reserve Category Report.

Motion to adjourn was made by Mr. Ellis. Seconded by Ms. White. Motion carried. The meeting was adjourned at 9:40 a.m.

Respectfully submitted,

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

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