

# MINUTES

## North Dakota Public Employees Retirement System

Wednesday, November 15, 2017

Thursday, November 16, 2017

Fargo, ND

A quorum of the NDPERS Board was present at a meeting with BCBS officials at 4510 13th Avenue South in Fargo. The purpose of the meeting was to provide PERS with an update on BCBSND, to share information about issues impacting health care, and BCBSND plans for change and transformation that will benefit the members they serve.

A quorum of the NDPERS Board was present for a tour of the Sanford Medical Center. The new hospital is located at 5225 23rd Avenue South in Fargo.

The November Board meeting was held on Thursday, November 16 at the Sanford Health Plan Office located at 1729 38<sup>th</sup> Street South in Fargo.

Members present were: Senator Dick Dever, Ms. Casey Goodhouse, Mr. Troy Seibel, Ms. Kim Wassim, Mr. Adam Miller, Ms. Yvonne Smith, Representative Pamela Anderson, Ms. Mylynn Tufte and Chairman Mark Dosch.

Others present were: PERS staff - Ms. Sharon Schiermeister, Ms. Jan Lund, Ms. Kathy Allen, Mr. Bryan Reinhardt, Mr. Derrick Hohbein and Ms. Rebecca Fricke. SHP staff - Mr. Mike Klepitz, Mr. Steve Webster, Ms. Katie Nermoe, Mr. Danny Weiss, Mr. Jim Wynstra, Dr. Timothy Donelan, Ms. Regina Bergh. Mr. Don Schott, Mr. Tim Byrne, and Ms. Barb Vandonslear (via phone). Express Scripts - Ms. Tricia Sonntag and Mr. Joseph Giunta.

Following introductions and a tour of the SHP office, Chairman Dosch called the meeting to order at 9:00 am.

Chairman Dosch called for any questions or comments regarding the minutes of the October 19, 2017, Board Meeting.

**SENATOR DEVER MOVED APPROVAL OF THE OCTOBER 19, 2017, NDPERS BOARD MEETING MINUTES. THE MOTION WAS SECONDED BY MS. WASSIM AND CARRIED BY VOICE VOTE. THE MINUTES WERE APPROVED.**

### GROUP INSURANCE

#### Vision Contract

Ms. Allen reviewed action taken at the June 22, 2017 awarding the contract for vision services to the incumbent bidder, Superior Vision. The contract has been reviewed by PERS legal counsel and signed by Superior Vision. There were no material changes, only changes in contract dates. Staff is recommending the Board approve the agreement for signature.

**MS. WASSIM MOVED APPROVAL FOR SIGNATURE OF THE VISION CONTRACT.  
THE MOTION WAS SECONDED BY SENATOR DEVER.**

**Ayes:** Ms. Goodhouse, Ms. Smith, Mr. Seibel, Ms. Wassim, Senator Dever, Mr. Miller, Ms. Tufte, Representative Anderson and Chairman Dosch.

**Nays:** None

**Absent:** None.

**MOTION PASSED**

**MISCELLANEOUS**

Transition Update

Ms. Schiermeister reviewed the Position Specifications document and the Advertising Plan Cost that was prepared by EFL Associates for the Executive Director recruitment process. Ms. Mary Hobson and Mr. Daniel Cummings joined the meeting by phone to answer questions from the Board. Discussion followed. Ms. Schiermeister will work with EFL Associates to incorporate the suggested revisions to the Position Specifications document. The Board agreed with the proposed timeline and with the Transition Subcommittee members to work with EFL Associates to conduct candidate screening and initial interviews by video conference.

**MS. WASSIM MOVED TO APPROVE THE POSITION SPECIFICATIONS DOCUMENT  
AS UPDATED AND THE ADVERTISING PLAN AS PRESENTED. MOTION WAS  
SECONDED BY REPRESENTATIVE ANDERSON.**

**Ayes:** Ms. Goodhouse, Ms. Smith, Mr. Seibel, Ms. Wassim, Senator Dever, Mr. Miller, Ms. Tufte, Representative Anderson and Chairman Dosch.

**Nays:** None

**Absent:** None

**MOTION PASSED**

2018 Board Meeting Dates

Ms. Schiermeister presented the proposed 2018 meeting dates for the Board's final review. Ms. Lund will post the dates with the Secretary of State, notify Legislative Council and send meetings out on Outlook calendars.

Legislative Committee Update

Ms. Schiermeister summarized information shared at the October 26<sup>th</sup> meeting of the Employee Benefits Programs Committee and updated the Board regarding a meeting scheduled for November 30<sup>th</sup> of the Health Care Reform Review Committee. Discussion followed.

## **SANFORD HEALTH PLAN**

### Executive Summary Quarter 2 Report

Mr. Steve Webster, Sanford Health Plan (SHP), reviewed the Quarterly Executive Summary which covered the second quarter of 2017. Mr. Webster went through the annual membership summary, membership trend, PMPM summary, fitness center reimbursement, health assessment, paid claims per contract, prescription drug metrics, wellness program activities, and performance standards and guarantees.

Mr. Wynstra, SHP, presented information relating to claims analysis, membership and utilization, paid per member per month trend per quarter, paid claims by state, member risk profile and utilization, high dollar cases and prescription drug information. Mr. Wynstra answered questions regarding stop loss and an appropriate range for high dollar claimants for PERS. Dr. Timothy Donelan noted that transplant cases, NICU and cancer treatment account for a majority of the typical large claims.

Mr. Weiss, SHP, provided a pharmacy update including generic utilization, specialty pharmacy, and monthly drug spending by drug category. Mr. Weiss provided examples of advancements made in treating cancer and associated costs, and on how drug advertising has influenced patients regarding generic and specialty utilization.

Ms. Katie Nermoe provided information about fitness center reimbursement, health assessment, online monthly wellness themes and activities. She also shared information on the successes of wellness programs and events such as Yoga at the Capitol, Fresh Fruit Fridays and Walk at Work events. It was noted that the numbers are down slightly for the online wellness participation because the temporary suspension hampered wellness coordinators to engage employees in the program (due to the IRS taxability issue).

### **THE BOARD TOOK A SHORT WELLNESS BREAK FROM 10:37 UNTIL 10:54 AM.**

### Medical Management Programs

Dr. Timothy Donelan, outlined Sanford Health Plan Medical Management Program which is an organized method for monitoring and evaluating the course of treatment given by all health care personnel, given a standard of desirable care. Dr. Donelan also spoke about how to 'facilitate best medicine practice', data-driven 'population health' and 'treat versus prevent'.

### **THE BOARD TOOK A SHORT BREAK FROM 11:23 to 11:36 TO ALLOW CATERING TO SET UP.**

### Health Plan Performance Review

Mr. Steve Webster outlined the 2017-2019 Renewal Performance Evaluation Response which specifically highlighted member service metrics and results, special programs,

wellness programs, operational savings, pharmacy and administrative costs and financials. Discussion followed.

Chairman Dosch, Board members and PERS staff thanked Mr. Webster and SHP officials for the thorough and informative presentation, and for their hospitality in hosting the November PERS Board meeting at the Fargo Office.

Chairman Dosch called for any other business or comments. Hearing none the meeting was adjourned at 12:55 p.m.

Prepared by,

Jan Lund  
Assistant to the Board