

MINUTES

SPECIAL CALLED MEETING

METROPOLITAN EMPLOYEE BENEFIT BOARD

July 21, 2015

The Metropolitan Employee Benefit Board met in a Special Called session on Tuesday, July 21, 2015 in the Sonny West Conference Room, Howard Office Building, 700 2nd Avenue North, Nashville, Tennessee, immediately following the Study Session.

Benefit Board members: Chair: Edna J. Jones; Vice Chair: Christine Bradley; Members: Stephanie Bailey, Charles D. Clariday, Sr., Veronica T. Frazier, B.R. Hall, Sr., Jerry Hall, W. Todd Henry, and Richard M. Riebeling.

Member G. Thomas Curtis was unable to be present.

Others present: Christina Hickey, Metro Human Resources, and Nicki Eke, Attorney, Metro Legal Department.

BENEFIT BOARD ITEMS

The Human Resources staff submitted the following for the Board's consideration and appropriate action:

1. Medical plan options.

Christina Hickey reviewed the recommendations on the plan options with the Board.

On item 1, high risk medications list for plan members age 65 and older, the Committee recommends to apply the CMS high risk medications list to the PPO and Cigna Choice Fund formularies effective January 1, 2016 based on the recommendation by Deloitte.

Richard Riebeling moved for approval of the recommendation. Stephanie Bailey seconded and the Board approved with Edna Jones opposing.

On item 2, compound drug program, the Committee recommends to implement the program to exclude coverage of compounds made from bulk powders and select bulk chemicals that are not FDA approved for the PPO and Cigna Choice Fund with an effective date as soon as administratively possible based on the recommendation by Deloitte.

Christine Bradley moved for approval of the recommendation. Jerry Hall seconded and the Board approved without objection.

Option 3, dispense as written, was deferred on the recommendation of Legal until more information is obtained on whether grandfathering status is impacted by this change.

On item 4, step therapy, the Committee recommends to implement the program for the Cigna Choice Fund effective January 1, 2016 based on the recommendation by Deloitte.

Stephanie Bailey moved for approval of the recommendation. Christine Bradley seconded and the Board approved without objection.

On Item 5, exclusions from the formulary with over the counter alternatives, the Committee recommends to implement the program for the PPO and Cigna Choice Fund only for members with new scripts on or after January 1, 2016, (members with existing scripts will be grandfathered) based on the recommendation by Deloitte.

Stephanie Bailey moved for approval of the recommendation. Veronica Frazier seconded.

B.R. Hall moved to defer this item indefinitely.

After noting there is a motion on the floor and some discussion of the savings over time a vote was taken on the motion and the motion failed with Stephanie Bailey, Christine Bradley, Veronica

1. Medical plan options (continued)

Frazier and Richard Riebeling in favor and B.R. Hall, Doug Clariday, Todd Henry, Edna Jones and Jerry Hall opposing.

B.R. Hall moved to defer exclusions from the formulary with over the counter alternatives indefinitely. Doug Clariday seconded and the Board approved with B.R. Hall, Doug Clariday, Todd Henry, Jerry Hall and Edna Jones in favor and Stephanie Bailey, Christine Bradley, Veronica Frazier and Richard Riebeling opposing.

On item 6, other standard formulary exclusions, the Committee recommends not to implement the medical plan option to exclude medications deemed lifestyle drugs (erectile dysfunction). B.R. Hall moved not to implement the exclusion of medications deemed lifestyle drugs (erectile dysfunction). Doug Clariday seconded and the Board approved with B.R. Hall, Doug Clariday, Todd Henry, Edna Jones and Jerry Hall in favor and Christine Bradley, Veronica Frazier and Stephanie Bailey opposing and Richard Riebeling abstaining.

On item 7, other standard formulary exclusions – Lovaza and Omega 3 acid ethyl esters (fish oils), the Committee recommends to implement the medical plan option to exclude these based on the recommendation by Deloitte. Richard Riebeling moved for approval of the recommendation. Veronica Frazier seconded.

After some discussion of other uses for these type of medications, a vote was taken on the motion and the Board approved with Edna Jones, B.R. Hall and Doug Clariday opposing.

It was noted that item 5 needs to be brought up again at another time.

2. 2016 plan design and rates.

Christine Bradley moved for approval of a 6% rate increase for both plans and using \$13.9 million in the reserves to buy down for the 2016 plan year. Stephanie Bailey seconded.

There was some discussion of what would be left in the reserves for the next year and whether or not this is inclusive of option 5, which was not approved.

After clarification that it is only necessary to vote on the rate increase and that the reserves is a default payment fund, a vote was taken on the motion for a 6% rate increase for both plans and the Board approved without objection.

With nothing further presented, the meeting adjourned at 11:04 a.m.

ATTEST:

APPROVED:

**Ms. Veronica T. Frazier, Director
Human Resources**

**Ms. Edna J. Jones, Chair
Employee Benefit Board**