

Minutes

State, Local Education and Local Government Insurance Committees

March 17, 2020

1:00 pm (central)

The State, Local Education and Local Government Insurance Committees met on March 17, 2020 at 1:00 pm (central) in Conference Room A, 19th Floor, William R. Snodgrass Tennessee Tower, Nashville, TN.

State Insurance Committee members attending:

Eugene Neubert, representing Stuart McWhorter, Commissioner, Finance and Administration
David Lillard, State Treasurer
Justin Wilson, Comptroller of the Treasury
Hodgen Mainda, Commissioner, Commerce and Insurance
Juan Williams, Commissioner, Human Resources
Michelle Consiglio-Young, state employee representative
Rob Chance, representing Higher Education
Randy Stamps, representing Tennessee State Employees Association

Local Education Insurance Committee members attending:

Eugene Neubert, representing Stuart McWhorter, Commissioner, Finance and Administration
David Lillard, State Treasurer
Justin Wilson, Comptroller of the Treasury
Hodgen Mainda, Commissioner, Commerce and Insurance
Jennifer White, Tennessee School Board Association
Scott Langford, Middle Tennessee Teacher Representative
Erin Johnson, East Tennessee Teacher Representative

Local Government Insurance Committee members attending:

Eugene Neubert, representing Stuart McWhorter, Commissioner, Finance and Administration
David Lillard, State Treasurer
Justin Wilson, Comptroller of the Treasury
Kevin Krushenski, Tennessee Municipal League
Nathan Brock, Tennessee County Services Association

The meeting was called to order at 1:00 pm (central). A roll call attendance noted a quorum was present for each Committee. Deputy Commissioner Neubert noted that due to the time sensitive nature of the agenda item for today - Waiving cost sharing for COVID 19 testing - less than a quorum of Committee members was present in the room.

Under Tennessee Code Annotated Section 8-44-108, the Committees are allowed to rely on the participation of members by telephone to constitute a quorum only upon a finding of necessity by the Committees. Deputy Commissioner Neubert stated that the Committees would need to approve a determination of necessity based on the time sensitivity of the matter on the agenda.

Comptroller Wilson made a motion, on behalf of the State Insurance Committee, to approve the determination of necessity for the meeting with participation of members by telephone to constitute a quorum. Commissioner Williams seconded the motion, which passed with the following roll call vote:

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|----------|-----|-----------------|-----|
| Neubert | yes | Wilson | yes |
| Lillard | yes | Mainda | yes |
| Williams | yes | Consiglio-Young | yes |
| Stamps | yes | Chance | yes |

Comptroller Wilson made a motion, on behalf of the Local Government Insurance Committee, to approve the determination of necessity for meeting with participation of members by telephone to constitute a quorum. Mr. Krushenski seconded the motion, which passed with the following roll call vote:

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|---------|-----|------------|-----|
| Neubert | yes | Wilson | yes |
| Lillard | yes | Krushenski | yes |
| Brock | yes | | |

On behalf of the Local Education Insurance Committee, Ms. White made a motion to approve the determination of necessity for meeting with participation of members by telephone to constitute a quorum. Comptroller Wilson seconded the motion which passed with the following roll call vote.

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| Neubert | yes | Wilson | yes |
| Lillard | yes | Mainda | yes |
| Langford | yes | Johnson | yes |
| White | yes | | |

Laurie Lee, Executive Director, Benefits Administration (BA), presented a recommendation that the Committees approve waiving member cost-sharing on in-network COVID-19 testing and in-network outpatient visits (e.g., provider’s office, urgent care, telehealth, emergency room) when the visit leads to a COVID-19 test, as well as any services performed at the visit during which the COVID-19 test was performed. For telehealth visits, a COVID-19 test must occur within 24 hours of the telehealth visit for the cost of the telehealth visit to be waived. The benefit recommendation does not include waiving member cost-sharing for subsequent treatment associated with COVID-19, which would fall under the current benefit structure. Ms.

Lee noted that the recommended benefit change would take effect immediately and could also include prior claims which met these requirements.

While the financial impact to the plans could vary greatly depending on the number of affected members, BA's consulting actuary, Aon, estimated an impact between \$10M-\$20M based on a reasonable multiple of a normal flu season. The cost estimate did not reflect the additional plan costs due to COVID-19 treatment, which will be incorporated in the projections Aon prepares for the Insurance Committees' approval of 2021 premiums in May. At the request of the Committee, BA committed to update the Committees no less than quarterly on the status of the benefit.

Treasurer Lillard expressed concern about the 24 hour time limit for waiving member costs for a telehealth visit and recommended at least 48 hours between a telehealth visit and COVID-19 testing. Kendra Gipson, Director of Vendor Services, BA, stated that with telehealth the vendors would need to manually match the telehealth visit to the COVID-19 testing and noted that she would contact the vendors regarding the change to 48 hours.

Treasurer Lillard made a motion that the State Insurance Committee approve the benefit recommendation waiving cost sharing for COVID-19 testing with the change to a 48 timeframe between telehealth visit and COVID-19 testing. Comptroller Wilson seconded the motion which passed with the following roll call vote:

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|----------|-----|-----------------|-----|
| Neubert | yes | Wilson | yes |
| Lillard | yes | Mainda | yes |
| Williams | yes | Consiglio-Young | yes |
| Stamps | yes | Chance | yes |

On behalf of the Local Government Insurance Committee, Comptroller Wilson made a motion to approve the benefit recommendation waiving cost sharing for COVID-19 testing with the change to a 48 timeframe between telehealth visit and COVID-19 testing. Mr. Krushenski seconded the motion and requested that staff work with the vendors to tie the order of a test to an office visit so there would not be a need for a time limit if, for example, there was a limitation on availability of tests and report back to the Committee. The Local Government Insurance Committee approved the recommendation with the following roll call vote:

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|---------|-----|------------|-----|
| Neubert | yes | Wilson | yes |
| Lillard | yes | Krushenski | yes |
| Brock | yes | | |

On behalf of the Local Education Insurance Committee, Mr. Langford made a motion to approve the benefit recommendation waiving cost sharing for COVID-19 testing with the change to a 48 timeframe between telehealth visit and COVID-19 testing. Comptroller Wilson seconded the motion, which passed with the following roll call vote:

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|----------|-----|---------|-----|
| Neubert | yes | Wilson | yes |
| Lillard | yes | Mainda | yes |
| Langford | yes | Johnson | yes |
| White | yes | | |

Ms. Lee advised members that in addition to revisions to the medical benefits, BA also authorized CVS Caremark, BA's Pharmacy Benefits Manager, to relax the early refill timeline on 30-day and 90-day prescriptions for maintenance medications at any in-network pharmacy. Members will be allowed to fill maintenance medication prescriptions ahead of schedule.

Ms. Lee noted that BA will continue to monitor the COVID-19 situation as it evolves and that, in the event federal mandates dictate coverage or other rules that differ from state mandates or approvals granted by the Insurance Committees, federal law would prevail.

There being no further business, the meeting was adjourned.

Respectfully submitted,



Laurie S. Lee
Executive Director