

Minutes

State, Local Education and Local Government Insurance Committees

February 27, 2025

1:00 P.M.-3:00 P.M. (central)

The State, Local Education and Local Government Insurance Committees met on Thursday, February 27, 2025 at 1:00 p.m. (central), in the Nashville Room, Third Floor, William R. Snodgrass TN Tower, Nashville, TN and via Cisco Webex.

Chairman Jim Bryson, Commissioner of Finance and Administration, called the Insurance Committees meeting to order at 1:00 p.m. (central) and noted the following delegates were in attendance: Jordan Flynn on behalf of Comptroller Jason Mumpower, Rick DuBray on behalf of Treasurer David Lillard, and Bill Huddleston on behalf of Carter Lawrence Commissioner of Commerce and Insurance.

Chairman Bryson also noted that Kevin Krushenski, the Tennessee Municipal League (TML) Local Government Insurance Committee member had resigned from the committee and that TML had appointed Ms. Jennifer Moody, City Manager for Belle Meade as his replacement. Ms. Moody was unable to join this meeting.

State Insurance Committee Members

Present:

- Jim Bryson, Commissioner, Finance and Administration, Chairman of the State Insurance Committee
- Rick DuBray, representing David Lillard, State Treasurer
- Jordan Flynn, representing Jason Mumpower, Comptroller of the Treasury
- Bill Huddleston, representing Carter Lawrence, Commissioner, Commerce and Insurance
- Juan Williams, Commissioner, Human Resources
- Judi Knecht, state employee representative
- Michelle Consiglio-Young, state employee representative
- Keisha Pittman, Tennessee State Employees Association (by teleconference)
- Rob Chance, representing Higher Education (UT System) (by teleconference)

Absent:

- Sen. Bo Watson, Chair of Senate Finance, Ways and Means Committee
- Rep. Gary Hicks, Chair of House Finance, Ways and Means Committee

Local Education Insurance Committee Members

Present:

- Jim Bryson, Commissioner, Finance and Administration, Chairman of the Local Education Insurance Committee
- Rick DuBray, representing David Lillard, State Treasurer
- Jordan Flynn, representing Jason Mumpower, Comptroller of the Treasury

- Bill Huddleston, representing Carter Lawrence, Commissioner, Commerce and Insurance
- Jennifer White, Tennessee School Board Association (by teleconference)
- Erin Johnson, East TN School Employee representative (by teleconference)

Absent:

- Maryanne Durski, Chief Financial Officer, Department of Education
- Vacant seat in West TN
- Vacant Seat in Middle TN

Local Government Insurance Committee Members

Present:

- Jim Bryson, Commissioner, Finance and Administration, Chairman of the Local Government Insurance Committee
- Rick DuBray, representing David Lillard, State Treasurer
- Jordan Flynn, representing Jason Mumpower, Comptroller of the Treasury
- Shanna Boyette, Tennessee County Services Association (by teleconference)

Absent:

- Jennifer Moody, Tennessee Municipal League representative

Determination of Necessity for Local Education Insurance Committee

Chairman Bryson asked for a roll call for the State, Local Education and Local Government Insurance Committees to establish a quorum for each committee. The Local Education Insurance Committee did not have a physical quorum in the room. Under T.C.A. Section § 8-44-108, the Committees are allowed to rely on the participation of members by electronic or other means to constitute a quorum only upon a finding of a determination of necessity by the Committee. Chairman Bryson asked for a motion to approve a Determination of Necessity for the Local Education Insurance Committee due to the time-sensitivity of the matter on the today’s agenda.

Mr. DuBray moved to approve a Determination of Necessity for the Local Education Insurance Committee due to the time-sensitivity of the matters on the today’s agenda. Mr. Flynn seconded the motion. No further discussion occurred and a roll call vote was taken.

Flynn	Yes	DuBray	Yes
Huddleston	Yes	White	Yes
Johnson	Yes	Bryson	Yes

It was noted that this action is required to be sent to the Secretary of the State within 48 hours of the committee making and approving this motion. Benefits Administration (BA) staff will file this with the Secretary of the State’s office in a timely manner.

Agenda Item #1 Public Comment

No one in the room or virtually asked to be recognized to address the committee members.

Agenda Item #2 [Action] January 23, 2025 Minutes (All Committees)

For the State Insurance Committee Chairman Bryson asked if there was a motion to approve the minutes. Commissioner Williams moved to approve the minutes. The motion was seconded by Ms. Knecht. No discussion occurred and a roll call vote was taken.

Flynn	Yes	DuBray	Yes
Huddleston	Yes	Williams	Yes
Consiglio-Young	Yes	Knecht	Yes
Chance	Yes	Pittman	Yes
Bryson	Yes		

For the Local Education Insurance Committee Chairman Bryson asked if there was a motion to approve the minutes. Chairman Bryson moved to approve and the motion was seconded by Mr. DuBray. No discussion occurred and a roll call vote was taken.

Flynn	Yes	DuBray	Yes
Huddleston	Yes	White	Yes
Johnson	Yes	Bryson	Yes

For the Local Government Insurance Committee Chairman Bryson asked if there was a motion to approve the minutes. Mr. DuBray moved to approve and the motion was seconded by Mr. Flynn. No discussion occurred and a roll call vote was taken.

Flynn	Yes	DuBray	Yes
Boyetette	Yes	Bryson	Yes

Agenda Item #3 [Action] Approval of Medical Plan Document Updates (All Committees)

Chairman Bryson recognized Tresa Jones, Director of Health Plan Policy for Benefits Administration (BA), to present the Medical Plan Document (PD) updates to all three committees. Ms. Jones first addressed follow up items from January’s meeting, then highlighted the other requested changes to the Plan Documents.

January follow up items:

- BA proposed the following language to define “prior notice” in plan document litigation and settlements text: “The Employer must provide sufficient notice for BA to conduct a review of the proposed litigation/settlement, but not less than 30 days prior to initiating or participating in such activity.” BA also proposed adding “immediately” to the text to clarify when employers should notify BA of receipt of any sums resulting from third-party litigation or settlement related to claims paid by the plan or premiums paid to the plan.
- In response to a question about civil rights complaint procedures BA responded by providing a hyperlink in the PD to F&A Policy 36 that covers civil rights complaint procedures and submission deadlines.

PD litigation and settlements text proposed for vote: Litigation/Settlements With Third Parties. No Employer participating in this Plan shall initiate or participate in any third-party litigation or settlements related to claims paid by the Plan or premiums paid to the Plan without prior notice to and approval from BA. **The Employer must provide sufficient notice for BA to conduct a review of the proposed litigation/settlement, but not less than 30 days prior to initiating or participating in such activity.** If a participating Employer receives any sums resulting from third-party litigation or settlement related to such claims or premiums, it must **immediately** notify BA of such receipt and comply with BA’s directives regarding use of said sums for the benefit of the Plan.

Ms. Jones highlighted the proposed changes to the Insurance Committee members:

- Proposed changes for Sections 2.01 and 2.07 of each medical PD and Part II, section 4.02 of State PD specific to flexible benefits:
 - Enrollment access be provided on an employee’s hire date or within five (5) calendar days instead of business days;
 - Effective date and coverage period for annual enrollment elections text be made more prominent by moving that information to the top of the section;
 - Clarify what different populations such as employees, retirees and surviving dependents can and cannot do during annual enrollment;
 - Specify the deadline for eligibility documentation for new dependents added during annual enrollment; and
 - Require BA to provide flexible benefits plan materials to new eligible employees within five (5) calendar days instead of business days (state committee only)

The recommended changes were stated as intended to enhance existing provisions related to new hire and annual enrollment. Two recommended changes were described as substantive: to shorten the deadline for employing agencies to provide new hire enrollment access by moving from five (5) business to five (5) calendar days, and to clarify BA has discretion to accept documentation for enrolling dependents during annual enrollment through the end of the current plan year.

The last recommendations were for approval of proposed updates to Section 4 of the State and Local Education Plan Documents regarding continuation of coverage and termination. Those updates were described as non-substantive changes.

The detailed PD recommended changes shared with the Committees and presented for vote are found in Attachments B, C, and D to these minutes.

For the State Insurance Committee, Chairman Bryson asked for a motion to approve the PD recommendations as outlined in the documents received and as presented. Commissioner Williams moved to approve. The motion was seconded by Mr. Huddleston. No further discussion occurred, and a roll call vote was taken.

Flynn	Yes	DuBray	Yes
Huddleston	Yes	Williams	Yes
Consiglio-Young	Yes	Knecht	Yes
Chance	Yes	Pittman	Yes
Bryson	Yes		

For the Local Education Insurance Committee, Chairman Bryson asked if there was a motion to approve. Mr. DuBray moved to approve. The motion was seconded by Mr. Flynn. No further discussion occurred, and a roll call vote was taken.

Flynn	Yes	DuBray	Yes
Huddleston	Yes	White	Yes
Johnson	Yes	Bryson	Yes

For the Local Government Insurance Committee, Chairman Bryson asked for a motion to approve. Ms. Boyette moved to approve. The motion was seconded by Mr. Flynn. No further discussion occurred, and a roll call vote was taken.

Flynn	Yes	DuBray	Yes
Boyette	Yes	Bryson	Yes

Agenda Item #4 [Action] Approval of the Dental Health Maintenance Organization Procurement (All Committees)

Chairman Bryson recognized Heather Pease, Director of Procurements and Contracts, to present the Dental Health Maintenance Organization (DHMO) evaluation report recommendation as outlined in the email distributed on February 24, 2025.

Ms. Pease said the committee members approved the Request for Proposal (RFP) in August 2024, the RFP was released on September 23, 2024, and the response deadline was December 10, 2024. One proposal was submitted, from Cigna.

Ms. Pease walked the committee members through the evaluation criteria and makeup of the RFP evaluation team.

Ms. Consiglio-Young asked why there was only one bid and if Cigna was currently the contract holder. Ms. Pease stated that Cigna is the current vendor and that there are not many vendors that provide prepaid dental services.

For the State Insurance Committee, Chairman Bryson asked for a motion to approve the DHMO contract as outlined by BA staff. Commissioner Williams moved to approve. The motion was seconded by Mr. DuBray. No further discussion occurred, and a roll call vote was taken.

Flynn	Yes	DuBray	Yes
Huddleston	Yes	Williams	Yes
Consiglio-Young	Yes	Knecht	Yes
Chance	Yes	Pittman	Yes
Bryson	Yes		

For the Local Education Insurance Committee, Chairman Bryson asked for a motion to approve the DHMO contract as outlined by BA staff. Mr. DuBray moved to approve. The motion was seconded by Mr. Flynn. No further discussion occurred, and a roll call vote was taken.

Flynn	Yes	DuBray	Yes
Huddleston	Yes	White	Yes
Johnson	Yes	Bryson	Yes

For the Local Government Insurance Committee, Chairman Bryson asked for a motion to approve the DHMO contract as outlined by BA staff. Chairman Bryson made the motion to approve. The motion was seconded by Mr. Flynn. No further discussion occurred, and a roll call vote was taken.

Flynn	Yes	DuBray	Yes
Boyette	Yes	Bryson	Yes

Agenda Item #5 [Action] Approval of the Dental Preferred Provider Organization Procurement (All Committees)

Chairman Bryson recognized Heather Pease, Director of Procurements and Contracts, to present the approval of the Dental Preferred Provider Organization (DPPO) as outlined in the email distributed on February 24, 2025.

The Committees approved this RFP in August of 2024. The RFP was posted September 23, 2024 and the response deadline was December 16, 2024. Ms. Pease said that three companies

responded timely – MetLife, Cigna and Delta Dental. After the December 16 deadline and when the evaluation was almost completed, we discovered a response from Sun Life that they uploaded to the incorrect RFP file . Sun Life was deemed “non-responsive” due to the submission error.

Ms. Pease walked the committee members through evaluation criteria and the qualifications of the RFP evaluation team.

Michelle Consiglio-Young expressed concern about the proposed vendor’s network. In response to a question about the percentage of providers in the current contract versus the proposed contractor, Ms. Pease stated that MetLife bid a larger network than they bid in a previous procurement and that it is larger than our current network. Bob Smith, Director of Voluntary Benefits, provided current vendor network percentages versus the potential new vendor’s disruption analysis. Zac Colona, Assistant Director of Voluntary Benefits, stated BA could provide a list for comparison of the current network and potential vendor’s network to the committee members. Ms. Boyette was recognized and stated that in her area even with the current vendor there were disruptions with the dental plan due to the vendor and providers not agreeing to compensation agreements.

Mr. DuBray wanted to clarify why Sun Life was unable to go through the evaluation process. Ms. Pease responded that the company had submitted their proposal through the wrong link to upload their response on the Central Procurement Office’s website. Once the error was discovered, the process was already underway in evaluating the properly submitted RFPs.

For the State Insurance Committee, Chairman Bryson asked for a motion to move forward with the contract. Chairman Bryson moved approval of the contract. Commissioner Williams seconded the motion. No further discussion occurred, and a roll call vote was taken.

Flynn	Yes	DuBray	Yes
Huddleston	Yes	Williams	Yes
Consiglio-Young	No	Knecht	Yes
Chance	Yes	Pittman	Yes
Bryson	Yes		

For the Local Education Insurance Committee, Chairman Bryson moved approval of the contract. The motion was seconded by Mr. DuBray. No further discussion occurred, and a roll call vote was taken.

Flynn	Yes	DuBray	Yes
Huddleston	Yes	White	Yes
Johnson	Yes	Bryson	Yes

For the Local Government Insurance Committee, Chairman Bryson moved approval of the contract. The motion was seconded by Mr. DuBray. No further discussion occurred, and a roll call vote was taken.

Flynn	Yes	DuBray	Yes
Boyette	Yes	Bryson	Yes

Agenda Item #6 [Information Only] Variable Copay Procurement

Chairman Bryson recognized Heather Pease, Director of Procurement and Contracts, to present an update to the committees on the Variable Copay Procurement. Ms. Pease reminded the committee members this was a Third Party Administrator RFP issued on October 16, 2024. Following two rounds of questions and comments, BA received no proposals by January 10, 2025. As a result, BA is canceling the procurement. The next steps will be for BA staff to meet with the vendor community and to understand the non-response and determine next steps for this product.

Agenda Item #7 [Information Only] Anti Obesity Medication Management Update

Chairman Bryson recognized Kendra Gipson, Director of Vendor Services and Dr. Missy Tucker, Director of Pharmacy to respond to follow up questions regarding last month’s presentation on anti-obesity medication management. The discussion is summarized below:

- Would a reduction in bariatric surgery claims due to the uptick GLP-1 scripts be budget neutral and/or created savings to the plan? Are we experiencing a decrease in hospital claims to offset some of the rise of the use of GLP1s for obesity management? Ms. Gipson stated that nationally only about 1% of the population qualifies for bariatric surgery due to requirements such as body mass index. Ms. Gipson indicated that in our plans, bariatric surgeries declined from 551 in 2021 to 470 in 2023 and also noted the relatively small number of bariatric surgeries. Regarding cost, there are several factors that complicate the analysis, such as if members are taking GLP1s consistently over a long period of time; members who had bariatric surgery, then were prescribed GLP1s; those that stopped and started again; and supply chain issues. It is too early to determine the overall net impact regarding potential decline in other costs. We have directional information, however, showing that the reduction in bariatric surgery cost due to a decline in volume is much smaller than the drastic increase in GLP1 cost and utilization.
- A committee member asked if there were other offsets reviewed in addition to bariatric surgeries such as reduction in diabetes exacerbations? Ms. Gibson responded no but indicated we have seen increases in total gastrointestinal claims but we’re not able to track this back to GLP1s. Offsets are more likely to be long-term and not observable yet in our data. We may have to rely on national data, while also still reviewing our own internal data.
- In reference to coverage of GLP1s for anti-obesity through a limited prescriber network where only medically trained professionals would be able to administer and write scripts for GLP-1 drugs, BAs was asked if these are specialists or are they nurse practitioners, or general practice

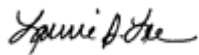
medical physicians? Dr. Tucker responded that it depends on the model, but most often includes physicians trained and board certified in obesity medicine, endocrinologists, and nurse practitioners. Some models include doctors, nurse practitioners and dieticians.

- Would this require an increase in copay depending on the professional services sought by the members? Dr. Tucker responded that standalone programs that are outside of our vendor services today typically have a set fee per member per month that is paid by the plan with no cost to the member. If the providers are in-network, the cost to the member would follow the normal benefit design, meaning the provider cost would equal the relevant copay depending on the site of service and type of provider.
- What would requiring enrollment and participation in a lifestyle management program entail for the members? Dr. Tucker referred to some of the current lifestyle programs already offered by the plan via Sharecare, which focus on nutrition, exercise, disease prevention and management, and biometric tracking. Members also have access to weight management, wellness resources, lifestyle and chronic disease coaching, biometric screening and wellness challenges. These are available today at no extra cost to members and are voluntary. External wellness lifestyle program may include communication with the member's provider.
- In response to a question about the health risks to those who don't stay on the medications Dr. Tucker responded that some may not be able to tolerate it due to gastrointestinal issues and with those adverse effects we can see discontinuation of GLP1s. Some members may take the prescriptions for a certain amount of time and achieve their goal weight, especially if changing lifestyle habits, and can come off the medication. It is not yet clear whether it is better to stay on the medications long term or come off the medication.

With no further business, Chairman Bryson adjourned the meeting at 2:15 p.m. (central).

The next meeting of the State, Local Education and Local Government Insurance Committees is scheduled for March 27, 2025 at 1:00 p.m. (central) in the Nashville Room.

Respectfully submitted,



Laurie S. Lee