

**Minutes**

State, Local Education and Local Government Insurance Committees

April 25, 2024

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

The State, Local Education and Local Government Insurance Committees met on Thursday, April 25, 2024 at 1:00 p.m. (central), in the Nashville Room, Third Floor, William R. Snodgrass TN Tower, Nashville, TN and via Cisco WebEx.

Jim Bryson, Commissioner of TN Department of Finance and Administration, called the Insurance Committee meetings to order at 1:00 p.m. (central) and noted Nicole Sweitzer attending on behalf of Comptroller Jason Mumpower, Rick DuBray for Treasurer David Lillard, and Scott McAnally for Commissioner Carter Lawrence.

**State Insurance Committee Members**

**Present:**

- Jim Bryson, Chairman, Commissioner, Finance and Administration
- Rick DuBray, representing David Lillard, State Treasurer, Department of Treasury
- Nicole Sweitzer, representing Jason Mumpower, Comptroller, Comptroller of the Treasury
- Scott McAnally, representing Commissioner Carter Lawrence, Commerce and Insurance
- Juan Williams, Commissioner, Human Resources
- Terry Carroll, Tennessee State Employees Association
- Holly Gray, representing Higher Education (TN Board of Regents) (by teleconference)
- Michelle Consiglio-Young, state employee representative

**Absent:**

- Sen. Bo Watson, Chair of Senate Finance, Ways and Means Committee
- Rep. Patsy Hazlewood, Chair of House Finance, Ways and Means Committee
- Judi Knecht, state employee representative

**Local Education Insurance Committee Members**

**Present:**

- Jim Bryson, Chairman, Commissioner, Finance and Administration
- Rick DuBray, representing David Lillard, State Treasurer, Department of Treasury
- Nicole Sweitzer, representing Jason Mumpower, Comptroller, Comptroller of the Treasury
- Scott McAnally, representing Commissioner Carter Lawrence, Commerce and Insurance
- Maryanne Durski, Chief Financial Officer, Department of Education
- Jennifer White, Tennessee School Board Association (by teleconference)

**Absent:**

- Erin Johnson, East TN School Employee representative
- Vacant Seat in West TN School Employee representative

- Vacant Seat in Middle TN School Employee representative

**Local Government Insurance Committee Members**

**Present:**

- Jim Bryson, Chairman, Commissioner, Finance and Administration
- Rick DuBray, representing David Lillard, State Treasurer, Department of Treasury
- Nicole Sweitzer, representing Jason Mumpower, Comptroller, Comptroller of the Treasury
- Kevin Krushenski, Tennessee Municipal League
- Shanna Boyette, Tennessee County Services Association

**Agenda Item #1 – Public Comment**

No one requested in advance to address the committees. No one present in the room or by virtual means asked to make a public comment on any of the agenda items.

**Agenda Item #2 – [Action] February 22, 2024 Minutes**

On behalf of the State Insurance Committee, Ms. Sweitzer moved to adopt the minutes of the February 22, 2024 meeting. Commissioner Williams seconded the motion. No discussion occurred and a roll call vote was taken.

Sweitzer	Yes	DuBray	Yes
McAnally	Yes	Williams	Yes
Consiglio-Young	Yes	Gray	Yes
Carroll	Yes	Bryson	Yes

On behalf of the Local Education Insurance Committee, Ms. Durski moved to adopt the minutes of the February 22, 2024 meeting. Mr. DuBray seconded the motion. No discussion occurred and a roll call vote was taken.

Sweitzer	Yes	DuBray	Yes
McAnally	Yes	Durksi	Yes
White	Yes	Bryson	Yes

On behalf of the Local Government Insurance Committee, Mr. Krushenski moved to adopt the minutes of the February 22, 2024 meeting. Mr. DuBray seconded the motion. No discussion occurred and a roll call vote was taken.

Sweitzer	Yes	DuBray	Yes
Krushenski	Yes	Boyette	Yes
Bryson	Yes		

**Agenda Item #3 – [Action] Dental Benefit Design**

Chairman Bryson introduced Laurie Lee, Executive Director of Benefits Administration (BA), who provided background for the proposed benefit design changes to the Dental Preferred Provider Organization (PPO). Ms. Lee acknowledged that the Health Maintenance Organization (HMO) Dental design has no recommended changes. The proposed recommendation was to approve Dental PPO design changes and the Requests for Proposals would be presented to the Committees for approval in the fall. Implementation of the new dental benefit would happen in 2025 with benefits effective January, 2026. Bob Smith, Director of Voluntary and Supplemental Benefits, explained the Dental PPO proposed benefit changes for the committees’ approvals. Mr. Smith and his assistant director, Zac Colona, worked with BA’s actuarial firm, Aon, in researching new standard industry changes for the dental PPO. Mr. Smith’s recommendations include:

- Removal of waiting periods
- Increase in individual and family annual deductible on in-network charges
- Increased oral exams to include two problem-focused in addition to two routine exams
- Increase in frequency for children’s bite-wing X-rays and age/frequency for sealants
- Coverage of cone beam imaging
- Extend length of time before implant can be replaced for same tooth
- Increase orthodontia lifetime maximum

**Dental Preferred Provider Organization Proposed Benefit Changes Effective January 1, 2026**

Plan Provision	Current Plan Provision	Recommended Plan Provision
<b>Waiting Period</b>	See below	<b>Remove all waiting periods</b>
Restorations, Dentures, Crowns, Implants	6-month waiting period applies to inlay/onlay restorations, dentures, crowns and implants	
Initial Bridge or Denture Placement	12-month waiting period applies for initial placement of bridge or denture to replace one or more natural teeth missing prior to member’s effective date of coverage	
Orthodontics	12-month waiting period applies to orthodontic services	
New Agencies	All of the above	
<b>Deductible</b>		
Individual Annual Deductible for combined basic and major services	\$25 on in-network charges	<b>\$50</b> on in-network charges
Family Annual Deductible for combined basic and major services	\$75 on in-network charges	<b>\$150</b> on in-network charges

<b>Oral Exams</b>	Oral exams (including problem focused exams and teledentistry) are limited to two times in any calendar year.	<ul style="list-style-type: none"> <li>• <b>Two</b> routine office exams covered per calendar year</li> <li>• <b>Two</b> problem-focused exams (office or teledentistry) covered per calendar year</li> </ul>
<b>X-rays: Bite-wing</b>	1 set every 12 months	<ul style="list-style-type: none"> <li>• Adults – 1 set per 12 months</li> <li>• Children under age 19 – <b>1 set per 6 months</b></li> </ul>
<b>Cone Beam Imaging</b>	Not covered	<b>Cover with implant placement as “major” service with plan paying 50% coinsurance</b>
<b>Sealants</b>	Sealants or sealant repairs for a Child under age <b>16</b> which are applied to non-restored, non-decayed first and second permanent molars, once per tooth	Sealants or sealant repairs for a Child under age <b>19</b> which are applied to non-restored, non-decayed first and second permanent molars, once per tooth per <b>every 60 months</b> .
<b>Implants or Abutments: Replacement</b>	Implant services (including sinus augmentation and bone replacement and graft for ridge preservation) ... but no more than once for the same tooth position in a <b>60</b> -month period.	Implant services (including sinus augmentation and bone replacement and graft for ridge preservation) ... but no more than once for the same tooth position in a <b>120</b> -month period.
<b>Orthodontia Plan Benefit Maximum – Lifetime</b>	\$1,250 per individual	<b>\$1,500</b> per individual

For the State Insurance Committee, Michelle Consiglio-Young moved approval for the Dental PPO Benefit Design changes, based on the staff recommendation. The motion was seconded by Chairman Bryson. No further discussion occurred, and a voice vote was taken.

Sweitzer	Yes	DuBray	Yes
McAnally	Yes	Williams	Yes
Consiglio-Young	Yes	Gray	Yes
Carroll	Yes	Bryson	Yes

For the Local Education Insurance Committee, Ms. Durski moved approval for the Dental PPO Benefit Design changes, based on the staff recommendation. The motion was seconded by Ms. Sweitzer. No further discussion occurred, and a roll call vote was taken.

Sweitzer	Yes	DuBray	Yes
McAnally	Yes	Durksi	Yes

White	Yes	Bryson	Yes
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For the Local Government Insurance Committee, Ms. Boyette moved approval for the Dental PPO Benefit Design changes, based on the staff recommendation. The motion was seconded by Mr. Krushenski. No further discussion occurred, and a roll call vote was taken.

Sweitzer	Yes	DuBray	Yes
Krushenski	Yes	Boyette	Yes
Bryson	Yes		

**Agenda Item #4 – [Information Only] Presentation of Trend and Cost-Drivers**

Chairman Bryson noted this item was for information only and presented by Aon’s Senior Vice-President, Colleen Huber.

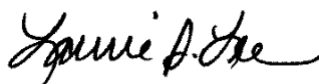
Ms. Huber provided the committees with information in preparation for May’s meeting. Ms. Huber’s summary covered cost-drivers, claims underwriting, trend methodology and other items through her presentation. Ms. Huber’s presentation also focused on specialty and GLP-1 medications as key pharmacy cost drivers. Pharmacy continues to be the fastest growing component of our health plan.

**Agenda Item #5 – [Information Only]**

Chairman Bryson recognized Ms. Lee to answer any other presentation questions and to discuss follow-up questions from previous meetings. Ms. Lee indicated that the Voluntary Term Life Insurance enrollment opportunity resulted in an increase in members, which is expected to help the plan. She also discussed the evaluation of two benefits changes in 2023 – the impact of member cost share changes related to allergy serum and emergency department visits. Ms. Lee explained that BA is working on communication to send out to plan members to help them know when to use the emergency department and the availability of other alternatives such as urgent care and walk-in clinics.

The next meeting of the State, Local Education and Local Government Insurance Committees is scheduled for May 23, 2024 at 1 p.m. (CST) in the Nashville Room. With no further business, Chairman Bryson adjourned the meeting at 1:57 p.m. (central).

Respectfully submitted,



Laurie S. Lee