

# MINUTES

## North Dakota Public Employees Retirement System

ND Association of Counties, Bismarck

WSI Meeting Room, Fargo

Thursday, April 7, 2010

8:30 A.M.

Members Present: Mr. Levi Erdmann  
Mr. Howard Sage  
Mr. Mike Sandal  
Ms. Arvy Smith  
Mr. Thomas Trenbeath

Via Videoconference: Chairman Jon Strinden

Member Absent: Ms. Joan Ehrhardt

Others Present: Mr. Sparb Collins, NDPERS  
Ms. Kim Humann, NDPERS  
Mr. Bryan Reinhardt, NDPERS  
Ms. Kathy Allen, NDPERS  
Ms. Deb Knudsen, NDPERS  
Mr. Aaron Webb, Attorney Generals Office  
Ms. Gisele Thorson, NDPEA  
Mr. Pat Pechacek, Deloitte Consulting, LLP  
Mr. Peter Roverud, Deloitte Consulting, LLP  
Mr. Jim Kasper, Asset Management Group/Preferred One  
Mr. Mike Thielen, Preferred One  
Ms. Darcee Weber, Preferred One

Chairman Strinden called the meeting to order at 8:30 a.m.

### **PREFERRED ONE**

Mr. Collins introduced staff from Preferred One. Representatives from Preferred One presented an overview of the firm including: Company History, Network Coverage Area, Revenue, Membership, National Network Affiliations, Market Path, Integrated Care programs, Internet Resources, and Consumer Education Programs. A copy of this presentation is on file at the NDPERS office.

**ADMINISTRATIVE RULES**

Ms. Knudsen reported to the Board that the hearing on the administrative rules was held on March 23, 2010 with the comment period open until 5:00 p.m. on April 6. Ms. Knudsen conveyed no one attended the hearing and no written comments or only one inquiry was received during the process. She reviewed the enclosed materials and requested Board approval to proceed with final promulgation of the rules.

**MR. SANDAL MOVED TO APPROVE THE PROPOSED RULES AND AUTHORIZE STAFF TO SUBMIT THE REQUIRED MATERIALS TO THE ATTORNEY GENERAL'S OFFICE AND LEGISLATIVE COUNCIL. THE MOTION WAS SECONDED BY MR. TRENBEATH.**

**Ayes:** Mr. Sandal, Mr. Sage, Ms. Smith, Mr. Erdmann, Mr. Trenbeath, and Chairman Strinden

**Nays:** None

**Absent:** Ms. Ehrhardt

**MOTION PASSED**

**GROUP INSURANCE BID**

Mr. Collins indicated to the Board that representatives from Deloitte were in attendance and recommended that the Board go into executive session to discuss strategy relating to the health bid.

**EXECUTIVE SESSION**

**MR. SAGE MOVED THAT THE BOARD GO INTO EXECUTIVE SESSION PURSUANT TO NDCC §44-04-19.1(9) TO DISCUSS STRATEGY WITH DELOITTE ON THE HEALTH BID. THE MOTION WAS SECONDED BY MS. SMITH.**

**Ayes:** Mr. Sandal, Mr. Sage, Ms. Smith, Mr. Erdmann, Mr. Trenbeath, and Chairman Strinden

**Nays:** None

**Absent:** Ms. Ehrhardt

**MOTION PASSED**

All members named above were in attendance for the Executive Session (closed meeting, electronically recorded) which began at 9:20 a.m.

As Chairman Strinden had to leave the meeting, Acting Chairman Sage directed the Board to return to open session. The Executive Session closed at 10:55 a.m. and the Board returned to open session.

**UPON RETURNING TO OPEN SESSION, MR. SAGE MOVED TO GIVE DELOITTE APPROVAL TO PROCEED WITH THE CONCEPTS AND TIME LINE TO DEVELOP THE REQUEST FOR PROPOSAL FOR THE GROUP INSURANCE BID.**

**Ayes:** Mr. Sandal, Mr. Sage, Ms. Smith, Mr. Erdmann, and Mr. Trenbeath

**Nays:** None

**Absent:** Ms. Ehrhardt and Chairman Strinden

**MOTION PASSED**

The Board discussed the idea of holding a question and answer session with potential vendors which would be facilitated by Deloitte Consulting. Ms. Smith will check if the Health Department has any sites available in Fargo to webcast this session.

The Board also discussed the funds that would be necessary for a self-funded health insurance plan. Mr. Collins indicated that a formal Attorney General's Opinion may be required. Mr. Trenbeath suggested doing a request for an informal opinion.

Acting Chairman Sage called for any other business or comments. Hearing none, the meeting adjourned at 11:10 a.m.

Prepared by,

Cheryl Stockert  
Secretary to the Board