

MINUTES

**North Dakota Public Employees Retirement System
Thursday, November 15, 2001
Blue Cross Blue Shield of North Dakota
Corporate Conference Room
Fargo, North Dakota**

Members Present: Mr. David Gunkel
Mr. Ron Leingang
Mr. Howard Sage
Mr. Weldee Baetsch
Mr. Jon E. Strinden, Chairman

Others Present: Mr. Sparb Collins, Executive Director NDPERS
Ms. Arvy Smith, Health Department
Ms. Denise Curfman, NDPERS
Ms. Deb Knudsen, NDPERS
Ms. Kathy Allen, NDPERS
Mr. Bryan Reinhardt, NDPERS
Mr. Larry Brooks, BCBS
Ms. Chris Runge, NDPEA AFT 4660
Mr. Bruce Carlisle, BCBSND
Mr. Chad Niles, BCBSND
Ms. Janine Weideman, BCBSND
Mr. Mike Hamerlite, BCBSND
Ms. Michelle Bishoff, BCBSND
Ms. Shelly Stalpes, BCBSND
Ms. Karen Schmitz, BCBSND

Chairman Strinden called the meeting to order at 9:30 AM.

GROUP INSURANCE

Operations Overview – (Information)

Mr. Chad Niles, Senior Vice President, Marketing and Customer Service, Blue Cross Blue Shield, presented history and status of Blue Cross Blue Shield.

Ms. Ryn Pitts, Senior Vice President, Health Care and Member Services and Mr. Michael Potts, Assistant Vice President, Provider Networks, of BCBS reviewed with the board some history of the provider environment and where the provider environment is today linking the over all problem results in the depopulation of the state.

Janine Weideman, Vice President, Actuarial and Membership Services, of BCBS reviewed with the board a brief overview of past and current trends and what is expected in the future.

Dr. Bruce Carllisle, MD, BCBS ND Senior Vice President Medical Management reviewed with the board some of the challenges in medical management. Addressing the use of pharmaceutical drugs, new technology and diagnostics.

Mike Hamerlik, Senior Vice President, Corporate Services of BCBS, reviewed with the board some of the legal and legislative issues.

Ms. Michelle Bishoff, Manager, Private Business Claims Services and Shelly Stalpes, Supervisor, Special Accounts for BCBS, presented to the board the make up of the NDPERS Service Unit and a brief description of what the service unit provides to the NDPERS members.

Amendment – BCBS Contract – (Board Action Required)

Mr. Larry Brooks indicated that an error was detected in the new Summary Plan Description for the health plan, it is necessary to amend our contract with BCBS. The amendment will be included with the new SPDs scheduled to be sent out later this month.

**Mr. Gunkel moves approval to amend our contract with BCBS.
Mr. Sage seconds.**

Ayes: Baetsch, Gunkel, Leingang, Sage and Chairman Strinden.

Nays: None

PASSED

Deferred Compensation Amendment – (Board Action Requested)

Mr. Collins reviewed the plan amendments for the 457 plan to implement the EGTRRA provisions. The amendments provide the following:

1. Change the contribution limits

2. Modify the catch up provision
3. Modify the deferral limitation
4. Changes the distribution election provision
5. allow for direct rollovers

Two sets of changes were provide in the board materials, one for the plan document for the companion plan and the second is for the plan document for all the other providers.

Mr. Baetsch moves approval of the amendments.

Mr. Leingang seconds.

Ayes: Baetsch, Gunkel, Leingang, Sage and Chairman Strinden.

Nays: None

PASSED

Chairman Strinden calls for any other business, hearing none the meeting adjourned at 12:15 PM.

Respectfully Submitted

Denise A. Curfman

*Denise A. Curfman
Secretary, NDPERS Board*