

MINUTES

North Dakota Public Employees Retirement System

Sakakawea Room, State Capitol

Tuesday, September 28, 2010

10:30 A.M.

Members Present: Ms. Joan Ehrhardt
Mr. Levi Erdmann
Mr. Howard Sage
Mr. Mike Sandal
Ms. Arvy Smith

Via Conference Call: Mr. Thomas Trenbeath
Chairman Jon Strinden

Others Present: Mr. Sparb Collins, NDPERS
Ms. Cheryl Stockert, NDPERS
Ms. Kathy Allen, NDPERS
Ms. Deb Knudsen, NDPERS
Mr. Matthew Sagsveen, Office of Attorney General
Ms. Pam Crawford, Office of Attorney General
Ms. Laura Bearfield, Office of Attorney General

Via Conference Call: Mr. Kevin Schoenborn, BCBSND

Chairman Strinden called the meeting to order at 10:30 a.m.

GROUP INSURANCE

Health Care Reform (Grandfather Provision)

Mr. Collins reviewed with the Board the issue relating to political subdivisions changing their employer contribution by more than 5% under the health care reform laws. The Board decided at a previous meeting that the political subdivisions must give PERS ninety days notice prior to any action to reduce the level of their current employer contribution under the PERS group health plan pursuant to NDCC 54-52.1-08.2. Mr. Sagsveen, Assistant Attorney General, found that the Board would have the broader authority from what had previously been discussed under NDCC 54-52.1-03.1 to implement this provision. Mr. Collins was asking the Board's approval to authorize PERS to establish, as a minimum requirement pursuant to 54-52.1-03.1, that political subdivisions provide a ninety day notice prior to any action to reduce the level of their

employer contribution by more than 5%. If the Board finds that the change in employer contribution could jeopardize the health plan's grandfathered status, the Board would place the political subdivision into a newly established non-grandfathered plan. The Board discussed this issue.

MR. TRENBEATH MOVED TO PROCEED UNDER NDCC 54-52.1-03.1 AND SEND NOTIFICATION OF THIS CHANGE TO THE PARTICIPATING POLITICAL SUBDIVISIONS. THE MOTION WAS SECONDED BY MS. EHRHARDT.

The Board discussed the motion.

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

Nays: None

MOTION PASSED

Chairman Strinden called for any other business or comments. Hearing none, the meeting adjourned at 10:47 a.m.

Prepared by,

Cheryl Stockert
Secretary to the Board