

MINUTES

North Dakota Public Employees Retirement System

WSI Conference Room

March 27, 2015

3:00 p.m.

Members Present: Ms. Casey Goodhouse
Mr. Mike Sandal
Ms. Arvy Smith
Ms. Yvonne Smith
Mr. Thomas Trenbeath
Ms. Kim Wassim

Via Teleconference: Chairman Strinden

Others Present: Mr. Sparb Collins, NDPERS
Ms. Cheryl Stockert, NDPERS
Ms. Kathy Allen, NDPERS
Mr. Bryan Reinhardt, NDPERS
Ms. Rebecca Fricke, NDPERS
Ms. Jan Murtha, Attorney General's Office

Via Teleconference: Ms. Lisa Carlson, Sanford Health Plan
Ms. Cindy Morrison, Sanford Health Plan
Mr. Tim Rave, Sanford Health Plan
Mr. Kevin Schoenborn, BCBSND
Ms. Sonja Nyhof, BCBSND
Ms. Onalee Sellheim, BCBSND

Chairman Strinden called the meeting to order at 3:05 p.m.

House Bill 1475

Mr. Collins reviewed the provisions of House Bill 1475 with the Board. He was seeking Board direction on how to testify on this bill. He indicated that Section 1 of the bill sets some process requirements for PERS such as timeframes for contracting, adds a review of adequacy of networks to selection criteria and sets up an expedited contracted process. Section 2 establishes communication processes with Legislative Management. Section 3 adds provisions for health insurance benefit coverages. Section 4 adds provisions that any new carrier must meet or minimum qualifications.

He reviewed a matrix with the concerns relating to Sections 3 and 4 of the bill. The analysis compared various bill provisions to: 1) is this an existing contract provision with Sanford, 2) is this provision common/uncommon, 3) is it provided in existing carrier contract, 4) is it feasible for any carrier to administer, 5) whether it will increase/decrease premium costs from the Sanford bid, 6) whether it could reduce any carrier's negotiating leverage, and 7) was it included in the RFP. Staff also summarized concerns,

observations and suggestions relating to the bill as it is presently passed by the House Industry, Business and Labor Committee. Ms. Murtha reviewed various contract and legal provisions with the Board. Mr. Sandal shared an anonymous member letter with the Board stating opposition to House Bill 1475. The Board discussed this bill in detail and had questions of staff.

**MR. SANDAL MOVED THAT PERS TESTIFY IN OPPOSITION TO HOUSE BILL 1475.
THE MOTION WAS SECONDED BY MS. WASSIM.**

Ayes: Mr. Trenbeath, Ms. Goodhouse, Ms. Y. Smith, Mr. Sandal, Ms. A. Smith, Ms. Wassim, and Chairman Strinden

Nays: None

MOTION PASSED

Mr. Collins asked the Board what specific attachments should be included in the testimony. Ms. Murtha indicated she could be available during the hearing to give legal advice and provide an analysis of what the possible legal ramifications of the bill are.

Legislation

Mr. Collins provided updates on the bills. There has been no action on House Bill 1080. A hearing was held this morning with House Appropriations on the PERS budget bill. Questions were asked relating to the budget and information relating to the PERS Board (election process, number of people that voted, how the process worked, rules, payment for attending Board meetings).

There being no further business, the meeting adjourned at 4:15 p.m.

Prepared by,

Cheryl Stockert
Assistant to the Board