**Oklahoma Higher Education Employees Insurance Group**

a/k/a OKHEEI Group

**Minutes of Regular Meeting**

655 Research Parkway

Oklahoma City, Oklahoma

Video Conferencing Sites:

**East Central University**

Science Hall, Room 309

1100 E 14th St

Ada, OK 74820

(580) 559-5539

Attendees: Dawn Thurber, Lynn Lofton

Thursday, October 6, 2016

10:00 a.m.

1. **Announcement of Filing Meeting Notice and Posting of the Agenda in Accordance with the Open Meeting Act.**

The OKHEEI Group Board of Trustees met in regular session at 10:00 a.m., October 6, 2016, at State Regents, 655 Research Parkway, Oklahoma City, Oklahoma. Notice of the meeting had been properly filed with the Secretary of State by December 15, 2015 and a copy of the Agenda posted by 10:00 a.m., in compliance with the Open Meeting Act.

* 1. **Call meeting to order**

Chair Dennis Westman (MSC) called the meeting to order at 11:04 a.m.

* 1. **Attendance**

**The following OKHEEI Board of Trustees were present:**

Designee T. Lynn Lofton, East Central University – via iTV

Dennis Westman, Murray State College

Designee Christy Landsaw, Northeastern Oklahoma State University

Anita Simpson, Northern Oklahoma College

David Pecha, Northwestern Oklahoma State University

Designee Kim Andrade, Redlands Community College

Kent Lashley, Rose State College

Sheridan McCaffree, RUSO Administrative Office

Braden Brown, Seminole State College

Dennis Westman, Southeastern Oklahoma State University

Brenda Burgess, Southwestern Oklahoma State University

Patti Neuhold, University of Central Oklahoma

Tricia Latham, Western Oklahoma State College

**The following Trustees were absent:**

None

**The following guests were present:**

Whitney Popchoke, OKHEEI/RUSO

Nancy Gerrity, RUSO

Courtney Jones, Seminole State College

Shannon Cranford, Northern Oklahoma College

Kathy Dunn, Rose State College

Krista Norton, Rose State College

Diane Feinberg, University of Central Oklahoma

Justine Mankin, University of Central Oklahoma

Lee Camargo-Quinn, University of Central Oklahoma

Misty Treas, Murray State College

Marjorie Robertson, Southeastern Oklahoma State University

David Misak, Southwestern Oklahoma State University

Lisa Harper, University of Central Oklahoma

Dawn Thurber, East Central University

Kris Neuhold, Bank of America

John Papahronis, McAfee & Taft

Justin Kaipus, USI

Nikki Chriesman-Green, USI

* 1. **Approval of minutes of 08.04.2016 OKHEEI Board Meeting.**

Anita Simpson (NOC) made the motion, seconded by Patti Neuhold (UCO), to approve the minutes of the August 4, 2016 Meeting.

**Voting for the motion:**

Designee T. Lynn Lofton, East Central University – via iTV

Dennis Westman, Murray State College

Designee Christy Landsaw, Northeastern Oklahoma State University

Anita Simpson, Northern Oklahoma College

David Pecha, Northwestern Oklahoma State University

Designee Kim Andrade, Redlands Community College

Kent Lashley, Rose State College

Sheridan McCaffree, RUSO Administrative Office

Braden Brown, Seminole State College

Dennis Westman, Southeastern Oklahoma State University

Brenda Burgess, Southwestern Oklahoma State University

Patti Neuhold, University of Central Oklahoma

Tricia Latham, Western Oklahoma State College

**Voting against the motion:** None

**Abstaining:** None

1. Nancy Gerrity, RUSO, gave a status update on the transition from a fully-insured to a self-funded plan as of January 1st. USI mentioned that they have an actuarial process that they can conduct on our behalf so OKHEEI would not have to have this outsourced.
2. Nancy Gerrity, RUSO, presented the estimated costs and benefits of OKHEEI signing a contract with a) Kerr, Irvine, Rhodes, & Ables; b) McAfee & Taft – John Papahronis; and c) Jerry Pignato for the benefit specific purposes that each of them are able to accommodate. These contracts would be on an “as needed” basis and would not have an associated monthly fee. The individual contracts would not exceed $19,500.

Chair would give emergency approval for anything that the board has previously approved, which would then be ratified at the next OKHEEI Board Meeting.

1. Patti Neuhold (UCO) made the motion, seconded by Sheridan McCaffree (RUSO) to enter into a contract on an “as needed” basis with Kerr, Irvine, Rhodes, & Ables.

**Voting for the motion:**

Designee T. Lynn Lofton, East Central University – via iTV

Dennis Westman, Murray State College

Designee Christy Landsaw, Northeastern Oklahoma State University

Anita Simpson, Northern Oklahoma College

David Pecha, Northwestern Oklahoma State University

Designee Kim Andrade, Redlands Community College

Kent Lashley, Rose State College

Sheridan McCaffree, RUSO Administrative Office

Braden Brown, Seminole State College

Dennis Westman, Southeastern Oklahoma State University

Brenda Burgess, Southwestern Oklahoma State University

Patti Neuhold, University of Central Oklahoma

Tricia Latham, Western Oklahoma State College

**Voting against the motion:** None

**Abstaining:** None

1. Kent Lashley (Rose) made the motion, seconded by Sheridan McCaffree (RUSO) to enter into a contract on an “as needed” basis with McAfee & Taft – John Papahronis.

**Voting for the motion:**

Designee T. Lynn Lofton, East Central University – via iTV

Dennis Westman, Murray State College

Designee Christy Landsaw, Northeastern Oklahoma State University

Anita Simpson, Northern Oklahoma College

David Pecha, Northwestern Oklahoma State University

Designee Kim Andrade, Redlands Community College

Kent Lashley, Rose State College

Sheridan McCaffree, RUSO Administrative Office

Braden Brown, Seminole State College

Dennis Westman, Southeastern Oklahoma State University

Brenda Burgess, Southwestern Oklahoma State University

Patti Neuhold, University of Central Oklahoma

Tricia Latham, Western Oklahoma State College

**Voting against the motion:** None

**Abstaining:** None

1. Anita Simpson (NOC) made the motion, seconded by Sheridan McCaffree (RUSO) to enter into a contract on an “as needed” basis with Jerry Pignato.

**Voting for the motion:**

Designee T. Lynn Lofton, East Central University – via iTV

Dennis Westman, Murray State College

Designee Christy Landsaw, Northeastern Oklahoma State University

Anita Simpson, Northern Oklahoma College

David Pecha, Northwestern Oklahoma State University

Designee Kim Andrade, Redlands Community College

Kent Lashley, Rose State College

Sheridan McCaffree, RUSO Administrative Office

Braden Brown, Seminole State College

Dennis Westman, Southeastern Oklahoma State University

Brenda Burgess, Southwestern Oklahoma State University

Patti Neuhold, University of Central Oklahoma

Tricia Latham, Western Oklahoma State College

**Voting against the motion:** None

**Abstaining:** None

1. **Discussion over OKHEEI setting up a trust versus separate account.**
2. John Papahronis, McAfee & Taft discussed the advantages and disadvantages of setting up a trust. Two different types of trusts were discussed – 501C9 (VEBA) or a Section 115 Trust. Kris Neuhold, Bank of America, discussed the benefits of having a custodian or a trustee account through a Third Party Administrator.

Patti Neuhold (UCO) made the motion, seconded by Brenda Burgess (SWOSU) for OKHEEI to have a 501C9 trust, provided the two-year schools can participate.

**Voting for the motion:**

Designee T. Lynn Lofton, East Central University – via iTV

Dennis Westman, Murray State College

Designee Christy Landsaw, Northeastern Oklahoma State University

Anita Simpson, Northern Oklahoma College

David Pecha, Northwestern Oklahoma State University

Designee Kim Andrade, Redlands Community College

Kent Lashley, Rose State College

Sheridan McCaffree, RUSO Administrative Office

Braden Brown, Seminole State College

Dennis Westman, Southeastern Oklahoma State University

Brenda Burgess, Southwestern Oklahoma State University

Patti Neuhold, University of Central Oklahoma

Tricia Latham, Western Oklahoma State College

**Voting against the motion:** None

**Abstaining:** None

Sheridan McCaffree (RUSO) made the motion, seconded by Patti Neuhold (UCO) to have John Papahronis create a 501C9 trust and the necessary required IRS determination documents.

**Voting for the motion:**

Designee T. Lynn Lofton, East Central University – via iTV

Dennis Westman, Murray State College

Designee Christy Landsaw, Northeastern Oklahoma State University

Anita Simpson, Northern Oklahoma College

David Pecha, Northwestern Oklahoma State University

Designee Kim Andrade, Redlands Community College

Kent Lashley, Rose State College

Sheridan McCaffree, RUSO Administrative Office

Braden Brown, Seminole State College

Dennis Westman, Southeastern Oklahoma State University

Brenda Burgess, Southwestern Oklahoma State University

Patti Neuhold, University of Central Oklahoma

Tricia Latham, Western Oklahoma State College

**Voting against the motion:** None

**Abstaining:** None

Sheridan McCaffree (RUSO) made the motion, seconded by Anita Simpson (NOC) to “piggyback” on existing state contract and/or do an RFP for the holder of the 501C9.

**Voting for the motion:**

Designee T. Lynn Lofton, East Central University – via iTV

Dennis Westman, Murray State College

Designee Christy Landsaw, Northeastern Oklahoma State University

Anita Simpson, Northern Oklahoma College

David Pecha, Northwestern Oklahoma State University

Designee Kim Andrade, Redlands Community College

Kent Lashley, Rose State College

Sheridan McCaffree, RUSO Administrative Office

Braden Brown, Seminole State College

Dennis Westman, Southeastern Oklahoma State University

Brenda Burgess, Southwestern Oklahoma State University

Patti Neuhold, University of Central Oklahoma

Tricia Latham, Western Oklahoma State College

**Voting against the motion:** None

**Abstaining:** None

Tricia Latham (WOSC) made the motion, seconded by David Pecha (NWOSU) to have Patti Neuhold (UCO) and Nancy Gerrity (RUSO) have the joint authority to look at the rates and legal requirements/information for the trust.

**Voting for the motion:**

Designee T. Lynn Lofton, East Central University – via iTV

Dennis Westman, Murray State College

Designee Christy Landsaw, Northeastern Oklahoma State University

Anita Simpson, Northern Oklahoma College

David Pecha, Northwestern Oklahoma State University

Designee Kim Andrade, Redlands Community College

Kent Lashley, Rose State College

Sheridan McCaffree, RUSO Administrative Office

Braden Brown, Seminole State College

Dennis Westman, Southeastern Oklahoma State University

Brenda Burgess, Southwestern Oklahoma State University

Patti Neuhold, University of Central Oklahoma

Tricia Latham, Western Oklahoma State College

**Voting against the motion:** None

**Abstaining:** None

1. Nancy Gerrity, RUSO, discussed the need for OKHEEI to potentially go through an RFP or “piggyback” on an existing state contractor for an auditor and someone to create financial statements for the self-insured plan.

OKHEEI Board agree to wait until November OKHEEI meeting to discuss further.

1. Nancy Gerrity, RUSO, discussed the need for OKHEEI to potentially go through an RFP or “piggyback” on an existing state contractor for an actuary for the self-insured plan.

OKHEEI Board agree to wait until November OKHEEI meeting to discuss further.

1. Whitney Popchoke, RUSO/OKHEEI discussed the concern and need for official action to address any gap between expected claims amount and stop loss coverage for 2017 claims.

Tricia Latham (WOSC) made the motion, seconded by Patti Neuhold (UCO) for each institution to share the loss at a pro rata amount based on the medical enrollment as of January 1st.

**Voting for the motion:**

Designee T. Lynn Lofton, East Central University – via iTV

Dennis Westman, Murray State College

Designee Christy Landsaw, Northeastern Oklahoma State University

Anita Simpson, Northern Oklahoma College

David Pecha, Northwestern Oklahoma State University

Designee Kim Andrade, Redlands Community College

Kent Lashley, Rose State College

Sheridan McCaffree, RUSO Administrative Office

Braden Brown, Seminole State College

Dennis Westman, Southeastern Oklahoma State University

Brenda Burgess, Southwestern Oklahoma State University

Patti Neuhold, University of Central Oklahoma

Tricia Latham, Western Oklahoma State College

**Voting against the motion:** None

**Abstaining:** None

1. Sheridan McCaffree, RUSO, stated that it was not necessary for BCBS to extend the fully-insured coverage for all or part of plan fiscal year 2017.
2. Nancy Gerrity, RUSO, questioned whether any of the institutions would like to rescind their decision to transition to a self-insured plan and discussed the need for OKHEEI to change its name to ensure it doesn’t have the appearance of an insurance group. Jerry Pignato strongly recommended changing the OKHEEI name. No institutions mentioned the want to change their vote for self-insurance.

Sheridan McCaffree (RUSO) made the motion, seconded by Patti Neuhold (UCO) to remove the “I” for “Insurance in OKHEEI and replace with “I” for “Interlocal”, so the acronym stays the same.

**Voting for the motion:**

Designee T. Lynn Lofton, East Central University – via iTV

Dennis Westman, Murray State College

Designee Christy Landsaw, Northeastern Oklahoma State University

Anita Simpson, Northern Oklahoma College

David Pecha, Northwestern Oklahoma State University

Designee Kim Andrade, Redlands Community College

Kent Lashley, Rose State College

Sheridan McCaffree, RUSO Administrative Office

Braden Brown, Seminole State College

Dennis Westman, Southeastern Oklahoma State University

Brenda Burgess, Southwestern Oklahoma State University

Patti Neuhold, University of Central Oklahoma

Tricia Latham, Western Oklahoma State College

**Voting against the motion:** None

**Abstaining:** None

1. Discussion on which Value-Added Services, if any, the OKHEEI Board would like to implement for 2017.

Patti Neuhold (UCO) made the motion, seconded by Anita Simpson (NOC) to implement ZeroCard for the 2017 plan year.

**Voting for the motion:**

Designee T. Lynn Lofton, East Central University – via iTV

Dennis Westman, Murray State College

Designee Christy Landsaw, Northeastern Oklahoma State University

Anita Simpson, Northern Oklahoma College

David Pecha, Northwestern Oklahoma State University

Designee Kim Andrade, Redlands Community College

Kent Lashley, Rose State College

Sheridan McCaffree, RUSO Administrative Office

Braden Brown, Seminole State College

Dennis Westman, Southeastern Oklahoma State University

Brenda Burgess, Southwestern Oklahoma State University

Patti Neuhold, University of Central Oklahoma

Tricia Latham, Western Oklahoma State College

**Voting against the motion:** None

**Abstaining:** None

1. Whitney Popchoke, RUSO/OKHEEI, presented the various benefit change options for the 2017 plan year.

Patti Neuhold (UCO) made the motion, seconded by Tricia Latham (WOSC) to cover Applied Behavior Analysis Therapy and remove all limits on therapy for all ages for individuals with autism.

**Voting for the motion:**

Designee T. Lynn Lofton, East Central University – via iTV

Dennis Westman, Murray State College

Designee Christy Landsaw, Northeastern Oklahoma State University

Anita Simpson, Northern Oklahoma College

David Pecha, Northwestern Oklahoma State University

Designee Kim Andrade, Redlands Community College

Kent Lashley, Rose State College

Sheridan McCaffree, RUSO Administrative Office

Braden Brown, Seminole State College

Dennis Westman, Southeastern Oklahoma State University

Brenda Burgess, Southwestern Oklahoma State University

Patti Neuhold, University of Central Oklahoma

Tricia Latham, Western Oklahoma State College

**Voting against the motion:** None

**Abstaining:** None

Brenda Burgess (SWOSU) made the motion, seconded by Dennis Westman (MSC) to cover bariatric surgery based on BCBS’s medical policy requirements.

**Voting for the motion:**

Dennis Westman, Murray State College

Designee Christy Landsaw, Northeastern Oklahoma State University

Kent Lashley, Rose State College

Sheridan McCaffree, RUSO Administrative Office

Braden Brown, Seminole State College

Dennis Westman, Southeastern Oklahoma State University

Brenda Burgess, Southwestern Oklahoma State University

**Voting against the motion:**

Designee T. Lynn Lofton, East Central University – via iTV

Anita Simpson, Northern Oklahoma College

David Pecha, Northwestern Oklahoma State University

Designee Kim Andrade, Redlands Community College

Patti Neuhold, University of Central Oklahoma

Tricia Latham, Western Oklahoma State College

**Abstaining:** None

 **Motion passes by a vote of 7 to 6 in favor.**

Tricia Latham (WOSC) made the motion, seconded by David Pecha (NWOSU) to not cover fertility treatment, aside from what is already covered.

**Voting for the motion:**

Designee T. Lynn Lofton, East Central University – via iTV

Dennis Westman, Murray State College

Designee Christy Landsaw, Northeastern Oklahoma State University

Anita Simpson, Northern Oklahoma College

David Pecha, Northwestern Oklahoma State University

Designee Kim Andrade, Redlands Community College

Kent Lashley, Rose State College

Sheridan McCaffree, RUSO Administrative Office

Braden Brown, Seminole State College

Dennis Westman, Southeastern Oklahoma State University

Brenda Burgess, Southwestern Oklahoma State University

Patti Neuhold, University of Central Oklahoma

Tricia Latham, Western Oklahoma State College

**Voting against the motion:** None

**Abstaining:** None

David Pecha (NWOSU) made the motion, seconded by Tricia Latham (WOSC) to not cover options A or B for hearing aids for those individuals over the age of 18.

**Voting for the motion:**

Designee T. Lynn Lofton, East Central University – via iTV

Dennis Westman, Murray State College

Designee Christy Landsaw, Northeastern Oklahoma State University

Anita Simpson, Northern Oklahoma College

David Pecha, Northwestern Oklahoma State University

Designee Kim Andrade, Redlands Community College

Kent Lashley, Rose State College

Sheridan McCaffree, RUSO Administrative Office

Dennis Westman, Southeastern Oklahoma State University

Patti Neuhold, University of Central Oklahoma

Tricia Latham, Western Oklahoma State College

**Voting against the motion:**

Braden Brown, Seminole State College

Brenda Burgess, Southwestern Oklahoma State University

**Abstaining:** None

 **Motion passes by a vote of 11 to 2.**

Patti Neuhold (UCO) made the motion, seconded by Anita Simpson (NOC) to remove CVS Pharmacies according to Option A of the proposal.

**Voting for the motion:**

Designee T. Lynn Lofton, East Central University – via iTV

Dennis Westman, Murray State College

Designee Christy Landsaw, Northeastern Oklahoma State University

Anita Simpson, Northern Oklahoma College

David Pecha, Northwestern Oklahoma State University

Designee Kim Andrade, Redlands Community College

Kent Lashley, Rose State College

Sheridan McCaffree, RUSO Administrative Office

Braden Brown, Seminole State College

Dennis Westman, Southeastern Oklahoma State University

Brenda Burgess, Southwestern Oklahoma State University

Patti Neuhold, University of Central Oklahoma

Tricia Latham, Western Oklahoma State College

**Voting against the motion:** None

**Abstaining:** None

Patti Neuhold (UCO) made the motion, seconded by Anita Simpson (NOC) to cover gender assignment according to Option B of the proposal, which does not cover surgical procedures.

**Voting for the motion:**

Dennis Westman, Murray State College

Designee Christy Landsaw, Northeastern Oklahoma State University

Anita Simpson, Northern Oklahoma College

David Pecha, Northwestern Oklahoma State University

Designee Kim Andrade, Redlands Community College

Kent Lashley, Rose State College

Sheridan McCaffree, RUSO Administrative Office

Braden Brown, Seminole State College

Dennis Westman, Southeastern Oklahoma State University

Brenda Burgess, Southwestern Oklahoma State University

Patti Neuhold, University of Central Oklahoma

Tricia Latham, Western Oklahoma State College

**Voting against the motion:**

Designee T. Lynn Lofton, East Central University – via iTV

**Abstaining:** None

 **Motion passes by a vote of 12 to 1.**

1. Whitney Popchoke, RUSO/OKHEEI, discussed the option for an RFP and/or “piggybacking” on an existing state contract.

Kent Lashley (Rose) made the motion, seconded by Lynn Lofton (ECU) to extend the current USI contract to the end of June 2017 but begin the RFP process immediately.

**Voting for the motion:**

Designee T. Lynn Lofton, East Central University – via iTV

Dennis Westman, Murray State College

Designee Christy Landsaw, Northeastern Oklahoma State University

Anita Simpson, Northern Oklahoma College

David Pecha, Northwestern Oklahoma State University

Designee Kim Andrade, Redlands Community College

Kent Lashley, Rose State College

Braden Brown, Seminole State College

Dennis Westman, Southeastern Oklahoma State University

Brenda Burgess, Southwestern Oklahoma State University

Tricia Latham, Western Oklahoma State College

**Voting against the motion:**

Sheridan McCaffree, RUSO Administrative Office

Patti Neuhold, University of Central Oklahoma

**Abstaining:** None

 **Motion passes by a vote of 11 to 2.**

Kent Lashley (Rose) made the motion, seconded by Patti Neuhold (UCO) to rescind the previous motion.

**Voting for the motion:**

Dennis Westman, Murray State College

Designee Christy Landsaw, Northeastern Oklahoma State University

Anita Simpson, Northern Oklahoma College

David Pecha, Northwestern Oklahoma State University

Designee Kim Andrade, Redlands Community College

Kent Lashley, Rose State College

Sheridan McCaffree, RUSO Administrative Office

Braden Brown, Seminole State College

Dennis Westman, Southeastern Oklahoma State University

Brenda Burgess, Southwestern Oklahoma State University

Patti Neuhold, University of Central Oklahoma

Tricia Latham, Western Oklahoma State College

**Voting against the motion:**

Designee T. Lynn Lofton, East Central University – via iTV

**Abstaining:** None

 **Motion passes by a vote of 12 to 1.**

Patti Neuhold (UCO) made the motion, seconded by Sheridan McCaffree (RUSO) to begin the RFP process and research the “piggybacking” options immediately with the option to extend the USI contract based on the knowledge gained during this process.

**Voting for the motion:**

Designee T. Lynn Lofton, East Central University – via iTV

Dennis Westman, Murray State College

Designee Christy Landsaw, Northeastern Oklahoma State University

Anita Simpson, Northern Oklahoma College

David Pecha, Northwestern Oklahoma State University

Designee Kim Andrade, Redlands Community College

Kent Lashley, Rose State College

Sheridan McCaffree, RUSO Administrative Office

Braden Brown, Seminole State College

Dennis Westman, Southeastern Oklahoma State University

Brenda Burgess, Southwestern Oklahoma State University

Patti Neuhold, University of Central Oklahoma

Tricia Latham, Western Oklahoma State College

**Voting against the motion:** None

**Abstaining:** None

1. **Chair’s Report**

None

1. **OKHEEI Board Member’s Comments and Announcements**

None

1. **New Business**

None

1. **Adjournment**

Kent Lashley (Rose) made a motion, seconded by Lynn Lofton (ECU) to adjourn the meeting.

**Voting for the motion**

Designee T. Lynn Lofton, East Central University – via iTV

Dennis Westman, Murray State College

Designee Christy Landsaw, Northeastern Oklahoma State University

Anita Simpson, Northern Oklahoma College

David Pecha, Northwestern Oklahoma State University

Designee Kim Andrade, Redlands Community College

Kent Lashley, Rose State College

Sheridan McCaffree, RUSO Administrative Office

Braden Brown, Seminole State College

Dennis Westman, Southeastern Oklahoma State University

Brenda Burgess, Southwestern Oklahoma State University

Patti Neuhold, University of Central Oklahoma

Tricia Latham, Western Oklahoma State College

**Voting against the motion:** None

**Abstaining:** None

**Chair Dennis Westman (MSC) adjourned the meeting at 3:45 p.m.**