



December 11, 2017

RE: SAM Board of Directors Update – Montana Unified School Trust (MUST) 2nd Quarter 2018

MUST is a multi-employer, self-funded, non-federal government plan, federally regulated by the Public Health Service Act, that provides health benefits to public school employees. MUST is sponsored by MEA-MFT, School Administrators of Montana (SAM) and MTSBA. MUST is administered by Montana School Services Foundation (MSSF). MSSF, on behalf of MUST, has been working on a number of initiatives and the following is a short update of recent activities.

- **Milliman 2018-19 Planning:** Staff met with Milliman (MUST's actuary), at the end of October to begin conversations about marketing renewals for the next fiscal year. Additional information is being gathered regarding our utilization, competition and proposed plan changes for 2018-19. Staff continues to have additional conversations with Milliman, as well as discussion at the December MUST board meeting.
- **Businessolver Implementation:** MSSF implemented its new enhanced enrollment system. There are outstanding issues that continue to be worked through that impact group life insurance bills.
- **Prime Pharmacy Update:** Effective July 1, MUST began utilizing a new pharmacy benefit manager (PBM), Prime Therapeutics. The prior PBM was URx. Staff continues to work through the Prime pharmacy implementation. The first quarter Prime report shows the number of members who requested a Prior Authorization (PA) and those that were denied. There were a total of 206 PA requests, with 102 of those receiving a denial. Of the 102 that were denied, 71 of them were coverage exceptions that were allowed under URx and outside of our standard medical policy. We knew these special exceptions had been made in the past and one of the expectations when we moved to Prime was to address those exceptions and manage the members care according to our medical policy.
- **MUST Board of Trustees Meeting (October 1-2, 2017):** The Trustees met in Helena and addressed by action: (a) approval of MUST's three year sponsorship endorsements of Montana Association of School Business Officials (MASBO) and Montana Rural Education Association (MREA); and (b) approval of Wipfli's MUST 2016-17 financial audit report. The Trustees received detailed reports concerning: (a) operations, marketing, financials and actuarial; (b) staff's onsite school enrollment and benefits meetings; and (c) MSSF's revised Personnel Manual that included incorporation of the Privacy & Security Policies and Procedures and Code of Business Ethics. The board also completed their annual conflict of interest and agreement forms.
- **MUST Board of Trustees Meeting (December 10-11, 2017):** The Trustees met in Helena and received detailed operations, marketing, finance and actuarial reports. The board and staff discussed plan design concepts for 2018-19 in preparation for the upcoming marketing renewal/new business period.