



REPRESENTATIVE CAMERON HENRY
CHAIRMAN

JOINT LEGISLATIVE COMMITTEE ON THE BUDGET

STATE CAPITOL
P.O. BOX 44294, CAPITOL STATION
BATON ROUGE, LOUISIANA 70804
(225) 342-7244

SENATOR ERIC LAFLEUR
VICE-CHAIRMAN

AGENDA

Friday, September 13, 2019
9:30 a.m.
House Committee Room 5

I. CALL TO ORDER

II. ROLL CALL

III. BUSINESS

1. Fiscal Status Statement and Five-Year Base-Line Budget
2. Facility Planning and Control - Capital Outlay Change Orders
3. Discussion of the Department of Environmental Quality's air monitoring equipment
4. Review of a contract amendment between the Office of Technology Services and Deloitte Consulting LLP, in accordance with the provisions of R.S. 39:1615(J)
5. Review of a contract between the Office of Group Benefits and Prudential Insurance Company of America for fully insured group life insurance, in accordance with the provisions of R.S. 42:802
6. Review of amendments to contracts between the Office of Group Benefits and the following entities for the following services, in accordance with the provisions of R.S. 42:802:
 - A. Blue Cross Blue Shield for medical third party services
 - B. MedImpact Healthcare Systems, Inc., to adjust discounts and rebates rates of pharmaceuticals to OGB
7. Discussion of managed care organization contracts procurement process
8. Discussion of the dental contract of the managed care organizations procurement process

IV. CONSIDERATION OF ANY OTHER BUSINESS THAT MAY COME BEFORE THE COMMITTEE

V. ADJOURNMENT

THIS NOTICE CONTAINS A TENTATIVE AGENDA AND MAY BE REVISED PRIOR TO THE MEETING.

Representative Cameron Henry, Chairman

JOINT LEGISLATIVE COMMITTEE ON THE BUDGET
GENERAL FUND FISCAL STATUS STATEMENT
FISCAL YEAR 2019-2020
(\$ in millions)

September 13, 2019

	AUGUST 2019	SEPTEMBER 2019	SEPTEMBER 2019 Over/(Under) AUGUST 2019
GENERAL FUND REVENUE			
Revenue Estimating Conference, April 10, 2019	\$9,724.800	\$9,724.800	\$0.000
FY18-19 Revenue Carried Forward into FY 19-20	\$0.000	\$87.893	\$87.893
Total Available General Fund Revenue	\$9,724.800	\$9,812.693	\$87.893
APPROPRIATIONS AND REQUIREMENTS			
Non-Appropriated Constitutional Requirements			
Debt Service	\$448.643	\$448.643	\$0.000
Interim Emergency Board	\$1.323	\$1.323	\$0.000
Revenue Sharing	\$90.000	\$90.000	\$0.000
Total Non-Appropriated Constitutional Requirements	\$539.966	\$539.966	\$0.000
Appropriations			
General (Act 10 of 2019 RS)	\$8,970.451	\$9,058.344	\$87.893
Ancillary (Act 40 of 2019 RS)	\$0.000	\$0.000	\$0.000
Judicial (Act 60 of 2019 RS)	\$151.460	\$151.460	\$0.000
Legislative (Act 70 of 2019 RS)	\$62.473	\$62.473	\$0.000
Capital Outlay (Act 20 of 2019 RS)	\$0.000	\$0.000	\$0.000
Total Appropriations	\$9,724.350	\$9,812.243	\$87.893
Other Requirements			
Funds Transfer Bill (Act 362 of 2019 RS)	\$0.450	\$0.450	\$0.000
Total Other Requirements	\$0.450	\$0.450	\$0.000
Total Appropriations and Requirements	\$9,724.800	\$9,812.693	\$87.893
General Fund Revenue Less Appropriations and Requirements	\$0.000	\$0.000	\$0.000

II. FY 2018-2019 Fiscal Status Summary:

In accordance with Act 1092 of the 2001 Regular Session and Act 107 of the 2002 First Extraordinary Session (R.S. 39:75), the first budget status report presented after October 15th shall reflect the fund balance for the previous fiscal year.

III. Current Year Items Requiring Action

IV. Horizon Issues Not Contained in 5-Year Plan

State share owed to FEMA upon the final closeout of various disasters, including Hurricane Katrina, for public assistance (state, local, and private non-profits) and hazard mitigation projects. Final closeouts of the various disasters are not expected until FY20 at the earliest, but could extend beyond the 5-year baseline projection window.

In 2008, the State of Louisiana through the Coastal Protection and Restoration Authority Board entered into a Project Partnership Agreement with the United States Army Corps of Engineers to construct a Hurricane and Storm Damage Risk Reduction System (HSDRRS) around the greater New Orleans area. The HSDRRS project is a cost share agreement whereby the State is required to pay a percentage (about 35%) of the total costs of the project. Payback will occur over a 30 year period with the first payment due once the HSDRRS project is completed, which is expected to be in Fiscal Year 2021.

FIVE YEAR BASE LINE PROJECTION STATE GENERAL FUND SUMMARY APPROPRIATED					
	Prior Fiscal Year 2018-2019	Current Fiscal Year 2019-2020	Projected Fiscal Year 2020-2021	Projected Fiscal Year 2021-2022	Projected Fiscal Year 2022-2023
REVENUES:					
Taxes, Licenses & Fees	\$12,134,900,000	\$12,354,400,000	\$12,576,200,000	\$12,882,900,000	\$13,165,400,000
Less Dedications	(\$2,581,100,000)	(\$2,629,600,000)	(\$2,532,200,000)	(\$2,578,000,000)	(\$2,615,800,000)
Act 10 of the 2018 Second Extraordinary Session - Transfer of Funds	\$53,333,333	\$0	\$0	\$0	\$0
TOTAL REC REVENUES (OFFICIAL FORECAST)	\$9,607,233,333	\$9,724,800,000	\$10,044,100,000	\$10,304,900,000	\$10,549,700,000
ANNUAL REC GROWTH RATE		1.22%	3.28%	2.60%	2.38%
Other Revenues:					
Carry Forward Balances	\$63,664,831	\$87,893,442	\$0	\$0	\$0
Utilization of Prior Year Surplus (FY16-17)	\$62,951,760	\$0	\$0	\$0	\$0
Utilization of Prior Year Surplus (FY17-18)	\$30,805,321	\$0	\$0	\$0	\$0
Total Other Revenue	\$157,421,912	\$87,893,442	\$0	\$0	\$0
TOTAL REVENUES	\$9,764,655,245	\$9,812,693,442	\$10,044,100,000	\$10,304,900,000	\$10,549,700,000
EXPENDITURES:					
General Appropriation Bill (Act 10 of 2019 RS)	\$8,766,758,058	\$8,970,450,938	\$9,512,715,227	\$9,806,226,224	\$10,097,050,986
Ancillary Appropriation Bill (Act 40 of 2019 RS)	\$0	\$0	\$17,387,034	\$21,201,729	\$25,149,939
Non-Appropriated Requirements	\$512,650,513	\$539,966,015	\$554,545,733	\$566,766,844	\$577,407,318
Judicial Appropriation Bill (Act 60 of 2019 RS)	\$153,530,944	\$151,460,091	\$155,074,873	\$156,969,300	\$158,911,087
Legislative Appropriation Bill (Act 70 of 2019 RS)	\$62,472,956	\$62,472,956	\$62,481,451	\$62,480,987	\$62,480,529
Special Acts	\$0	\$0	\$9,017,338	\$9,017,338	\$9,017,338
Capital Outlay Bill (Act 20 of 2019 RS)	\$398,000	\$0	\$0	\$0	\$0
TOTAL ADJUSTED EXPENDITURES (less carryforwards and surplus)	\$9,495,810,471	\$9,724,350,000	\$10,311,221,656	\$10,622,662,422	\$10,930,017,197
ANNUAL ADJUSTED GROWTH RATE		2.41%	6.04%	3.02%	2.89%
Other Expenditures:					
Carryforward BA-7s Expenditures	\$63,664,831	\$87,893,442	\$0	\$0	\$0
Prior Year Surplus (FY16-17) Expenditures in Capital Outlay Bill	\$62,951,760	\$0	\$0	\$0	\$0
Prior Year Surplus (FY17-18) - Retirement Systems Contributions	\$30,805,321	\$0	\$0	\$0	\$0
Supplemental Bill (Act 50 of 2019 RS), Funds Bill (Act 362 of 2019 RS)	\$111,419,130	\$450,000	\$0	\$0	\$0
27th Pay Period occurring in FY22-23	\$0	\$0	\$0	\$0	\$70,844,235
Total Other Expenditures	\$268,841,042	\$88,343,442	\$0	\$0	\$70,844,235
TOTAL EXPENDITURES	\$9,764,651,513	\$9,812,693,442	\$10,311,221,656	\$10,622,662,422	\$11,000,861,432
PROJECTED BALANCE	\$3,732	\$0	(\$267,121,656)	(\$317,762,422)	(\$451,161,432)
Oil Prices included in the REC forecast adopted on 4/10/2019.	\$58.96	\$59.15	\$60.00	\$61.71	\$62.17

DIVISION OF ADMINISTRATION
Facility Planning & Control

JOINT LEGISLATIVE COMMITTEE
ON THE
BUDGET

Briefing Book

FOR

September 2019

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Rapides Parish

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Louisiana Military Department
01/112 Statewide Backlog of Maintenance and Repair (BMAR), Phase 3
Statewide Infrastructure Rehabilitation, Phase 3
(Statewide)

Office of the Commissioner
State of Louisiana
Division of Administration

JOHN BEL EDWARDS
GOVERNOR



JAY DARDENNE
COMMISSIONER OF ADMINISTRATION

August 27, 2019

The Honorable Cameron Henry, Chairman
Joint Legislative Committee on the Budget
Post Office Box 44294, Capitol Station
Baton Rouge, Louisiana 70804

**Re: Establish Budget Authority – Federal Funds
Louisiana Military Department
01/112 Louisiana National Guard Readiness Center
Camp Beauregard (Pineville), Planning and Construction
Rapides Parish**

Dear Chairman Henry:

The Readiness Center at Camp Beauregard was severely damaged by a tornado striking Louisiana on October 31, 2018. The damage is so extensive that the building needs to be demolished and replaced. Federal funds will be available for the replacement building and no state match will be required.

Therefore, pursuant to R.S. 39:134(C), since the Federal Funds will be available at a time when the legislature is not in session precluding appropriation of these funds by the legislature during session, we are requesting that the Joint Legislative Committee on the Budget approve the expenditure of the Federal Funds in the amount of \$17,950,000.

On behalf of the Louisiana Military Department, the Office of Facility Planning and Control is requesting budget authority in the amount of \$17,950,000 from the National Guard Bureau through its United States Property and Fiscal Office (USPFO) in support of the Camp Beauregard Readiness Center.

Please place this item on the agenda for the next meeting of the Committee.

Sincerely,

Mark A. Moses
Director

Jay Dardenne
Commissioner of Administration

CC: Mr. Mark Gates, FPC
Mr. Stephen Losavio, FPC
Ms. Lisa Smeltzer, FPC
Ms. Sue Gerald, FPC
Ms. Ternisa Hutchinson, OPB
Mr. Barry Dusse, OPB
Mr. Samuel Roubique, OPB
Mr. Paul Fernandez, OPB
Ms. Linda Hopkins, House Fiscal Division
Ms. Ashley Albritton, House Fiscal Division
Ms. Martha Hess, Senate Counsel
Ms. Raynel Gascon, Senate Fiscal Division
BG (Ret) Owen Monconduit, Louisiana Military Department

Office of the Commissioner
State of Louisiana
Division of Administration

JOHN BEL EDWARDS
GOVERNOR



JAY DARDENNE
COMMISSIONER OF ADMINISTRATION

August 27, 2019

The Honorable Cameron Henry, Chairman
Joint Legislative Committee on the Budget
Post Office Box 44294, Capitol Station
Baton Rouge, Louisiana 70804

**Re: Increase Budget Authority – Federal Funds
Louisiana Military Department
01/112 Statewide Backlog of Maintenance and Repair (BMAR), Phase 3
Statewide Infrastructure Rehabilitation, Phase 3
(Statewide)**

Dear Chairman Henry:

Act 20 of 2019 included an appropriation of \$1,931,400 in Priority 1 General Obligation Bonds, \$2,500,000 in Priority 2 General Obligation Bonds, and \$8,000,000 in Federal Funds for the referenced project.

The Louisiana Military Department is requesting authority to receive an additional \$6,300,000 payable from Federal Funds in Fiscal Year 2019-20. This will increase the Fiscal Year 2019-20 appropriation of Federal Funds to \$14,300,000. No increase or adjustment to State funding is being requested, as this additional funding is all Federal Funds.

On behalf of the Louisiana Military Department, the Office of Facility Planning and Control is requesting authorization to accept an additional \$6,300,000 from the National Guard Bureau through its United States Property and Fiscal Office (USPFO) to address BMAR projects.

Please place this item on the agenda for the next meeting of the Committee.

Sincerely,

Mark A. Moses
Director

Jay Dardenne
Commissioner of Administration

CC: Mr. Mark Gates, FPC
Mr. Stephen Losavio, FPC
Ms. Lisa Smeltzer, FPC
Ms. Sue Gerald, FPC
Ms. Ternisa Hutchinson, OPB
Mr. Barry Dusse, OPB
Mr. Samuel Roubique, OPB
Mr. Paul Fernandez, OPB
Ms. Linda Hopkins, House Fiscal Division
Ms. Ashley Albritton, House Fiscal Division
Ms. Martha Hess, Senate Counsel
Ms. Raynel Gascon, Senate Fiscal Division
BG (Ret) Owen Monconduit, Louisiana Military Department

Justification for Amendment No. 3

Deloitte Consulting Contract 2000236313

1.0 PURPOSE OF AMENDMENT

The purpose of this contract amendment is to extend the duration of the contract between the State of Louisiana, Division of Administration, Office of Technology Services, and Deloitte Consulting, LLC, by exercising the option to extend for up to twenty-four (24) additional months at the same rates, terms and conditions of the initial contract term, with Contractor's concurrence, approval of the Joint Legislative Budget Committee (JLBC), Federal partners, and approval of the State Chief Procurement Officer.

2.0 JUSTIFICATION

The contract began February 29, 2016 and will end on February 28, 2020. OTS is requesting approval for a twelve (12) month continuation of the existing contract. This requested extension constitutes the fifth (5) and final available year on this contract.

This extension will provide for the continued administration of the State's Enterprise Architecture (EA) system. The EA system supports several enterprise applications, such as Louisiana Department of Health's (LDH) Medicaid Eligibility and Enrollment (LaMEDS), the Department of Children and Family Services (DCFS) Integrated Eligibility (SNAP/TANF), DCFS's Child Welfare Intake and Investigations system. Maintenance of the system requires ongoing hosting support, personnel resources, and valued added services of project management technical assistance. Additionally, OTS expects several new system modernization projects to hook into and utilize the Enterprise Architecture system, including the Department of Education's Early Childhood and K-12 system (EDLINK), the State Police Computer Aided Dispatch and Records Management System (CAD/RMS), the Office of Motor Vehicles' systems, and the Department of Correction's Offender Management system (CIPRS).

Failure to maintain the functionality of the Enterprise Architecture platform may result in failure of applications such as LaMEDS, SNAP/TANF, and Child Welfare, which would affect these program's ability to accurately determine eligibility and process cases.

The estimated requirements covering the period of the contract are reasonably firm and continuing this contract will serve the best interest of the State.

**Amendment No. 3 to
Agreement between State of Louisiana
Division of Administration, Office of Technology Services (OTS)
AND**

**Vendor Name: Deloitte Consulting LLP
Address: 701 Poydras Street, Suite 4200
New Orleans, Louisiana 70139**

THIS Amendment No. 3, with an effective date of November 1, 2019 ("Amendment Effective Date") is entered into by the State of Louisiana Division of Administration, Office of Technology Services ("State") and Deloitte Consulting LLP ("Contractor") and amends the Contract between the parties dated February 29, 2016, for the Enterprise Architecture (EA), Contract file number: 2000236313 (the "Contract").

Capitalized terms used in this Amendment unless otherwise specified shall have the same meaning as contained in the Contract.

This amendment shall not be effective until approved by appropriate federal agencies, the Joint Legislative Committee on the Budget, and the Office of State Procurement.

NOW, THEREFORE, in consideration of the mutual promises herein contained, and other good and valuable consideration, the sufficiency of which is hereby acknowledged, the parties hereby agree that the Contract is amended, as follows.

Amendment Provisions

CHANGE NUMBER ONE

Change to section 2.1 Term of Contract.

Original language:

This contract shall begin on February 29, 2016, and shall end on February 28, 2020 as the State exercised an option for a one (1) year extension from March 1, 2019 to February 28, 2020. With all proper approvals and concurrence with the Contractor, State may also exercise an option for one (1) one-year extension at the same rates, terms and conditions of the initial contract term. Prior to the extension of the contract beyond the forty-eight (48) month term, approval by the Joint Legislative Committee on the Budget (JLCB) or other approval authorized by law shall be obtained. Such written evidence of JLCB approval shall be submitted, along with the contract amendment to the Office of State Procurement, Professional Contracts Section to extend contract terms beyond the four (4) year term. Total contract term, with extensions, shall not exceed five (5) years.

Original language amended as follows:

This contract shall begin on February 29, 2016, and shall end on February 28, 2021 as the State exercised an option for a one (1) year extension from March 1, 2019 to February 28, 2020, and an additional one (1) year extension from February 29, 2020 to

February 28, 2021 for a total contract term of five (5) years. Total contract term, with extensions, shall not exceed five (5) years.

CHANGE NUMBER TWO

Change to *Attachment V: Payment Schedule, Section 3, Maintenance and Operations*

Changes:

Original language:

Year	Months	Monthly Rate	Annual Total	10% Retainage	Retainage Payment Point
Year 1*	October 1, 2016 – January 31, 2017	\$324,152.00	\$1,296,608.00	129,660.80	End of Year 1
Year 2^	February 1, 2017 – January 31, 2018	\$299,217.00	\$3,590,604.00	\$359,060.40	End of Year 2
Year 3*	February 1, 2018 – February 28, 2019	\$174,544.00	\$2,269,072.00	\$226,907.20	End of Year 3
Year 4	March 1, 2019 – February 29, 2020	\$357,901.00	\$4,294,812.00	\$429,481.20	End of Year 4
Grand Total for Maintenance and Operations			\$11,451,096.00	\$1,145,109.60	

*Year 1 M&O dollars were reallocated to development by task order number EA-650.

^February and March of Year 2 M&O dollars were reallocated to development by task order number EA-650.

*The M&O table aligns to the originally anticipated contract start date of February 1, 2016. However, the contract actually began on February 29, shifting the end date by one month. To align this table to the actual contract period of performance, Year 3 M&O is extended one month.

Original language amended as follows:

Year	Months	Monthly Rate	Annual Total	10% Retainage	Retainage Payment Point
Year 1*	October 1, 2016 – January 31, 2017	\$324,152.00	\$1,296,608.00	129,660.80	End of Year 1
Year 2^	February 1, 2017 – January 31, 2018	\$299,217.00	\$3,590,604.00	\$359,060.40	End of Year 2
Year 3*	February 1, 2018 – February 28, 2019	\$174,544.00	\$2,269,072.00	\$226,907.20	End of Year 3
Year 4	March 1, 2019 – February 28, 2020	\$357,901.00	\$4,294,812.00	\$429,481.20	End of Year 4
<u>Year 5</u>	<u>February 29, 2020 – February 28, 2021</u>	<u>\$357,901.00</u>	<u>\$4,294,812.00</u>	<u>\$429,481.20</u>	<u>End of Year 5</u>

Grand Total for Maintenance and Operations	<u>\$15,745,908.00</u>	<u>\$1,574,590.80</u>	
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*Year 1 M&O dollars were reallocated to development by task order number EA-650.

^February and March of Year 2 M&O dollars were reallocated to development by task order number EA-650.

*The M&O table aligns to the originally anticipated contract start date of February 1, 2016. However, the contract actually began on February 29, shifting the end date by one month. To align this table to the actual contract period of performance, Year 3 M&O is extended one month.

CHANGE NUMBER THREE

Change to Attachment XI: Change Orders, Section 6, Task Request Pool

Original language:

A Task Request Pool has been established in the amount of up to \$17,700,000. Subject to mutually agreeable in-scope Task Order(s), payments for Task Order work will either be based on:

1. The number of actual hours that have been authorized by the State and that have been performed by the Contractor as required in the Task Order; provided that unless otherwise agreed to in the Task Order, invoices may be submitted monthly for actual hours worked.
2. The fees applicable to fixed-fee deliverable(s) that have been authorized by the State and the Contractor and that have been performed by the Contractor as required in the Task Order.

Original language amended as follows:

A Task Request Pool has been established in the amount of up to \$31,700,000. Subject to mutually agreeable in-scope Task Order(s), payments for Task Order work will either be based on:

1. The number of actual hours that have been authorized by the State and that have been performed by the Contractor as required in the Task Order; provided that unless otherwise agreed to in the Task Order, invoices may be submitted monthly for actual hours worked.
2. The fees applicable to fixed-fee deliverable(s) that have been authorized by the State and the Contractor and that have been performed by the Contractor as required in the Task Order.

CHANGE NUMBER FOUR

Change to the introductory statement of *Terms and Conditions, Section 5 Compensation and Maximum Amount of Contract:*

Original language:

In consideration of the services required by this contract, State hereby agrees to pay to Contractor a maximum fee of \$35,005,532 for the four (4) year term.

Original language amended as follows:

In consideration of the services required by this contract, State hereby agrees to pay to Contractor a maximum fee of \$53,300,344 for the five (5) year term.

This Amendment contains or has attached hereto all revised terms and conditions agreed upon by the parties. All other terms and conditions in the original Contract described above will remain the same.

IN WITNESS THEREOF, this Amendment is signed and entered into on the date indicated below.

DELOITTE CONSULTING LLP

Scott Huntsman
Managing Director

Date

STATE OF LOUISIANA, DIVISION OF ADMINISTRATION

Jay Dardenne
Commissioner

Date



STATE of LOUISIANA
DIVISION OF ADMINISTRATION
OFFICE OF GROUP BENEFITS



Office of Group Benefits
Contracts & Amendments Overview
September 2019 JLCB Meeting

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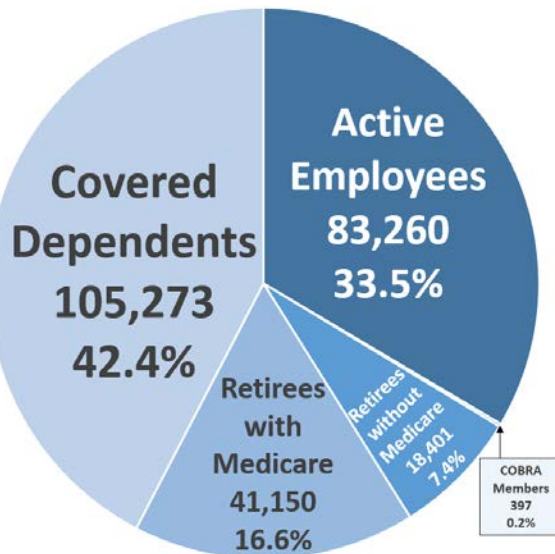
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Office of Group Benefits

FY 2020 Membership Overview

Health Insurance Enrollment
by Member Type



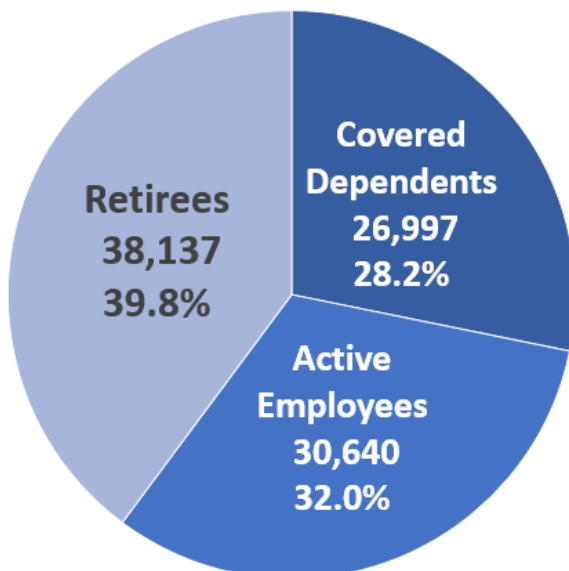
*As of August 26, 2019

Health Insurance Membership by
Plan

State-Sponsored Health Plans	Members	%
Magnolia Open Access	35,813	14.4%
Magnolia Local	1,038	0.4%
Magnolia Local Plus	163,110	65.6%
Pelican HRA1000	7,262	2.9%
Pelican HSA775	7,968	3.2%
Vantage MHHP	7,703	3.1%
Via Benefits	764	0.3%
Humana HMO (MA)	66	0.0%
Blue Advantage HMO (MA)	220	0.1%
Peoples Health (MA)	2,249	0.9%
Vantage Premium (MA)	555	0.2%
Vantage Standard (MA)	863	0.3%
Vantage Basic (MA)	84	0.0%
LSU Health Option 1	18,174	7.3%
LSU Health Option 3	2,612	1.1%
Total:	248,481	100.0%

*As of August 26, 2019; MA = Medicare Advantage Plan

Life Insurance Membership by
Type



*As of August 27, 2019

Life Insurance Enrollment by
Age Group

Age Groups	Enrollee Count	%
Under Age 20	33	0.0%
Ages 20-25	1,047	1.5%
Ages 26-30	2,295	3.3%
Ages 31-35	2,935	4.3%
Ages 36-40	3,590	5.2%
Ages 41-45	3,778	5.5%
Ages 46-50	4,309	6.3%
Ages 51-55	4,964	7.2%
Ages 56-60	6,525	9.5%
Ages 61-65	7,623	11.1%
Ages 66-70	8,670	12.6%
Ages 71-75	7,939	11.5%
Ages 76-80	6,383	9.3%
Ages 81-84	3,966	5.8%
Age 85 and Older	4,720	6.9%
Total:	68,777	100.0%

*As of August 27, 2019

The Prudential Insurance Company of America

Group Life Insurance Contract Overview

Contract Purpose	To provide fully-insured basic life, supplemental life and accidental death & dismemberment (“AD&D”) coverage for active and retired employees, as well as basic and supplemental dependent life coverage for eligible dependents.
Eligible enrollees	Active and retired employees of the State of Louisiana and other OGB-participating entities
Members as of 8/27/2019	68,777 (95,774 with covered dependents)
Beginning Contract Date	1/1/2020
Ending Contract Date	12/31/2022
Renewable Option	Two 12-month options
Procurement Method	Request for Proposals
Contract Amount	N/A
Projected Annual Group Life Insurance Premiums	\$35,115,946
Basic and Supplemental Life Rates	Members ages 41 to 65 with Basic and Supplemental Life coverage will see an increase in their monthly rate per \$1,000 of coverage beginning in 2020. Overall increase of 11.2% in total projected Basic and Supplemental Life premiums from 2019 projected levels.
AD&D Rates	No change from 2019 rates. Overall increase of 6.5% in total projected AD&D Life premiums from 2019 projected levels.
Dependent Life Rates	Members with Dependent Life coverage will see an increase in their monthly rate per \$1,000 of coverage beginning in 2020. Overall increase of 6.6% in total projected Dependent Life premiums from 2019 projected levels.

The 2020 contract continues current year emergency contract practice of premium rates based on the age of the enrollee, capped at \$2.50 per \$1,000 of coverage maximum.

The Prudential Insurance Company of America
Group Life Insurance Contract Overview, cont.

Active Employees & Retirees Group Life Insurance	2019 Total Monthly Rate per \$1,000 of Coverage	2020* Total Monthly Rate per \$1,000 of Coverage	Change	% Change
<i>Basic & Supplemental Life Insurance</i>				
Under Age 20	\$0.08	\$0.08	\$0.00	0.0%
Ages 20-25	\$0.08	\$0.08	\$0.00	0.0%
Ages 26-30	\$0.08	\$0.08	\$0.00	0.0%
Ages 31-35	\$0.08	\$0.08	\$0.00	0.0%
Ages 36-40	\$0.08	\$0.08	\$0.00	0.0%
Ages 41-45	\$0.16	\$0.28	\$0.12	75.0%
Ages 46-50	\$0.20	\$0.32	\$0.12	60.0%
Ages 51-55	\$0.40	\$0.68	\$0.28	70.0%
Ages 56-60	\$0.52	\$0.88	\$0.36	69.2%
Ages 61-65	\$1.40	\$2.00	\$0.60	42.9%
Ages 66-70	\$2.48	\$2.48	\$0.00	0.0%
Ages 71-75	\$2.48	\$2.48	\$0.00	0.0%
Ages 76-80	\$2.48	\$2.48	\$0.00	0.0%
Ages 81-84	\$2.48	\$2.48	\$0.00	0.0%
Age 85 and Older	\$2.48	\$2.48	\$0.00	0.0%
<i>Accidental Death & Dismemberment Insurance</i>				
All Ages	\$0.04	\$0.04	\$0.00	0.0%
<i>Dependent Life Insurance</i>				
All Ages	\$1.04	\$1.36	\$0.32	30.8%

*2020 monthly rates per \$1,000 of coverage have been rounded up or down so as to be divisible by four (4) for payroll purposes, and differ from those submitted by Prudential.

Blue Cross and Blue Shield of Louisiana

Administrative Services Only for Self-funded Medical Plans Contract Amendment #6 Overview

Contract Purpose	To provide administrative services to support the self-funded medical plans offered by OGB. Services include but are not limited to regulatory assistance, medical claims administration, case management, third party recovery, and other general administrative support services.
Eligible Enrollees	Active and retired employees of the State of Louisiana and other OGB-participating entities
Members as of 8/26/2019	215,191
Beginning Contract Date	1/1/2016
Ending Contract Date	12/31/2019
Renewable Options Already Exercised	One
Ending Contract Date After this Amendment	12/31/2020
Renewable Options Remaining	12 months
Original Procurement Method	Request for Proposal
Current Contract Amount	\$3,970,000,000
Ending Contract Amount After Amendment	\$4,945,000,000
Administrative Fee	\$22.17 Per Enrollee Per Month (no change from 2019) Payable to Vendor
Number of Plans	Five (no change from 2019)
2020 Plan Rates	5.0% increase over 2019 premiums for all plans

Blue Cross and Blue Shield of Louisiana

Administrative Services Only for Self-funded Medical Plans Contract Amendment #6 Overview, Cont.

Amendment #6 to the Blue Cross and Blue Shield of Louisiana (BCBSLA) contract is needed in order to accomplish the following:

- To allow OGB to exercise the option to extend the contract for the remaining twelve (12) of the twenty-four (24) additional months available under the contract, at the same rates, terms, and conditions of the initial contract term, as previously amended, except as provided in the amendment.
- To Increase the maximum payable amount to \$4.945 billion, to allow OGB to continue to pay member claims for the twelve (12) month period this amendment seeks to extend the contract by.
- To amend the frequency of submission deadlines for Population Health Management and Network Management Semi-Annual reports, so as to avoid overlap/duplicative reporting.

BCBSLA Plans 5.0% Increase	Magnolia Open Access			Magnolia Local		
	2019	2020	Increase	2019	2020	Increase
ACTIVE EMPLOYEE						
ENROLLEE ONLY	\$702.38	\$737.50	\$35.12	\$572.64	\$601.28	\$28.64
ENROLLEE + SPOUSE	\$1,491.98	\$1,566.58	\$74.60	\$1,216.40	\$1,277.22	\$60.82
ENROLLEE + CHILD(REN)	\$856.68	\$899.52	\$42.84	\$698.40	\$733.32	\$34.92
FAMILY	\$1,573.50	\$1,652.18	\$78.68	\$1,282.90	\$1,347.04	\$64.14
RETIREE WITHOUT MEDICARE & RE-EMPLOYED RETIREE						
ENROLLEE ONLY	\$1,306.82	\$1,372.16	\$65.34	\$1,065.44	\$1,118.72	\$53.28
ENROLLEE + SPOUSE	\$2,307.62	\$2,423.00	\$115.38	\$1,881.36	\$1,975.42	\$94.06
ENROLLEE + CHILD(REN)	\$1,455.62	\$1,528.40	\$72.78	\$1,186.74	\$1,246.08	\$59.34
FAMILY	\$2,296.40	\$2,411.22	\$114.82	\$1,872.22	\$1,965.84	\$93.62
RETIREE WITH 1 MEDICARE						
ENROLLEE ONLY	\$424.96	\$446.20	\$21.24	\$346.46	\$363.78	\$17.32
ENROLLEE + SPOUSE	\$1,570.14	\$1,648.64	\$78.50	\$1,280.12	\$1,344.12	\$64.00
ENROLLEE + CHILD(REN)	\$735.54	\$772.32	\$36.78	\$599.66	\$629.64	\$29.98
FAMILY	\$2,092.06	\$2,196.66	\$104.60	\$1,705.64	\$1,790.92	\$85.28
RETIREE WITH 2 MEDICARE						
ENROLLEE + SPOUSE	\$763.88	\$802.08	\$38.20	\$622.78	\$653.92	\$31.14
FAMILY	\$945.80	\$993.10	\$47.30	\$771.10	\$809.66	\$38.56

Blue Cross and Blue Shield of Louisiana

Administrative Services Only for Self-funded Medical Plans Contract Amendment #6 Overview, Cont.

BCBSLA Plans 5.0% Increase	Magnolia Local Plus			Pelican HSA775		
	2019	2020	Increase	2019	2020	Increase
ACTIVE EMPLOYEE						
ENROLLEE ONLY	\$675.66	\$709.44	\$33.78	\$244.16	\$256.36	\$12.20
ENROLLEE + SPOUSE	\$1,435.02	\$1,506.78	\$71.76	\$518.70	\$544.64	\$25.94
ENROLLEE + CHILD(REN)	\$824.00	\$865.20	\$41.20	\$297.96	\$312.86	\$14.90
FAMILY	\$1,513.42	\$1,589.10	\$75.68	\$546.98	\$574.32	\$27.34
RETIREE WITHOUT MEDICARE & RE-EMPLOYED RETIREE						
ENROLLEE ONLY	\$1,261.04	\$1,324.10	\$63.06	N/A	N/A	N/A
ENROLLEE + SPOUSE	\$2,226.66	\$2,338.00	\$111.34	N/A	N/A	N/A
ENROLLEE + CHILD(REN)	\$1,404.70	\$1,474.94	\$70.24	N/A	N/A	N/A
FAMILY	\$2,215.96	\$2,326.76	\$110.80	N/A	N/A	N/A
RETIREE WITH 1 MEDICARE						
ENROLLEE ONLY	\$417.18	\$438.04	\$20.86	N/A	N/A	N/A
ENROLLEE + SPOUSE	\$1,524.72	\$1,600.96	\$76.24	N/A	N/A	N/A
ENROLLEE + CHILD(REN)	\$717.64	\$753.52	\$35.88	N/A	N/A	N/A
FAMILY	\$2,029.48	\$2,130.96	\$101.48	N/A	N/A	N/A
RETIREE WITH 2 MEDICARE						
ENROLLEE + SPOUSE	\$747.82	\$785.22	\$37.40	N/A	N/A	N/A
FAMILY	\$925.88	\$972.18	\$46.30	N/A	N/A	N/A

BCBSLA Plans 5.0% Increase	Pelican HRA1000		
	2019	2020	Increase
ACTIVE EMPLOYEE			
ENROLLEE ONLY	\$422.16	\$443.26	\$21.10
ENROLLEE + SPOUSE	\$896.66	\$941.50	\$44.84
ENROLLEE + CHILD(REN)	\$515.04	\$540.80	\$25.76
FAMILY	\$945.60	\$992.88	\$47.28
RETIREE WITHOUT MEDICARE & RE-EMPLOYED RETIREE			
ENROLLEE ONLY	\$785.44	\$824.72	\$39.28
ENROLLEE + SPOUSE	\$1,386.88	\$1,456.22	\$69.34
ENROLLEE + CHILD(REN)	\$875.18	\$918.94	\$43.76
FAMILY	\$1,380.02	\$1,449.02	\$69.00
RETIREE WITH 1 MEDICARE			
ENROLLEE ONLY	\$255.42	\$268.20	\$12.78
ENROLLEE + SPOUSE	\$943.66	\$990.84	\$47.18
ENROLLEE + CHILD(REN)	\$442.22	\$464.34	\$22.12
FAMILY	\$1,257.24	\$1,320.10	\$62.86
RETIREE WITH 2 MEDICARE			
ENROLLEE + SPOUSE	\$459.10	\$482.06	\$22.96
FAMILY	\$568.40	\$596.82	\$28.42

MedImpact Healthcare Systems, Inc.

Pharmacy Benefit Manager Services Contract Amendment #4 Overview

Contract Purpose	To provide pharmacy benefit manager services to support certain self-funded group health plans offered by OGB.
Eligible Participants	Members who are enrolled in any of the BCBSLA Magnolia Open Access, Local, Local Plus, and Pelican HRA1000 plans receive their pharmacy benefits through MedImpact.
Members as of 8/26/2019*	207,223
Beginning Contract Date	1/1/2017
Ending Contract Date	12/31/2019
Renewable Options Already Exercised	none
Ending Contract Date After this Amendment	12/31/2020
Renewable Options Remaining	12 months
Original Procurement Method	Request for Proposal
Current Contract Amount	\$1,397,000,000
Ending Contract Amount After Amendment	\$1,827,000,000
Commercial Plan Claims Processing Fees	\$0.65 per Claim (4.4% decrease from 2019 levels); Payable to Vendor
Commercial Plan Clinical Trend Management Fees	\$0.34 per Member Per Month (no change from 2019 levels); Payable to Vendor
EGWP Claims Processing Fees	\$1.65 per Claim (no change from 2019 levels); Payable to Vendor

*Based on enrollment in the BCBSLA Magnolia Open Access, Local, Local Plus, and Pelican HRA1000 plans.

MedImpact Healthcare Systems, Inc.

Pharmacy Benefit Manager Services Contract Amendment #4 Overview, Cont.

Amendment #4 to the MedImpact contract is needed in order to accomplish the following:

- To allow OGB to exercise the option to extend the contract for twelve (12) of the twenty-four (24) additional months available under the contract, at the same rates, terms, and conditions of the initial contract term, as previously amended, except as provided in the amendment.
- To Increase the maximum payable amount to \$1.827 billion, to allow OGB to continue to pay member claims for the twelve (12) month period this amendment seeks to extend the contract by.
- To amend the quarterly meeting schedule. Adjusted quarterly meetings will be held no later than forty-five (45) days following quarter end.
- To update the notice provision of the contract.
- To revise *Attachment III: Pricing* to incorporate calendar year 2020 pricing terms of the contract for improved price and cost savings.
- To remove Minimum Rebate Guarantees (Broad Formulary) from *Attachment III: Pricing*.
- To amend frequency of submission of financial guarantees. Update discount shortfall payments to 120 days after measurement; while leaving rebate shortfall payments at 180 days.
- To incorporate the changes effected by Amendments #1 providing the inclusion of language that allows for payment processing of second level appeals performed by external review organizations which was inadvertently left out of Amendment #3.
- To supplement the contract with paragraph 35 Change in Law or Practice which provides that if there is a change in law or industry practice then there will be an appropriate modification of the services, reimbursement rates and/or Dispensing Fees, Claims Processing Fees, other administrative fees, Rebates, and/or financial guarantees.
- To amend the Prohibition of Discriminatory Boycotts of Israel provision to include revised statute and remove executive order reference.