

MINUTES

North Dakota Public Employees Retirement System Friday, February 7, 2025 2:00 P.M.

Members Present: Mr. Gerald Buck
Representative Greg Stemen
Representative Jason Dockter
Mr. Bryan Klipfel

Members by Teams: Chairman Mike Seminary
Ms. Casey Goodhouse
Mr. Adam Miller
Senator Dick Dever
Senator Kyle Davison
Mr. Tyler Erickson

Members Absent: Mr. Jeffry Volk

Others Present: Ms. Rebecca Fricke, NDPERS
Ms. Lindsay Schaf, NDPERS
Ms. Courtney Meyer, Sanford Health Plan
Ms. Kim Haug, Sanford Health Plan
Ms. Julie Bodenski, Humana

Chairman Seminary called the meeting to order at 2:15 P.M. Roll call was taken, and a quorum was present.

Chairman Seminary called for questions or comments regarding the January 6, 2025 and January 17, 2025, special meeting minutes.

MR. MILLER MOVED TO APPROVE THE MINUTES OF THE JANUARY 6, 2025, AND JANUARY 17, 2025, SPECIAL MEETING MINUTES. THE MOTION WAS SECONDED BY MR. BUCK AND CARRIED BY A VOICE VOTE. THE MINUTES WERE APPROVED.

CONFLICT OF INTEREST DISCLOSURE CONSIDERATION

None reported.

PRESENTATIONS

Sanford Health Plan Updates

Ms. Rebecca Fricke introduced Courtney Meyer, Senior Director Development & Distribution for Sanford Health Plan. Ms. Meyer provided an update related to the Merger of Sanford Health with Marshfield Clinic Health System. Discussion followed.

Ms. Meyer presented the Executive Summary for Quarter 3 2024. Regarding pharmacy utilization, she noted that the plan paid per member per month (PMPM) was trending down over the previous period driven primarily by drug mix in traditional and drug mix for specialty.

Ms. Julie Bodenski with Humana provided information about NDPERS Employer Group

Waiver Plans (EGWP).

Ms. Meyer concluded the presentation with wellness campaigns and performance guarantees. She noted an area where they fell below their performance guarantee resulting in a payment to NDPERS. Discussion followed.

DEFINED CONTRIBUTION PLAN IMPLEMENTATION

House Bill 1040 Implementation Update

Ms. Fricke updated the board about work efforts and progress made for the House Bill 1040 implementation. She provided the following stats:

As of January 30th, there have been 267 new employees enrolled in the Defined Contribution 2025 Plan.

Current elections related to the up to 3% additional contribution is:

- 27 employees elected 0% additional contribution
- 8 employees elected 1% additional contribution
- 12 employees elected 2% additional contribution
- 85 employees elected 3% additional contribution
- 135 employees have not made an election for additional contribution (Employees may still be within their 30 day window to make an election)

As of January 29th, NDPERS has received 35 total elections related to the special election window:

- 29 employees have elected to transfer to the Defined Contribution Plan.
- 4 employees have elected to remain in the Defined Benefit Plan.
- 2 employee election forms were invalid and returned to the employee.

She reported that Empower has held their first two webinars for new DC 2025 Plan members. These will be continued twice a month. A second presentation was held for state employees who are eligible for the special election window. A follow up mailing will be sent in mid-February to those who have not submitted an election.

GROUP INSURANCE / FLEXCOMP

Insurance Updates

Ms. Lindsay Schaf provided an update on flu vaccination clinics held in September, October, and November for members and dependents in the Bismarck/Mandan area who are covered by the NDPERS health insurance plan. A total of 350 individuals received their flu vaccination through this campaign, which is a decrease from last year (635).

Annual enrollment was conducted from October 14th through November 1st. Members were able to provide their elections by supplying paper forms or by using Member Self Service (MSS). She reported on the change in enrollment numbers for the FlexComp Medical Spending and Dependent Care, High Deductible Health Plan, Dental and Vision Plans, and 457(b) Deferred Compensation Plan. The number of participants in the FlexComp plan has

decreased but the total dollar amount pledge increased. There was an increase in the number of participants in the high deductible health plan, the dental, and vision plans.

She noted although Deferred Compensation is not normally included as part of the annual enrollment elections, that based upon direction by the Board, an active choice enrollment option for this benefit was again offered as part of annual enrollment. The purpose was to encourage members to enroll or increase their 457(b) Deferred Compensation contributions.

OPERATIONS / ADMINISTRATIVE WITHOUT BOARD ACTION

Contracts Under \$10,000

Ms. Fricke presented an ongoing list of contracts over \$10,000 that she has signed.

Budget Status

Ms. Fricke shared a report showing the semi-annual status of the current budget through the 2024 year end. Funding and appropriation authority for the internship program was received. Discussion followed.

Representative Dockter joined the meeting at 3:05 P.M.

Next Meeting Date

The board discussed changing the start time of the April 7, 2025 board meeting. The meeting on Friday, April 7th will begin at 2:30 p.m. instead of 2:00 p.m. to accommodate legislative board members.

MR. MILLER MOVED APPROVAL TO CHANGE THE START TIME OF THE APRIL 7TH BOARD MEETING FROM 2:00 P.M. TO 2:30 P.M. THE MOTION WAS SECONDED BY MS. GOODHOUSE.

Ayes: Senator Dever, Ms. Goodhouse, Senator Davison, Mr. Erickson, Representative Dockter, Mr. Buck, Mr. Miller, Mr. Klipfel, and Chairman Seminary

Nays: None

Absent: Mr. Volk, Representative Stemen

MOTION PASSED

Representative Stemen joined the meeting at 3:07 P.M.

LEGISLATION / ADMINISTRATIVE RULES

Legislation

Ms. Fricke indicated since the last meeting on January 17, 2025, there have been additional bills introduced that impact NDPERS. The board discussed House Bill 1234 (transfer of funds (\$135 M) from the Strategic Investment and Improvements Fund to the PERS trust), House Bill 1543 (consider a study regarding prescription drug pricing), and Senate Bill 2370 (Insulin & Diabetic Supplies Cap (same as House Bill 1114)).

Ms. Fricke also provided an update on House Bill 1146 which has been amended related to the Actuarially Determined Employer Contribution (ADEC) and clarifying language regarding the investment solutions.

The board was updated about several bills that were previously discussed.

MR. BUCK MOVED TO APPROVE HOUSE BILL 1234 IN SUPPORT OF, AND HOUSE BILL 1543 AS A NEUTRAL POSITION AND SENATE BILL 2370 IN SUPPORT OF CONTINUING COVERAGE UNDER NDPERS WITH NO RECOMMENDATION FOR COMMERCIAL MARKET. THE MOTION WAS SECONDED BY REPRESENTATIVE STEMEN.

Ayes: Senator Dever, Ms. Goodhouse, Senator Davison, Mr. Erickson, Representative Dockter, Mr. Buck, Mr. Miller, Mr. Klipfel, Representative Stemen, and Chairman Seminary

Nays: None

Absent: Mr. Volk

MOTION PASSED

OPERATIONS / ADMINISTRATIVE WITH BOARD ACTION

Committee Assignments

Ms. Fricke reviewed the current vacancies on the subcommittees due to Mr. Morrisette no longer being on the board. The vacant seats are on the Audit Committee and the Investment Subcommittee. Discussion followed.

Chairperson Seminary appointed Mr. Buck to the Investment Subcommittee and Mr. Klipfel to the Executive Director Performance Review and Compensation Subcommittee.

MR. MILLER MOVED TO APPROVE THE ADDITION OF MR. KLIPFEL TO THE AUDIT COMMITTEE. THE MOTION WAS SECONDED BY MS. GOODHOUSE.

Ayes: Senator Dever, Ms. Goodhouse, Senator Davison, Mr. Erickson, Representative Dockter, Mr. Buck, Mr. Klipfel, Mr. Miller, Representative Stemen, and Chairman Seminary

Nays: None

Absent: Mr. Volk

MOTION PASSED

The next regular meeting date of the NDPERS board is Tuesday March 4th at 8:30 A.M.

The meeting was adjourned at 3:19 P.M.

Submitted by:

Jan Lund
Assistant to the NDPERS Board