

MINUTES OF

Budget and

Control Board

Meeting

October 31, 1979

MINUTES OF BUDGET AND CONTROL BOARD MEETING

OCTOBER 31, 1979

POLL

State Personnel Division Director Jack S. Mullins advised that, on this date, he polled the following members of the Budget and Control Board on the item of business described below:

Governor Richard W. Riley
Mr. Grady L. Patterson, Jr.
Representative Tom G. Mangum

Dr. Mullins further advised that Mr. Earle E. Morris, Jr. had voted affirmatively on the question prior to his departure on a foreign trade mission. He also indicated that Senator Dennis was not contacted on this matter.

HEALTH INSURANCE PROGRAM - DELETION OF TERMINAL MATERNITY BENEFITS -

Dr. Mullins advised that, at its meeting on September 27, 1979, the Board's Insurance Subcommittee had approved a contractual change designed to delete terminal maternity benefits under the contract with Blue Cross/Blue Shield of South Carolina and that the Subcommittee's action was unanimous in view of the fact that maternity coverage at the front end of employment recently had been added without a waiting period. Dr. Mullins further indicated that, subsequent to the Subcommittee's meeting, Blue Cross/Blue Shield submitted the proposed contractual language which was reviewed by Ms. Barbara Hamilton of the Attorney General's Office who had advised him to poll the Board for approval of the contract change on this date since the contract was to be effective November 1, 1979.

Dr. Mullins advised that the three members polled on October 31 voted for the change indicated (along with Mr. Morris who had indicated his vote previously) and that they had authorized him to execute the contract

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change for the Board to be effective November 1, 1979.

Information relating to the matter has been retained in these files and is identified as Exhibit 1.

MST



EXHIBIT

OCT 31 1979 NO. 01

STATE BUDGET & CONTROL BOARD

State of South Carolina
BUDGET AND CONTROL BOARD
PERSONNEL DIVISION
1205 Pendleton Street
Columbia, South Carolina 29201

Jack S. Mullins, Ph.D.
Director

803-758-3334

November 2, 1979

Mr. William T. Putnam
Executive Director
Budget and Control Board
Post Office Box 12444
Columbia, South Carolina 29211

Dear Mr. Putnam:

At its meeting on September 27, 1979, the Insurance Subcommittee of the Budget and Control Board approved a contractual change concerning terminal maternity benefits under the contract with Blue Cross and Blue Shield of South Carolina. The Subcommittee instructed us to develop for Board approval a contractual change to delete terminal maternity benefits. The Subcommittee was unanimous in its desire to delete this coverage, since we had recently added maternity coverage at the front-end of employment, without any waiting period.

Subsequently, Blue Cross and Blue Shield submitted to us their proposed contractual language, which we asked the Office of the Attorney General to review. Late afternoon, October 31, 1979, Ms. Barbara Hamilton of the Attorney General's Office advised me to poll the Board for approval of the contract change on October 31, 1979, for an effective date of November 1, 1979. This I did. Comptroller General Earle Morris had voted for the change prior to his leaving on the trade mission. Governor Richard W. Riley, Treasurer Grady Patterson, and Representative Tom Mangum all voted for the change on October 31, 1979, and authorized me to execute the contract change for the Board, with an effective date of November 1, 1979. I was unable to contact Senator Rembert Dennis.

A copy of the signed document is enclosed for the records of the Budget and Control Board.

Please contact me if you have questions.

Sincerely,

Jack S. Mullins
Director

JSM/omc
Enclosure



October 31, 1979

S. C. State Budget and Control Board
c/o Jack S. Mullins, Ph.D.
Director, State Personnel Division
Post Office Box 50367
Columbia, SC 29250

Dear Dr. Mullins:

There is enclosed a rider to the State Group Contract which is intended to remove the provisions for the extension of maternity coverage after the date an employee ceases to be in the employ of the employer. The effective date of this amendment is November 1, 1979.

It is our mutual understanding that we will continue to honor claims for Extended Maternity in the cases of those people whose coverage was effective before November 1, 1979 if conception occurred before November 1, 1979. However, there will be no benefits available to those people whose coverage does not begin until November 1, 1979, or later, or for a pregnancy where conception did not occur before November 1, 1979.

We again need to waive the formal amendatory process called for in Article XI of the contract in order that this rider can be considered in force on its effective date. Therefore, please sign the statement below and return this letter to me. The additional copy is for your files.

Sincerely yours,

E. L. McGregor Boyle
E. L. McGregor Boyle
Government Account Executive

I hereby agree that the amendatory process called for in Article XI be waived and that the rider referred to herein become effective on November 1, 1979.

10/31/79
DATE

S.C. STATE BUDGET AND CONTROL BOARD
BY *Jack S. Mullins*
JACK S. MULLINS, PH.D.

TITLE: STATE DIRECTOR OF PERSONNEL

EXHIBIT

OCT 31 1979

NO. 01

EXTENSION OF MATERNITY BENEFITS RIDER

STATE BUDGET & CONTROL BOARD

ARTICLE VIII - TERMINATION AND RENEWAL OF THIS CONTRACT AND COVERAGE: effective November 1, 1979, paragraph 2 of this article is deleted and the following substituted therefor:

2. In the event an Employee ceases to be in the employ of the Employer, or in the event the Employer notifies the Corporation that coverage is canceled by the Employer or the Corporation, the coverage respecting such Employee and all of his Dependents automatically terminates at the end of the period for which payment of premium has been made by the Employer for such Employee, except as provided in this Article and in subsequent Articles IX and X.

SCHEDULE OF BENEFITS, PLANS A AND B, OTHER HOSPITALIZATION, MEDICAL-SURGICAL OR MAJOR MEDICAL BENEFITS: effective November 1, 1979, the following is deleted from these schedules:

Extension of Maternity Benefits X Yes No

BLUE CROSS AND BLUE SHIELD OF SOUTH CAROLINA



Joseph F. Sullivan
President

THE END