

# APPROVED

December 1, 2009

Michigan State  
Administrative Board

Lansing, Michigan

November 12, 2009

A special meeting of the State Administrative Board was held in the Lake Superior Room, 1st Floor, Michigan Library and Historical Center, on Thursday, November 12, 2009, at 3:15 p.m.

Present: Steven Liedel, Legal Counsel, representing Jennifer M. Granholm,  
Chairperson  
Walt Herzig, Chief of Staff, representing John D. Cherry, Jr., Lt. Governor  
Duane Berger, Director, Department Administration Services, representing  
Terri Lynn Land, Secretary of State  
Patrick F. Isom, Assistant Attorney General, representing Michael A. Cox,  
Attorney General  
Mary G. MacDowell, Director, Financial Services Bureau, Robert J. Kleine,  
State Treasurer  
Myron Frierson, Bureau Director, Finance & Administration, representing Kirk  
T. Steudle, Director, Department of Transportation  
Sherry Bond, Secretary

Absent: Michael P. Flanagan, Superintendent of Public Instruction

Others Present:

Iris Lopez, Matt Keck, Department of Attorney General; Mike Bliss, Melissa Castro, Sergio Paneque, Janet Rouse, Department of Management and Budget; John Pirich, Honigman, Miller, Schwarz, & Cohn LLP

1. CALL TO ORDER:

Mr. Liedel called the meeting to order and led the Pledge of Allegiance to the Flag.

2. READING OF MINUTES OF PRECEDING MEETING AND APPROVAL THEREOF:

NONE

3. HEARING OF CITIZENS ON MATTERS FALLING UNDER JURISDICTION OF THE BOARD:

NONE

4. REPORTS AND RECOMMENDATIONS OF COMMITTEES:

(Please see the following pages)

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November 12, 2009

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Administrative Board

## COMMITTEE REPORT TO THE STATE ADMINISTRATIVE BOARD

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The Honorable Jennifer M. Granholm, Governor  
and  
Members of the State Administrative Board

A special meeting of the **Finance and Claims** Committee was held at  
**3:15 p.m.** on **November 12, 2009**. Those present being:

Chairperson: Mary G. MacDowell, representing Approved \_\_\_\_\_  
State Treasurer Kleine

Member: Steven Liedel, representing Approved \_\_\_\_\_  
Governor Granholm

Member: Iris Lopez, representing Approved \_\_\_\_\_  
Attorney General Cox

Others: Patrick F. Isom, Matt Keck, Department of Attorney General; Mike Bliss, Sherry Bond, Melissa Castro, Sergio Paneque, Janet Rouse, Department of Management and Budget; Duane Berger, Department of State; Myron Frierson, Department of Transportation; Walt Herzig, Lt. Governor's Office; John Pirich, Honigman, Miller, Schwarz, & Cohn LLP

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The Finance and Claims Committee special agenda was presented.

Mr. Pirich of Honigman, Miller, Schwarz & Cohn LLP spoke on behalf of Express Scripts, Inc. regarding the award of the Pharmacy Benefits Management Services contracts to Blue Cross Blue Shield of Michigan and CatalystRX.

Following discussion, Ms. Lopez moved that the special agenda be recommended to the State Administrative Board for approval. The motion was supported by Mr. Liedel and unanimously adopted.

Ms. MacDowell adjourned the meeting.

**S P E C I A L  
A G E N D A**

11/10/09 4:40 version

**FINANCE AND CLAIMS COMMITTEE**

November 12, 2009, 3:15 p.m.  
Lake Superior Room  
1<sup>st</sup> Floor, Michigan Library  
and Historical Center

**STATE ADMINISTRATIVE BOARD**

November 12, 2009, 3:15 p.m.  
Lake Superior Room  
1<sup>st</sup> Floor, Michigan Library  
and Historical Center

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This agenda is for general informational purposes only.  
At its discretion the Finance and Claims Committee may revise  
this agenda and may take up other issues at the meeting.

**SECTION I - AGENCY SUBMITTED - NEW CONTRACTS**

**SECTION II - AGENCY SUBMITTED - CONTRACT CHANGES**

**SECTION III - AGENCY SUBMITTED - NEW GRANTS**

**SECTION IV - AGENCY SUBMITTED - GRANT CHANGES**

**SECTION V - DMB SUBMITTED - NEW CONTRACTS**

1s. **DEPARTMENT OF MANAGEMENT AND BUDGET**

- |   |   |
|---|---|
| 1) Blue Cross Blue Shield of<br>Michigan<br>Detroit, MI | \$878,894,948.00 (3 years)<br><b>FY10-13</b> 100% Restricted Fund<br><i>State Sponsored Group Insurance Fund</i><br>071I9200110 Prescription<br>Benefits Management Services<br>for Civil Service Commission,<br>Employee Benefits Division   |
| CatalystRX<br>Rockville, MD                             | \$1,321,798,804.00 (3 years)<br><b>FY10-13</b> 100% Restricted Fund<br><i>Health Care Trust Fund</i><br>071I9200110 Prescription<br>Benefits Management Services<br>for the Michigan Public School<br>Employees Retirement System<br>(MPSERS) |

**SECTION VI - DMB SUBMITTED - CONTRACT CHANGES**

**SECTION VII - RELEASE OF FUNDS TO WORK ORDER**

**SECTION VIII - REVISION TO WORK ORDER**

SECTION IX - CLAIMS - PERSONAL PROPERTY LOSS

SECTION X - CLAIMS - PERSONAL INJURY LOSS

SECTION XI - SPECIAL ITEMS

The Director of the Committee of Management and Budget recommends approval by the State Administrative Board of the items contained in Sections I, II, III, IV, V, and VI of this agenda. Approval by the State Administrative Board of these award recommendations does not require or constitute the award of same. Award of contracts shall be made at the discretion of the DMB Director or designee.

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Ms. MacDowell presented the Finance and Claims Committee Report for the special meeting of November 12, 2009.

Mr. Liedel asked Sergio Paneque, Director of Business Services and Director of Purchasing for DMB, if DMB complied with the appropriate procedures and if the recommended award is the best value to the State of Michigan. Mr. Paneque said yes.

After review of the foregoing Finance and Claims Committee Report, Ms. MacDowell moved that the Report covering the special meeting of November 12, 2009, be approved and adopted. The motion was supported by Mr. Herzig and unanimously approved.

5. ADJOURNMENT:

Ms. MacDowell moved to adjourn the meeting. The motion was supported by Mr. DeBano and unanimously approved. Mr. Liedel adjourned the meeting.

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SECRETARY

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CHAIRPERSON