



**MINUTES FROM THE MEETING OF THE STATE EMPLOYEE BENEFITS COMMITTEE
MARCH 8, 2021**

The State Employee Benefits Committee (the “Committee”) met at 2:00 p.m. on March 8, 2021. In accordance with the [Proclamation Authorizing Public Bodies to Meet Electronically](#) and in the interests of protecting the citizens of this State from the public health threat caused by COVID-19, this meeting was conducted via WebEx, without a physical location.

Committee Members Represented or in Attendance:

Secretary Amy Bonner, Department of Human Resources (“DHR”), Co-Chair
Director Cerron Cade, Office of Management & Budget (“OMB”), Co-Chair
The Honorable Colleen Davis, State Treasurer, Office of the State Treasurer
Controller General Ruth Ann Jones, Office of the Controller General (“OCG”)
Secretary Molly Magarik, Department of Health & Social Services (“DHSS”)
Mr. Stuart Snyder, Chief of Staff, Department of Insurance (Designee OBO The Honorable Trinidad Navarro, Insurance Commissioner)
Mr. Jeff Taschner, Executive Director, Delaware State Education Association (“DSEA”) (Appointee of the Governor)
Ms. Ashley Tucker, Staff Attorney, Administrative Office of the Courts (Designee OBO The Honorable Collins Seitz, Chief Justice, Delaware Supreme Court)
Mr. Keith Warren, Chief of Staff, Office of the Lieutenant Governor (Designee OBO The Honorable Bethany Hall-Long, Lieutenant Governor)

Others in Attendance

Dir. Faith Rentz, Statewide Benefits Office (“SBO”), DHR	Mr. Jamie Johnstone, Deputy Principal Asst., Dept of Finance (“DOF”)
Deputy Director Leighann Hinkle, SBO, DHR	
Deputy Attorney General Andrew Kerber, Dept. of Justice, SEBC Legal Counsel	Ms. Lizzie Lewis, Hamilton Goodman Partners
Mr. Chris Giovannello, Willis Towers Watson (“WTW”)	Ms. Lisa Mantegna, Highmark Delaware
Ms. Jaclyn Iglesias, WTW	Ms. Mary Kate McLaughlin, Faegre Drinker Biddle Reath
Ms. Joanna Adams, Pension Administrator, Office of Pensions	Mr. Sean McNeely, Dir. Bond Finance, DOF
Ms. Wendy Beck, Highmark Delaware	Mr. Walt Mateja, IBM Watson Health
Ms. Victoria Brennan, Chief of Fiscal Policy, OCG	Mr. Sean McNeely, Dir. Of Bond Finance, DOF
Ms. Julie Caynor, Aetna	Deputy Secretary Tanisha Merced, DHSS
Mr. Steven Costantino, Dir. Healthcare Reform, DHSS	Ms. Emily Molinaro, Fiscal & Policy Analyst, OMB
Ms. Cherie Dodge Biron, Deputy Principal Asst, DHR	Ms. Katherine Nedelka, HRIS Specialist, PHRST
Ms. Jacqueline Faulcon, READAA	Mr. Michael North, Aetna
Ms. Sandy Hart, IBM Watson Health	Ms. Paula Roy, Roy & Associates
Ms. Tina Hession, PHRST	Ms. Carrie Schiavo, Delta Dental
Ms. Katherine Impellizzeri, Aetna	Ms. Judi Schock, Deputy Principal Asst., OMB
Ms. Heather Johnson, Controller II, DHR	Mr. Aaron Schrader, HR Manager, DHR, SBO
	Mr. Bert Scoglietti, Deputy Controller General, OMB
	Ms. Martha Sturtevant, Exec. Sec., SBO, DHR - Recorder

CALLED TO ORDER

Director Faith Rentz called the meeting to order at 2:00 p.m. and introductions were made.

STATE OF DELAWARE STATEWIDE BENEFITS OFFICE

APPROVAL OF MINUTES – DIRECTOR FAITH RENTZ

A MOTION was made by Treasurer Davis and seconded by Secretary Bonner to approve the minutes from the February 22, 2021 meeting of the State Employee Benefits Committee.

MOTION ADOPTED UNANIMOUSLY

DIRECTOR’S REPORT – DIRECTOR FAITH RENTZ

Legislative Updates

The Primary Care Reform Collaborative will meet March 8, 2021 to review and discuss a draft bill that would increase reimbursements to primary care. The draft legislation includes caps on total aggregate spend in areas outside of primary care to balance increases by limiting additional growth in healthcare spend.

FY20 New Program Outcomes & FY22 Planning – MS. JACYLN IGLESIAS

The Mental Health Parity and Addiction Equity Act requires that health plans providing mental health and substance use disorder benefits provide those benefits in parity with medical/surgical benefits.

A review revealed two areas where the plans require the following changes: a reduction in behavioral health copays from \$25 to \$15 per visit is required for the Aetna HMO plan for an estimated cost increase of \$370K annually, and a reduction in the behavioral health telemedicine copays to \$0 per visit is required for Teladoc (Aetna) and Amwell (Highmark) for an estimated cost increase of \$150K annually.

The State opted to elect several key benefit enhancements to support members during the COVID-19 pandemic. The health plan changes included no member cost share for in-network, inpatient services related to treatment of COVID-19 or associated complications, no member cost share for telehealth visits, and no member cost share for office visits that result in either testing or treatment for COVID-19 associated complications. The other key change was extending coverage for the Employee Assistance Program to all State employees, not just GHIP members.

It was recommended to extend all benefits for the duration of the pandemic and not more than 30 days following the end of the national public health emergency.

Currently the Federal government is funding the ingredient cost of the vaccine, but employer-sponsored health insurance is responsible for the cost of the vaccine administration.

The Coronavirus Aid, Relief, and Economic Security (CARES) Act requires full coverage of vaccines without cost share regardless of when or where the vaccine is administered, as well as first dollar coverage for qualifying Coronavirus preventive services provided in or out of network, and also prevents providers participating in the CDC COVID-19 vaccination program from seeking reimbursement through balance billing.

SBO authorized GHIP medical and prescription vendors to cover the cost of the vaccine administration, including Pfizer, Moderna, and Johnson and Johnson.

Secretary Magarik joined the meeting.

Under IRS Notice 2020-29 some of the rules governing Flexible Spending Accounts (“FSA”) were relaxed to help people receive the full value of their elections: however, the IRS clearly states that changes are up to the discretion of the plan sponsor.

The 2020 “short” plan year ran from January 1, 2020 to June 30, 2020 and was intended to help align the FSA plan with the State’s health plans which operate on a fiscal year, not a calendar year. The deadline to submit claims for reimbursement was extended from September 15, 2020 to December 31, 2020.

SBO recommends allowing participants to submit claims for reimbursement through June 30, 2021 and allows the 2020 plan year to be “closed out” prior to the beginning of the 2022 plan year.

The 2021 FSA plan year runs from July 1, 2020 to June 30, 2021 with a grace period that extends through September 15, 2021 to incur claims, and a deadline of October 15, 2021 to submit claims. SBO does not recommend extending 2021 plan year deadlines as participants have been given ample notice to plan and it is administratively burdensome to maintain multiple plan years with extended deadlines for both claim and grace periods.

Pre-tax Commuter (“PTC”) deadlines have been removed due to the pandemic as most employees are no longer traveling to and from their work locations and are not incurring commuter expenses. It is recommended to allow all plan participants to access unused PTC funds to pay for services incurred prior to restarting their contributions until at least 30 days following the end of the national public health emergency and to be further evaluated to consider the impact of the I-95 corridor project.

Securian Financial offered to add a COVID-19 rider to the State’s Critical Illness Insurance with no impact to the premium rates for the 5-year rate guarantee currently in place through June 30, 2025. The benefit rider pays 10% of full benefit (\$15K or \$30K for employees; \$7,500 or \$15K for spouses; and 50% of employee amount for children) if there is a 5-day hospital stay due to COVID-19 diagnosis.

The rider is currently approved in Delaware, but not yet approved in all states, including New Jersey; therefore, State employees who live in those states and who have purchased the State’s Critical Illness Insurance coverage won’t be eligible for this benefit until their state of residence approves this benefit. SBO recommends the adoption of the COVID-19 rider.

The Rethink family support benefit provides family support resources for learning, social, behavioral, and developmental disabilities. A trial offer was provided to employees at no cost on a temporary basis so the program could be evaluated to determine if services should continue.

The Rethink benefit was reviewed and discussed at the March 4, 2021 Combined Subcommittee meeting. Discussions included member participation (comparable with Rethink’s book-of-business), responses to a recent Request for Information (“RFI”) seeking similar services, and services currently available to members through the GHIP as well as through the public school system.

Other considerations regarding the approach and timing of the benefit offering included the FY22 budget deficit, responses to the healthcare stakeholder RFI, and the upcoming medical Third Party Administrator Request for Proposal that will encourage collaboration from organizations to partner to support the goals and objectives of the GHIP Strategic Framework.

Feedback received from the Subcommittees included, how to evaluate if the services offered by Rethink are filling a gap in services available through the school system and/or health plans, obtain qualitative feedback from employees who have used Rethink, and consideration of the State’s procurement requirements to competitively bid benefit offerings.

No action is being asked of the Committee at this time. SBO will follow-up with Rethink to discuss timing on discontinuation of the no-cost trial period. SBO will consider how existing resources may be communicated to State employees through related initiatives focused on supporting employees and their families.

There is an opportunity to carve-out bariatric surgery through SurgeryPlus. Currently GHIP members have the choice to use their medical plan or obtain bariatric surgery through the SurgeryPlus program. SurgeryPlus has no out-of-pocket cost sharing for members and can benefit members in terms of health outcomes, a more

consistent member experience with concierge support to coordinate care over a lengthy pre-surgical period, and more.

The net cost avoidance per procedure is estimated at \$12K with a range of potential cost avoidance for FY22 estimated between \$355K and \$1.4M (to be determined by the number of procedures).

Additional considerations include updates to plan documents and additional member communications about this change, in addition to administration coordination with Highmark and Aetna.

There are continued concerns from Subcommittee members regarding the bariatric provider network under a carve-out approach. No action is being asked of the Committee at this time. SBO will continue to explore this option with SurgeryPlus and monitor the member experience, SurgeryPlus provider outcomes, as well as the program's future bariatric provider network development in and around Delaware.

Director Cade queried the number of bariatric providers in the SurgeryPlus network and the number of bariatric procedure claims in the GHIP each year. Ms. Iglesias responded that due to high quality standards for SurgeryPlus providers, there are fewer providers than in the broader medical network, and the number of surgeries historically ranged from 110 to 130 annually; SurgeryPlus is confident that the existing bariatric provider network is sufficient to service the needs of the GHIP.

The committee reviewed all recommended changes:

1. Extend EAP coverage for all State employees for no more than 30 days following the end of the national public health emergency.
2. Extend no member cost share for IP/OP admissions related to COVID-19, or office visits (PCP, urgent care, ER) that result in order or administration of COVID-19 test for all members for no more than 30 days following the end of the national public health emergency.
3. Extend no member cost share for any telehealth visits for no more than 30 days following the end of the national public health emergency.
4. Extend no member cost share for in-network, inpatient services related to COVID-19 for no more than 30 days following the end of the national public health emergency.
5. Allow participants to submit claims for FSA reimbursement under the 2020 "short" plan year through 6/30/2021.
6. Allow all plan participants to access unused PTC funds to pay for services incurred prior to restarting contributions, continuing until at least 30 days following the end of the national public health emergency and further evaluated at that point to consider the status/impact of I-95 project.
7. Adopt the COVID-19 rider for Securian Critical Illness Insurance coverage.

A MOTION was made by Mr. Taschner and seconded by Secretary Magarik to approve all recommended changes as presented.

MOTION ADOPTED UNANIMOUSLY

OTHER BUSINESS

No new business was presented.

PUBLIC COMMENT

No public comment.

EXECUTIVE SESSION

A MOTION was made by Secretary Magarik and seconded by Secretary Bonner to move into Executive Session at 2:47 p.m. to discuss a confidential Health Appeal and a Disability Appeal.

MOTION ADOPTED UNANIMOUSLY

ADJOURNMENT

A MOTION was made by Ms. Tucker and seconded by Director Cade to adjourn the meeting at 3:31 p.m.

MOTION ADOPTED UNANIMOUSLY

Respectfully submitted,

Martha Sturtevant, Executive Secretary, Statewide Benefits Office, Department of Human Resources
Recorder, State Employee Benefits Committee and Subcommittees