MINUTES FROM THE MEETING OF THE STATE EMPLOYEE BENEFITS COMMITTEE
March 14, 2022

The State Employee Benefits Committee (the “Committee”) met at 2:00 p.m. on March 14, 2022. The meeting was held at 97 Commerce Way, Suite 201, in Dover; however, in the interests of protecting the citizens of this State from the public health threat caused by COVID-19, this meeting was presented via WebEx, and participants were encouraged to attend virtually.

Committee Members Represented or in Attendance:
Director Cerron Cade, Office of Management & Budget (“OMB”), SEBC Co-Chair
Secretary Claire DeMatteis, Department of Human Resources (“DHR”), SEBC Co-Chair
Honorable Bethany Hall-Long, Lieutenant Governor, Office of the Lieutenant Governor
Mr. Dan Madrid, Chief Operating Officer, OST (Designee OBO The Honorable Colleen Davis, State Treasurer, Office of the State Treasurer (“OST”))
The Honorable Trinidad Navarro, Insurance Commissioner, Department of Insurance (“DOI”)
Ms. Ashley Tucker, Deputy State Court Administrator, Admin Office of the Courts (Designee OBO The Honorable Chief Justice Collins Seitz, Delaware Supreme Court)
Controller General Ruth Ann Jones, Office of the Controller General (“OCG”)
Secretary Molly Magarik, Department of Health & Social Services (“DHSS”)
Mr. Jeff Taschner, Executive Director, Delaware State Education Association (“DSEA”)

Others in Attendance
Director Faith Rentz, Statewide Benefits Office (“SBO”), DHR
Deputy Director Leighann Hinkle, SBO, DHR
Ms. Nina Figueroa, SBO, DHR
Mr. Chris Giovannello, Willis Towers Watson (“WTW”)
Ms. Jaclyn Iglesias, WTW
Ms. Rebecca Warnken, WTW
Ms. Gabby Costagliola, WTW
Ms. Joanna Adams, Pension Administrator, Office of Pensions (“OOpen”)
Ms. Judy Anderson, DSEA
Ms. Helen Arthur, Section Chief, Health Promotion and Disease Prevention, DPH, DHSS
Ms. Wendy Beck, Highmark Delaware
Mr. Ken Bronke, Highmark Delaware
Ms. Christina Bryan, Delaware Healthcare Association
Mr. Randall Bryniarski, CVS Health
Ms. Rebecca Byrd, ByrdGomes
Ms. Carla Cassell-Carter, Division Director, OMB
Ms. Michelle Carpenter, PHRST
Ms. Julie Caynor, Aetna
Dr. Jessilene Corbett, Deputy Secretary, DHR

Mr. Steven Costantino, Dir. Healthcare Reform, DHSS
Ms. Cherie Dodge Biron, Deputy Principal Asst., DHR
Ms. Sara Dunlevy, CVS Health
Ms. Jacqueline Faulcon, READAA
Ms. Julie Greenwood, University of Delaware
Ms. Darcell Griffith, University of Delaware
Ms. Jeanette Hammon, Sr. Fiscal Policy Analyst, OMB
Ms. Sandy Hart, IBM Watson Health
Ms. Charlene Hrivnak, CVS Health
Ms. Katherine Impellizzeri, Aetna
Ms. Heather Johnson, Controller, DHR
Mr. Jamie Johnstone, Deputy Principal Assistant, Dept. of Finance (“DOF”)
Ms. Lizzie Lewis, 302 Strategies
Ms. Lisa Mantegna, Highmark Delaware
Mr. Walt Mateja, IBM Watson Health
Ms. Kathy Nedelka, HRIS Specialist, PHRST, OMB
Ms. Brooke Nedza, Aetna
Mr. Michael North, Aetna
Ms. Paula Roy, Roy Associates
Ms. Christine Schiltz, Parkowski Guerke & Swayze, P.A.
Ms. Judi Schock, Deputy Principal Assistant, OMB
CALLED TO ORDER – DIRECTOR CADE, CO-CHAIR
Director Cade called the meeting to order at 2:04 p.m.

APPROVAL OF MINUTES – DIRECTOR FAITH RENTZ, DHR, SBO
A MOTION was made by Secretary Magarik and seconded by Secretary DeMatteis to approve the minutes from the February 28, 2022, meeting of the State Employee Benefits Committee.
MOTION ADOPTED UNANIMOUSLY

DIRECTOR’S REPORT – DIRECTOR FAITH RENTZ, DHR, SBO

SEBC Approved Decisions Updates from February 28, 2022
Reviewing the decisions that were made at the February 28th SEBC meeting. The implementation of a Medicare Advantage plan has been approved and will be administered by Highmark Delaware. The effective date of the Medicare Advantage plan is January 1, 2023. Weekly implementation calls will be held starting Thursday, March 17, 2022 with the SBO, Office of Pensions, and Highmark Delaware. The topics of discussion will be to develop a communication strategy, a direct home mailing, and planning information sessions. Additional details will be shared with the broader group following the discussions. The SBO will be sending an email on behalf of the SEBC to active State employees notifying them of open enrollment and health/dental plan rates for July 1, 2022.

Lifting of State of Emergency Protocols
With the recent lifting of state of emergency protocols, future SEBC meetings will be held in person beginning with the April meeting.

APPROVAL OF FY23 NON-MEDICARE AND MEDICARE PLAN RATES – MR. CHRIS GIOVANNELLO, WTW

FY23 Rates
Mr. Giovannello reviewed with the Committee on February 28, 2022 the SEBC voted on an 8.67% rate increase effective July 1, 2022 to solve for the projected FY23 deficit of $62.7M. Today, the SEBC votes on the actual rates by plan and tier. All active and pre-65 retiree rates, including contributions and state share, have increased over FY22 rates 8.67%. Rates are now all rounded to the nearest even penny to align with the payroll schedule, and contributions are aligned with House Bill 81. Medicare rates, effective January 1, 2023, reflect the move to Highmark’s Group Medicare Advantage product (medical only) with current prescription drug EGWP plan through CVS Health. The medical only plan rate is $0 and the prescription drug rate increased 8.67% like the other increases and following the same process.

Mr. Giovannello proceeded to review the FY23 monthly rates and contributions broken out by plan with the 8.67% increase, effective July 1, 2022. FY23 reflects employee contribution increases of $2.38 - $23.66 per employee per month ($28.56 - $283.92 per year) and State subsidy increases of $57.90 - $156.14 per employee per month ($694.80 - $1,873.68 per year) effective July 1, 2022.

Group Medicare Advantage medical only plan (will maintain prescription drug plan through CVS Caremark SilverScript) rates effective January 1, 2023 are $0 for Medicare Pensioners and $216.18 for State Share for Pensioners who retired on or prior to July 1, 2012. Pensioners who retired after July 1, 2012 the rate is $10.80 and the State Share is $205.38.
UPDATE ON SUBCOMMITTEE WORK: EVALUATION OF NEW PROGRAMS/SERVICES FOR FY23 – MS. JACLYN IGLESIAS, WTW

Ms. Iglesias began with an overview of the programs and resources under the GHIP that support members with specific health needs such as diabetes and behavioral health. The combined Subcommittees met on March 10, 2022 to begin reviewing opportunities for diabetes, behavioral health and musculoskeletal conditions. During this meeting, information was shared on each condition-specific program to assist with evaluation of potential new programs/services for FY23. Based on the discussion and follow up materials, Subcommittee members were asked to consider finalizing a recommendation on diabetes care management programs for the SEBC’s consideration and potential vote at the April SEBC meeting.

**Diabetes care and prevention resources**

Ms. Iglesias begins the discussion with a review of what is currently offered today under the GHIP. Many of the resources are offered within the medical plan in conjunction with other complementary programs from other vendor partners. The current diabetes care management program available to all non-Medicare plan participants is Livongo (implemented in July 2019). The Livongo program provides all enrolled participants with a “connected meter” that uses wireless technology to transmit blood glucose test results to Livongo coaches, who will contact members with abnormally high or low glucose levels. Cross-training on the program is provided through the medical plan to assist with member referrals to the Livongo program. Outcomes from the Livongo program were reported to the combined Subcommittees most recently in October 2021. These results showed lower enrollment than expected (15% of total eligible), however those members, once enrolled, have seen a decrease in A1c of >1% at the 6-month milestone. Overall, the member experience has been favorable, and the program is effective for those who engage and activate their connected meter.

Ms. Iglesias explained that after June 30, 2022, Aetna will no longer be working with Livongo and the program will no longer be offered to Aetna plan participants. Aetna’s proposed diabetes care management program, Transform Diabetes Care (TDC), would be available (should the State choose to implement it) starting July 1, 2022. This program was recently rolled out to the EGWP plan participants effective January 1, 2023. The Subcommittees recently reviewed the opportunity to roll out TDC across all non-Medicare plans effective for July 1, 2022, but ultimately the SEBC opted to forego voting on this program in December 2021. Highmark will continue to offer the Livongo diabetes care management program with new enhancements for the State’s consideration, including an option for continuous glucose monitors through Onduo and a “virtual first” primary care program providing diabetes care management through ChristianaCare. These will be further discussed at the April Subcommittee meeting.

The Subcommittees will continue to review options for diabetes care management programs and should determine a recommendation to bring forth to the SEBC on either maintaining Livongo for Highmark members and implementing TDC for Aetna members, or discontinuing Livongo and implementing TDC for all non-Medicare plan participants. A comparison of the expected costs and savings associated with each option will be reviewed with Subcommittees in April, including updated savings for TDC recently provided by CVS. This comparison will include details requested by Subcommittee members related to administrative costs, expected savings and impact on health outcomes for each program.

**Behavioral health resources**

Ms. Iglesias noted that mental/behavioral health episodes of care represent a material portion of GHIP spend, with $36.7 million incurred in claims within a twelve-month period from November 2020 to October 2021. Today, plan participants have an extensive list of resources and support for their mental wellbeing and behavioral health care needs.

Ms. Iglesias continued that the Rethink program is available through Highmark starting July 1, 2022. Rethink is a digital behavioral health platform providing training, individualized assessments/trackers and other educational...
resources for parents and children. All content is based on Applied Behavior Analysis (“ABA”) and developed by Board Certified Behavior Analysts (“BCBAs”). The program includes remote consultation with a BCBA, limited to a fixed number of hours per employee per year, but the employee is given the option to purchase additional time. This program was previously offered as a free trial to all active State and participating group employees from August 2020 to mid-2021. During that time, 163 employees had utilized Rethink, which was about 7% of the targeted population and tracks with Rethink’s book-of-business participation rates in the first year of the program.

This program is available at no additional cost to the GHIP for the State to offer to Highmark plan participants in non-Medicare plans. The Subcommittees will need to determine whether there is consensus on recommending to the SEBC that the Rethink program is offered to Highmark plan participants starting July 1, 2022.

Musculoskeletal resources
Ms. Iglesias stated that musculoskeletal conditions are a top driver of GHIP spend and are among the top ten conditions across all GHIP members for claims paid in calendar year 2021. For participants of the State Group Health plan, there are multiple resources offered by the State’s health care vendor partners.

An emerging trend is virtual physical therapy services. There is an opportunity for the State to offer virtual physical therapy through Hinge Health, which has partnered separately with SurgeryPlus and with Aetna. Hinge Health looks to avoid common musculoskeletal injuries and unnecessary surgical procedures and provides pain management support for members who are not candidates for surgery. They offer personalized care by a licensed Doctor of Physical Therapy, along with board certified health coaches for ongoing check-ins and counseling, and includes wearable technology to help health coaches monitor whether the physical therapy exercises are being done correctly and effectively. Member enrollment in this program will rely on established referral processes to engage plan participants who have other options besides surgery (referrals from SurgeryPlus or Aetna’s care management program) or are potential candidates for surgery (to SurgeryPlus). The entire digital experience is available via one app, including member’s interactions with physical therapists and health coaches along with monitoring of the member’s physical therapy exercises. Included in the cost of the program are electronic and printed communications (development and fulfillment) to plan participants.

Ms. Iglesias added that there were several questions raised by Subcommittee members that will be addressed at the April meeting, including a request for Hinge Health to provide a demo for Subcommittee members. More information about the Hinge Health program, including costs and health outcomes, will be discussed in April. Highmark has a partnership with Sword Health to provide virtual physical therapy, which will be discussed in more detail at next month’s subcommittee meeting. Based on this information and discussion at subsequent meetings, the Subcommittees will determine whether to bring forth a recommendation to the SEBC regarding implementing a virtual physical therapy solution(s) for GHIP participants.

These condition-specific programs will be revisited next month for the Subcommittee’s determination on readiness to finalize any recommendations by the SEBC as early as April 2022, with the priority decision point being the path forward on diabetes care management programs.

2022 OPEN ENROLLMENT PLANNING & STATEWIDE BENEFITS OFFICE INITIATIVES FOR FY23 – MR. AARON SCHRADER, SBO

Mr. Schrader reviewed 2022 Open Enrollment initiatives that the SBO is leading. Open enrollment for State employees, employees of participating groups, non-Medicare pensioners and Medicare pensioners (dental and vision only) will start on Monday, May 2, 2022 and run through Wednesday, May 18, 2022. The SBO will not be holding health fairs; however, there will be informational videos created by GHIP benefit vendors and posted on the Open Enrollment page of the SBO website. Online courses will be assigned to all human resources and benefit representatives that will provide an overview of their responsibilities prior to, during, and after open enrollment.
Mr. Schrader proceeded to review the messaging and communications that will be provided to State employees leading up to open enrollment.

As per legislation, employees of the State of Delaware, which includes all State Agencies, DOE, K12, DTCC & DSU, are required to actively participate in the open enrollment process each year. For FY23, the open enrollment theme will be around how to navigate open enrollment and actively participate. There are three simple steps that employees need to complete: access their Employee Self-Service account to enroll, confirm, or waive benefits, complete the Spousal Coordination of Benefits Form (if applicable), and review additional benefits that are available. Effective July 1, 2022, State of Delaware Employee Self-Service will only be accessible through https://my.delaware.gov. Employees will receive an email once they submit their benefit confirmations on their Employee Self-Service which will include the 2022 open enrollment employee survey.

Mr. Schrader reviewed the training curriculum that will be available through the Employee Assistance Program.

Following that discussion, Mr. Schrader went on to explain that per the request of Governor John Carney, the Cancer Risk Reduction Committee of Delaware Cancer Consortium took responsibility for “developing a road map on how to get priority initiatives implemented”. This request developed the Healthy Lifestyles Subcommittee in 2019, which was tasked with studying and recommending policies that could influence healthy lifestyles in Delaware. The Subcommittee put forth a final report with policy recommendations which were shared with the Governor’s Office, including the following policy recommendation related to workplace wellness: “Create a formal workplace wellness program infrastructure for state employers”.

The SBO partnered with the Delaware Department of Public Health (DPH) and DPH’s contracted vendor Mathematica, to put together a Workplace Wellness Policy Workgroup. This workgroup established a DHR Workplace Wellness Policy that encourages executive branch agencies to develop and maintain workplace wellness initiatives for employees. This policy was launched in a two-part phased approach. Once launched, the DHR Workplace Wellness Policy and Procedures and associated documents could serve as a “model example” for Delaware school districts, charter schools, institutions of higher education, as well as non-state employers, where they could adopt similar policies and practices for their employee workforces. Secretary DeMatteis commented that by promoting this wellness policy, it will assist in limiting the growth of our health care costs.

Mr. Schrader added that the annual Score Cards will be available for state agency leadership and other organizations to review for FY23. The SBO provides annual Score Cards to state agency leadership to provide a snapshot of their organization’s employee/member aggregate (combined) data. Secretary DeMatteis said that this information can be presented at a future meeting and included that this can reinforce to Cabinet Officials on how to assist their employees on health care costs and the importance of wellness. The Score Card includes a “Summary and Key Findings” section that provides noteworthy takeaways and areas of opportunity for possible focus and action by organizations.

The Lieutenant Governor joined the meeting.

Mr. Schrader then demonstrated the Choosing the Right Care page and Facts & Figures page on SBO’s website.

OTHER BUSINESS
No new business was presented.

PUBLIC COMMENT
No public comment was presented.

FY23 Rate Action – DIRECTOR CADE, CO-CHAIR
Financial Subcommittee recommends for FY23 employee contribution increase $2.38-$23.66 per employee per month ($28.56-$283.92 per year) and State subsidy increases $57.90-$156.14 per employee per month ($694.80-$1,873.68 per year) effective July 1, 2022 for State employee rates and January 1, 2023 for Medicare Advantage Rates.

A MOTION was made by Secretary DeMatteis and seconded by Commissioner Navarro to accept the Financial Subcommittee’s recommendation for the FY23 rates.

MOTION FOR DISCUSSION
Mr. Taschner stated that to be consistent with his vote from the past meeting, he will be voting no on this recommendation.

MOTION NOT ADOPTED UNANIMOUSLY – ALL IN FAVOR EXCEPT FOR MR. TASCHNER
Ashley Tucker is voting on behalf of Chief Justice Seitz.
Dan Madrid is voting on behalf of the Honorable Colleen Davis

ADJOURNMENT
A MOTION was made by Mr. Taschner and seconded by Secretary Magarik to adjourn the Public Session at 3:24 p.m.
MOTION ADOPTED UNANIMOUSLY

Respectfully submitted,

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