



**MINUTES FROM THE MEETING OF THE STATE EMPLOYEE BENEFITS COMMITTEE
July 25, 2022**

The State Employee Benefits Committee (the “Committee”) met at 2:00 p.m. on July 25, 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
The Honorable Trinidad Navarro, Insurance Commissioner, Department of Insurance (“DOI”)
Secretary Molly Magarik, Department of Health & Social Services (“DHSS”)
Mr. Jeff Taschner, Executive Director, Delaware State Education Association (“DSEA”)
Mr. Keith Warren, Chief of Staff, Office of the Lt. Governor (Designee OBO Lt. Governor Bethany Hall-Long)
Controller General Ruth Ann Jones, Office of the Controller General (“OCG”)
The Honorable Colleen Davis, State Treasurer, Office of the State Treasurer (“OST”)
Ms. Ashley Tucker, Deputy State Court Administrator, Admin Office of the Courts (Designee of The Honorable Chief Justice Collins Seitz, Delaware Supreme Court)

Others in Attendance

Director Faith Rentz, Statewide Benefits Office (“SBO”), DHR	Ms. Kristina Deakins, City of Dover
Deputy Director Leighann Hinkle, SBO, DHR	Ms. Cherie Dodge Biron, Deputy Principal Asst., DHR
Ms. Nina Figueroa, SBO, DHR	Ms. Sara Dunlevy, CVS Health
Mr. Aaron Schrader, SBO, DHR	Mr. Michael Gorfin, Hinge Health
Ms. Adria Martinelli, Deputy Attorney General, Department of Justice, SEBC Legal Counsel	Ms. Julie Greenwood, University of Delaware
Ms. Chris Giovannello, WTW	Ms. Jeanette Hammon, Sr. Fiscal and Policy Analyst, Office of Management & Budget (“OMB”)
Ms. Jaclyn Iglesias, WTW	Ms. Sandy Hart, Merative
Mr. Brian Stitzel, WTW	Ms. Katherine Impellizzeri, Aetna
Ms. Gabby Costagliola, WTW	Ms. Heather Johnson, Controller, DHR
Ms. Joanna Adams, Pension Administrator, Office of Pensions (“OPen”)	Mr. Adam Knox, Highmark Delaware
Ms. Judy Anderson, DSEA	Ms. Lisa Mantegna, Highmark Delaware
Ms. Wendy Beck, Highmark Delaware	Mr. Walter Mateja, Merative
Ms. Christina Bryan, Delaware Healthcare Association	Ms. Katherine Nedelka, HRIS Specialist, PHRST, OMB
Ms. Rebecca Byrd, ByrdGomes	Mr. Michael North, Aetna
Ms. Jeanie Carson, Highmark Delaware	Ms. Paula Roy, Roy Associates
Ms. Julie Caynor, Aetna	Ms. Judi Schock, Deputy Principal Assistant, OMB
Dr. Jessilene Corbett, Deputy Secretary, DHR	Mr. Robert Scoglietti, Deputy Controller General, Office of the Controller General (“OCG”)
Mr. Steven Costantino, Dir. Healthcare Reform, DHSS	Mr. Charles Simons, Highmark Delaware
	Ms. Carole Mick, SBO, DHR – Recorder

STATE OF DELAWARE STATEWIDE BENEFITS OFFICE

CALLED TO ORDER – SECRETARY DEMATTEIS, DHR

Secretary DeMatteis called the meeting to order at 2:02 p.m.

APPROVAL OF MINUTES – SECRETARY DEMATTEIS, DHR

A MOTION was made by Controller General Jones and seconded by Commissioner Navarro to approve the minutes from the June 27, 2022, meeting of the State Employee Benefits Committee.

MOTION ADOPTED UNANIMOUSLY

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

Legislative Updates

House Bill (HB) 303 the behavioral health well check bill was passed in both chambers with several amendments and awaits the Governor's signature. This bill mandates the GHIP to include coverage for annual preventive well check visits with a licensed behavioral health provider. The bill's effective date is January 1st, 2024 and has a fiscal impact of \$2.4M annually. An implementation group will be working on developing guidelines, criteria, and billing codes that will be covered and other implementation aspects.

Commissioner Navarro asked how the \$2.4M estimate was determined. Ms. Rentz responded that SBO will continue to evaluate the fiscal impact as utilization research continues. Aetna and Highmark projected their estimates slightly different with one vendor using annual physical visit rates and assumed that those members would also receive a behavioral health well visit. The other vendor based their estimates on mental health utilization. Actual costs depend on how the primary care physicians will start integrating their services with behavioral health visits which will be monitored. Commissioner Navarro asked if CPT codes included in the bill. Ms. Rentz responded, that they were not included and this will be addressed with the implementation committee.

Secretary Magarik joined the meeting.

Senate Bill (SB) 309 the chiropractic maintenance care bill will mandate chiropractic supportive care. This was passed in both chambers and awaits signature by the Governor. It will go into effect January 1st, 2024 and has an annual fiscal impact of \$55K to the GHIP.

SB 216 which caps diabetic supplies, strips, and meters to \$35 per month was passed in both chambers and is awaiting the Governor's signature. The cap will be applied to the medical benefit and there will be no member cost sharing under the prescription benefit (this has been in place for 15+ years). The fiscal impact is \$15K annually with an effective date of January 1st, 2024.

Medicare Advantage Implementation

Three full scale mailings have been sent out to State of Delaware eligible pensioners and spouses with the last mailing sent on July 15, 2022 with information for the upcoming educational sessions. There will be 6 events (2 events in each county) with 3 presentations per event held the first and second weeks in August with representation from Highmark, CVS SilverScript, the Delaware Medicare Assistance Bureau, the Office of Pensions, and SBO. The SEBC will be provided an update on the outcome and participation of these events.

FINANCIALS – MR. CHRIS GIOVANNELLO, WTW

June Fund Equity Report

The June fund equity report reflects a \$9.7M EGWP rebate payment. The coverage gap discount payment (\$3.7M) was received in June but is typically received in July. Other revenues totaled \$311K and included a performance guarantee payment and a SafeguardRx payment. Total claims reflect favorable experience of \$1.9M, and additional COVID-19 reimbursement payments were received totaling \$3.2M. For the year, the fund is \$63M under budget for claims and the fund equity balance is \$157.2M and the actual balance is \$79.1M.

Director Cade joined the meeting.

CONDITION-SPECIFIC PROGRAM RECOMMENDATIONS – MS. JACLYN IGLESIAS, WTW

Digital Musculoskeletal Solution

Ms. Iglesias summarized the musculoskeletal program and options for virtual physical therapy. Both programs are very similar in cost (\$6M-\$9M per year) and features. These solutions offer a virtual at-home physical therapy experience by providing wearable digital sensors and technology. Hinge Health can be provided through the Aetna or SurgeryPlus contract or SWORD Health which can be provided through the Highmark contract. The recommendation for consideration would be to move forward with Hinge Health via the SurgeryPlus contract with an off-cycle go-live no earlier than January 1, 2023.

Commissioner Navarro asked, along with the “wearables” that would be included within the programs if will there also be the requirement of a computer and internet with the program. Ms. Iglesias responded that each program provides members with a tablet that would connect to either the Hinge Health or SWORD Health program. The program does not include access to Wi-Fi or internet and would require members to supply this access. This is similar to the telehealth options that are currently available to GHIP members.

Secretary DeMatteis asked how we would guard against fraud. Ms. Iglesias stated all activity is tracked and monitored by the program. Secretary DeMatteis asked if the program provided a lookback of utilization and cost. Ms. Iglesias stated regular reporting is provided and includes utilization and program costs.

A MOTION was made by Secretary DeMatteis and seconded by Commissioner Navarro to approve the implementation of Hinge Health via the SurgeryPlus with an off-cycle go-live no earlier than January 1st, 2023. MOTION ADOPTED UNANIMOUSLY.

SurgeryPlus Bariatric Carve-out

Ms. Iglesias provided an overview of the long term health outcomes, the carve out opportunity through SurgeryPlus, potential net savings, and implementation considerations. Utilizing this opportunity would require removing bariatric surgery coverage through the medical plans and mandating use of the SurgeryPlus program. The SEBC has discretion in how to offer coverage since bariatric benefits are not an ACA Essential Health Benefit and not required to be covered. The estimated cost savings is \$14K per procedure.

The Subcommittee’s recommendation is to carve out bariatric surgery to SurgeryPlus for an effective date no earlier than January 1, 2023. This recommendation was made to promote consistency in achieving high quality outcomes and enhance member experience. SurgeryPlus also indicated other types of procedures that could be potentially carved out, including total joint procedures and spine procedures. Some concerns exist about accessibility of participating providers across Delaware, which SurgeryPlus is working on addressing.

Secretary DeMatteis asked if more information could be provided around the number of participating providers. Ms. Iglesias responded, that SurgeryPlus considers this facet of their program to be proprietary and confidential, so further details are not available for sharing in a public setting. Secretary Magarik followed up by noting that this is a voluntary program and providers would have to work with SurgeryPlus to opt into the network.

Commissioner Navarro asked if any other States are doing this and if they are having success. Ms. Iglesias responded that they are not aware of any states that have gone down this path. There are other states that are offering SurgeryPlus and those States have seen positive outcomes. To assist with addressing the concern that members may have to move away from existing providers, a longer implementation period would be required to help to alleviate concerns.

Mr. Taschner asked if the \$14K in potential savings includes the anticipated improvements in longer term health risk reduction. Ms. Iglesias responded that the \$14K net savings is just based on procedure and administrative cost differences and does not factor in any long term potential savings.

A MOTION was made by Secretary Magarik and seconded by Mr. Taschner to approve the bariatric surgery carve out through SurgeryPlus for an effective date no earlier than January 1, 2023.

MOTION ADOPTED UNANIMOUSLY.

SPOUSAL COORDINATION OF BENEFIT (SCOB) POLICY PROPOSED CHANGES – DIRECTOR RENTZ, SBO

Ms. Rentz provided an overview of the proposed changes to the Spousal Coordination of Benefit (SCOB) Policy. The intention of the Policy is to ensure fiscal responsibility for the GHIP where other employers are offering health care benefits to their employees and retirees.

The proposed changes are to address concerns with the implementation of the Medicare Advantage (MA) plan and the impact to Medicare eligible pensioners and spouses with access to another fully insured Centers for Medicare & Medicaid Services (CMS) product. CMS only allows enrollment in one qualified MA plan, so if a spouse has other Medicare coverage, the spouse cannot be enrolled in both.

Additional proposed changes include removing gender pronouns, clarification on spouse employment status and 50% contribution requirement, information on spouses who are considered a partner, owner, or principal in a law firm or any other type of business and clarify provisions regarding participating groups.

Mr. Taschner asked if a spouse currently qualifies for coverage, how would these changes impact that person. Ms. Rentz stated that if a spouse currently has coverage as secondary because Medicare is primary, there will be no change or impact to them as we transition to the Medicare Advantage plan.

A MOTION was made by Secretary DeMatteis and seconded by Secretary Magarik to approve the changes to the Spousal Coordination of Benefits Policy effective January 1st, 2023.

MOTION ADOPTED UNANIMOUSLY.

OTHER BUSINESS

No new business was presented.

PUBLIC COMMENT

No public comment.

EXECUTIVE SESSION

A MOTION to move into Executive Session was made by Secretary DeMatteis and seconded by Mr. Taschner at 3:07 p.m. MOTION ADOPTED UNANIMOUSLY.

ADJOURNMENT

After moving back into Public Session and with no further business, A MOTION was made by Mr. Taschner and seconded by Secretary Magarik to adjourn the public session at 3:51 p.m. MOTION ADOPTED UNANIMOUSLY.

Respectfully submitted,

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