

State of Delaware

2023 Request for Proposal Updates

State Employee Benefits Committee

June 12, 2023

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Overview

- There are two contracts under the purview of the SEBC that are set to expire on June 30, 2024:
 - Centers of Excellence (COE) administration for non-Medicare GHIP participants
 - Disability Insurance Program (DIP) administration for State and school district and higher education employees
- Requests for proposals (RFP) for each contract will be administered by DHR, with support from WTW
- The following is an update to the SEBC on the background and status of each RFP

Background on the Centers of Excellence (COE) RFP

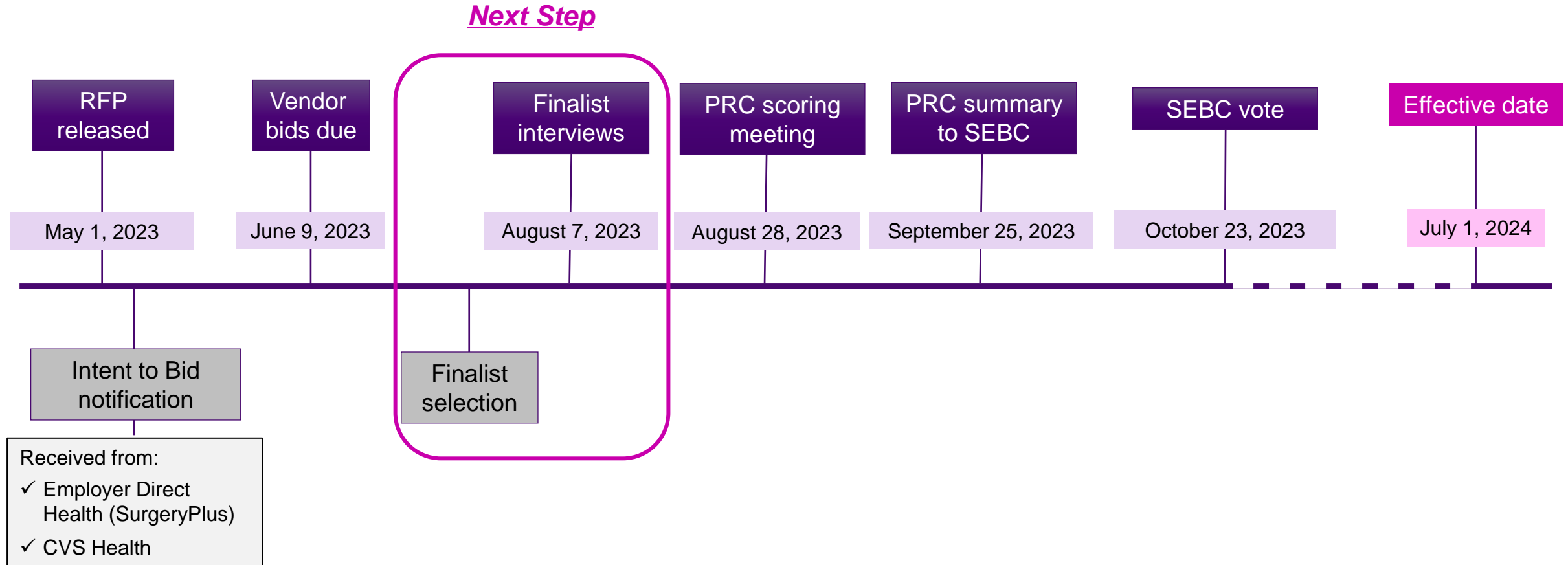
- COEs are medical facilities and professionals that have demonstrated their ability to achieve better health outcomes for medical services at a lower cost than in the surrounding community
- SEBC first implemented the SurgeryPlus program through Employer Direct Healthcare, a third-party administrator of COE services, effective 7/1/2019 (FY20), based on the SEBC's desire to:
 - maintain consistency in the GHIP non-Medicare member experience across all medical plans wherever possible; and
 - promote competition among the providers in Delaware to achieve the best possible pricing on medical services for non-Medicare plan participants as well as the GHIP
- These services are offered as a choice alongside Highmark and Aetna medical networks, with the exception of bariatric surgery which will be only available through a SurgeryPlus COE provider starting 7/1/2023
- Current RFP is the second time that the SEBC has marketed this benefit (initially in 2018)

COE RFP objectives

Identify third-party administrators of COE services that can deliver services that include, but are not limited to, the following:

- Reduce total cost of care for the GHIP and plan participants, without sacrificing quality of care delivered
- Facilitate choice of medical providers who deliver high quality care at a lower total cost of care
- Support financial rewards to medical providers who deliver high quality care at a lower total cost
- Build and maintain a stable COE provider network based on quality and cost efficiency across a variety of clinical procedures (e.g., orthopedic, spine, bariatric, cardiac)
- Frequently monitor the quality of providers within the COE network, using publicly available sources of quality and cost efficiency data
- Provide a consistent user experience for GHIP members regardless of medical plan selection
- Collaborate with other GHIP vendor partners (Aetna, Highmark, CVS) to deliver services to plan participants
- Articulate experience with various COE benefit designs, network offerings, claims adjudication, member incentives, care coordination, member education and other aspects of COE benefits administration
- Provide excellent customer service to GHIP participants, including concierge support for accessing COE services, and to the State as the plan sponsor
- Provide competitive financial terms and performance guarantees

COE RFP timeline



Background on the Disability Insurance Program (DIP) RFP

- The State of Delaware's Disability Insurance Program (DIP) offers short-term and long-term disability benefits to employees hired into a position covered by the Delaware State Employees' Pension Plan
 - Legislated program based on Title 29, Chapter 52A of the Delaware Code, enacted July 1, 2005
 - Disability benefits are currently offered to nearly 38,000 State employees and 1,245 University of Delaware employees
- The Hartford has been the State's DIP administrator for over 17 years, since January 1, 2006
 - Hartford has customized numerous processes to administer the DIP in accordance with Delaware's legislative requirements
 - Has resulted in the development of manual work-arounds and has prompted the need for greater involvement by the Statewide Benefits Office (SBO), the Pension Office and HR/Benefit Representatives
 - The State has experienced challenges with administering the DIP due to some of these work-around processes and from technology challenges with Hartford's IT platform
- The SEBC has previously marketed the DIP in 2008, 2013 and 2018

DIP RFP objectives

Identify disability benefits administrators that can deliver services that include, but are not limited to, the following:

- Offer state of the art disability administrative services
- Directly impact and reduce the cost of disabilities
- Offer innovative solutions to manage the cost and duration of disabilities
- Modify standard operating processes to meet the unique needs of the State
- Provide excellent customer service to claimants and to the State as the plan sponsor
- Provide timely disability reporting that is customizable for the State and can be pushed to various agencies' human resource offices
- Support other State benefits and initiatives that coordinate with the DIP, including paid parental leave, paid family and medical leave insurance and a pilot “center of excellence” for leave of absence management
- Provide competitive financial terms and performance guarantees

DIP RFP timeline

Next Step

