



**MINUTES FROM THE MEETING OF THE STATE EMPLOYEE BENEFITS COMMITTEE  
AUGUST 21, 2023**

The State Employee Benefits Committee (the “Committee”) met at 2:00 p.m. on August 21, 2023.  
The meeting was held virtually and in person at 1351 W North St, Ste 101, in Dover.

Committee Members in Attendance:

Secretary Claire DeMatteis, Department of Human Resources (“DHR”), SEBC Co-Chair  
Lieutenant Governor Bethany Hall-Long, Office of the Lt. Governor  
Commissioner Trinidad Navarro, Insurance Commissioner, Department of Insurance (“DOI”)  
Secretary Josette Manning, Department of Health & Social Services (“DHSS”)  
Chief Justice Collins Seitz, Delaware Supreme Court  
Controller General Ruth Ann Miller, Office of the Controller General (“OCG”)  
Shaun O’Brien, Policy Director, American Federation of State, County, and Municipal Employees (“AFSCME”)  
Thomas Brackin, Executive Director, Delaware State Troopers Association (“DSTA”)  
Karen Field Rogers, State Retiree

Committee Members Not in Attendance:

Director Cerron Cade, Office of Management & Budget (“OMB”), SEBC Co-Chair  
Treasurer Colleen Davis, State Treasurer, Office of the State Treasurer (“OST”)

Others in Attendance

Director Faith Rentz, SBO, DHR	Jeanette Hammon, Sr. Fiscal and Policy Analyst, OMB
Deputy Director Leighann Hinkle, SBO, DHR	Keith Warren, Chief of Staff, Office of the Lt. Governor
Nina Figueroa, Health Policy Advisor, SBO, DHR	Matthew Rosen, Senior Policy Advisor, OST
Wendy Hrupsa-Sherwood, SBO, DHR	Courtney Stewart, Deputy Director, OMB
Samantha Mountz, SBO, DHR	Lisa Mantegna, Highmark Delaware
Dawn Warman, SBO, DHR	Adam Knox, Highmark Delaware
Heather Johnson, DHR	Jeanie Carson, Highmark Delaware
Adria Martinelli, Deputy Attorney General, Department of Justice, SEBC Legal Counsel	Julie Caynor, Aetna
Cherie Dodge Biron, Director, Financial & Administrative Services, DHR	Brooke Nedza, Aetna
Heather Johnson, DHR	Leah White, Aetna
Jaclyn Iglesias, Willis Towers Watson (“WTW”)	Randall Bryniarski, CVS Health
Brian Stitzel, WTW	Paula Roy, Roy & Associates
Michelle Gast, WTW	Bria Greenlee, 302 Strategies
Vichakarn Rattanasanpunth, WTW	Marian Coker, DOS
Joanna Adams, Pension Administrator, Office of Pensions (“OPen”)	Amy Cole, OPen
Michelle Carpenter, HRIS Manager, PHRST, OMB	Jennifer Mile, OMB
Representative Paul Baumbach, LegHall	Nick Mogle, DelDOT
Robert Scoglietti, Deputy Controller General, OCG	Julie Greenwood, UD
Ashley Tucker, Deputy State Court Administrator, AOC	Gisela McKenzie, UD
David Bentz, Deputy Director, DMS, DHSS	Michael Matthews, Red Clay SD
	Corey Romao, Christina SD
	Lauren Sokola, Christina SD
	Lynda Hastings

**STATE OF DELAWARE STATEWIDE BENEFITS OFFICE**

Steven LePage  
Wanda Pfeiffer  
Nancy Schuman  
Mike Kempski  
Joan DelFattore  
Carol Anne Williamson  
Barbara Philbin  
AnRea MacDonald  
Audrey Noble  
Jared Apperle  
Debbie Schrass  
Dr. Joe Lucca  
Elizabeth Stokes  
Jason Hornlein  
Jean Betley  
John Phillips  
Kathleen Aldridge

Kim York  
Louisa Phillips  
Maureen Keeney  
Rebecca Byrd  
Rebecca Scarborough  
Richard Phillips  
Robert Meade  
Sally Fintel  
Sandra Lewis  
Steven Martin  
Wendy Girnis  
Lois Finley  
Julie O'Connor  
Donna Dossett  
Carole Mick, SBO, DHR – Recorder, State  
Employee Benefits Committee and  
Subcommittees

**CALLED TO ORDER – SECRETARY DEMATTEIS, DHR**

Secretary DeMatteis called the meeting to order at 2:01 p.m.

**APPROVAL OF MINUTES – SECRETARY DEMATTEIS, DHR**

A MOTION was made by Secretary Manning and seconded by Shaun O'Brien to approve the minutes from the July 24, 2023 meeting of the State Employee Benefits Committee.

MOTION ADOPTED UNANIMOUSLY.

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

Director Rentz provided Committee members with the mailing date for the first issue of the retiree healthcare newsletter and noted that University of Delaware retirees were not included in this mailing as they do not participate in the state pension, however, the newsletter has been shared with their human resources department.

Follow up information from the July meeting on the impact of Humira and other insulin manufacturer price reductions was provided.

The State of Delaware Special Medicfill open enrollment will be from October 16, 2023 through October 27, 2023 and allows retirees an opportunity to make changes their medical and prescription benefits. Premium rate and Rx copay increases will take effect January 1, 2024.

Director Rentz discussed agenda items that were reviewed at the Health Policy & Planning, Financial, and Retiree Healthcare Benefits Advisory Subcommittee meetings. Subcommittee members from the Retiree Healthcare Benefits Advisory Subcommittee provided a recommendation to grandfather retirees through December 31, 2024 and to continue offering a Medigap supplement plan with no changes to what is currently being offered and with the same cost sharing.

*Lieutenant Governor Hall-Long arrived to the meeting.*

**FINANCIALS - BRIAN STITZEL, WTW**GHIP Trend Assumptions

Brian Stitzel displayed the previously reviewed GHIP trend development document and highlighted key points for Committee members.

A MOTION was made by Commissioner Navarro and seconded by Secretary Manning to increase the medical trend assumption from 5% to 6% for non-Medicare populations and increase the Rx trend assumption from 8% to 9% for all populations.

MOTION ADOPTED UNANIMOUSLY.

June 2023 GHIP Fund Report

Brian Stitzel reviewed the June 2023 fund report including premium contributions, other revenues, claims, and the updated fund equity balance. Premium contributions came in slightly above budget at \$76.5M. Several adjustments were made to the FY24 budget to better align with when premium contributions hit the fund. The coverage gap discount payment was \$5M. Claims ran \$2.3M below budget with a year-to-date total of about \$37M (3.4%) above budget. Net income for June showed a deficit of \$16.8M with a fund equity balance of \$58.8M. The Fund report states that the year-to-date deficit is \$26.5M, which is an error, the actual year-to-date deficit totals \$36.7M and this error will be corrected on the report.

FY23 Q4 Financial Reporting

Brian Stitzel reviewed the FY23 Q4 cost analysis for medical and prescription plans which reflects the percent of change from FY22 YTD to FY23 YTD. This is an incurred report based off vendor reported claims which may not always align with the timing of payments to the fund. The percentage of change from FY22 to FY23 was displayed which showed increases in gross claims, program costs, premium contributions, and employee costs.

The FY23 revised budget was compared to the FY23 actual program costs with slight changes noted. Summary plan information by healthcare vendor and plan participant group displayed the differences in cost by population. The financial reporting presentation included additional details on cost and revenue items by population.

Key Trends Report

Brian Stitzel reviewed the key trends report for active employees and early retirees on paid claims through June 2023. The executive summary continues to show increases in inpatient medical, outpatient medical, and pharmacy payments with overall trend increasing by 10.8%.

SEBC Dashboard

Brian Stitzel presented the SEBC dashboard which pulled data from the key trends report to analyze trends in cost and utilization of healthcare. The dashboard displays trends on active employees and early retirees based on utilization and unit cost from the most recent 12 months through June 2023 compared to the previous 12 months through June 2022.

FY24 GHIP Projections

Brian Stitzel presented the GHIP long-term health care cost projections based on experience through June 2023 with updated trend assumptions and included the projected deficit scenarios for FY23 through FY28 based on various premium rate increase scenarios for actives and pre-65 retirees. FY25 premium contributions were outlined for all scenarios.

FY24 GHIP Budget

Brian Stitzel reviewed the FY24 budget with the updated trend assumptions which detail the estimated operating revenues and expenses for the year. The Committee will be asked to approve the FY24 budget at the October 23, 2023 meeting.

**MEDICARE REQUEST FOR PROPOSALS SCOPE AND TIMELINE – JACLYN IGLESAIS, WTW**

Jaclyn Iglesias conducted an overview of the Medicare Request for Proposal (RFP) requested scope of services, GHIP rating methodology, and RFP timeline.

**OTHER BUSINESS**

No Other Business.

**PUBLIC COMMENT**

Members of the public provided comment on Agenda items discussed on today's meeting and addressed concerns over the way content is provided to the public.

**ADJOURNMENT**

A MOTION was made by Secretary Manning and seconded by Thomas Brackin to adjourn the public session at 3:46 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