



**MINUTES FROM THE MEETING OF THE STATE EMPLOYEE BENEFITS COMMITTEE  
SEPTEMBER 23, 2024**

The State Employee Benefits Committee (the “Committee”) met at 2:00 p.m. on September 23, 2024. The meeting was held virtually and in person at 841 Silver Lake Boulevard, Suite 200, Dover, DE 19904.

Committee Members in Attendance:

Secretary Claire DeMatteis, Department of Human Resources (“DHR”), SEBC Co-Chair  
Director Cerron Cade, Office of Management & Budget (“OMB”), SEBC Co-Chair  
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”)  
Secretary Josette Manning, Department of Health & Social Services (“DHSS”)  
Lieutenant Governor Bethany Hall-Long, Office of the Lt. Governor  
Commissioner Trinidad Navarro, Insurance Commissioner, Department of Insurance (“DOI”)  
Chief Justice Collins Seitz, Delaware Supreme Court  
Karen Field Rogers, State Retiree

Committee Members Not in Attendance:

Treasurer Colleen Davis, State Treasurer, Office of the State Treasurer (“OST”)

Others in Attendance

Director Faith Rentz, SBO, DHR	Walter Mateja, Merative
Deputy Director Leighann Hinkle, SBO, DHR	Secretary Rick Geisenberger, DOF
Stephanie Hartos, SEBC and SEBC Subcommittee Manager, SBO, DHR	Steven Costantino, Director Health Care Reform, DHSS
Nina Figueroa, Health Policy Advisor, SBO, DHR	Jeanette Hammon, Sr. Fiscal and Policy Analyst, OMB
Amber Cahill, SBO, DHR	Ashley Tucker, Deputy State Court Administrator, AOC
Pamela Barr, SBO, DHR	David Bentz, Deputy Director, DMS, DHSS
Susan Meadows-Arnold, SBO, DHR	Robert Scoglietti, Deputy Controller General, OCG
Ashli Warman, SBO, DHR	Deputy State Treasurer Jordan Seemans, OST
Samantha Mountz, SBO, DHR	Courtney Stewart, Deputy Director, Office of Management & Budget (“OMB”)
Brittany Ford, SBO, DHR	Andrea Godfrey, Deputy Director, Budget Development & Planning, OMB
Victoria Sweeney, DAG, DOJ, SEBC Legal Counsel	Jennifer Moyer, Aetna
Jennifer Biddle, Deputy Secretary, DHR	Julie Caynor, Aetna
Cherie Dodge Biron, Director, Financial & Administrative Services, DHR	Lisa Mantegna, Highmark Delaware
Heather Johnson, Controller, DHR	John Gadzinski, Highmark Delaware
Asia Surguy-Bonnewell, Fiscal Manager, DHR	Charlene Hrivnak, CVS Health
Ashly Blok, Communications Director, DHR	Carrie Schiavo, Delta Dental
Dawn Warman, DHR	Paula Roy, Roy & Associates
Joanna Adams, Pension Administrator, Office of Pensions (“OPen”)	Bria Greenlee, 302 Strategies
Michelle Carpenter, HRIS Manager, PHRST, OMB	Christina Bryan, DHA
Jaclyn Iglesias, Willis Towers Watson (“WTW”)	
Brian Stitzel, WTW	
Michelle Gast, WTW	

**STATE OF DELAWARE STATEWIDE BENEFITS OFFICE**

841 Silver Lake Boulevard, Suite 100, Dover DE 19904 (D620E)

Phone: 1-800-489-8933 • Fax: (302) 739-8339 • Email: [benefits@delaware.gov](mailto:benefits@delaware.gov) • Website: [de.gov/statewidebenefits](http://de.gov/statewidebenefits)

Angela Taylor, DHSS  
Drecina Fraser, OMB  
Arthur Jenkins, DOL  
Gisela McKenzie, UD  
Julie Greenwood, UD  
Bobbie Pearson, DNREC  
LaVette Whaley, City of Dover

Sarah Petrowich, Delaware Public  
Barbara Philbin  
Steve LePage  
Tom Pledge  
Carole Mick, SBO, DHR – Recorder, State  
Employee Benefits Committee and  
Subcommittees

**CALLED TO ORDER – DIRECTOR CERRON CADE, OMB**

Director Cade called the meeting to order at 2:01p.m.

**APPROVAL OF MINUTES – DIRECTOR CERRON CADE, OMB**

A MOTION was made by Shaun O’Brien and seconded by Karen Field Rogers to approve the public session minutes from the August 26, 2024 meeting of the State Employee Benefits Committee.  
MOTION ADOPTED UNANIMOUSLY.

**APPROVAL OF EXECUTIVE SESSION MINUTES – DIRECTOR CERRON CADE, OMB**

A MOTION was made by Shaun O’Brien and seconded by Karen Field Rogers to approve the executive session minutes from the August 26, 2024 meeting of the State Employee Benefits Committee.  
MOTION ADOPTED UNANIMOUSLY.

**PUBLIC COMMENT**

Committee members received 3 written public comments that were received by the Statewide Benefits Office. Members of the public provided comment on agenda items related to the financial data and the use of emerging technology.

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

Director Faith Rentz reviewed agenda items presented and discussed at last week’s Financial and Health Policy & Planning Subcommittee meetings. The Retiree Healthcare Benefits Advisory Subcommittee last met in April 2024 and recommended reconvening in September 2024, however, the RHBAS co-chairs have not moved forward with scheduling a meeting at this time.

**FINANCIALS – BRIAN STITZEL, WTW**

FY25 GHIP Budget

Brian Stitzel presented the FY25 budget with the updated trend assumptions and detailed projected enrollments, premium contributions, revenues, claims, and expenses. The impact of the Inflation Reduction Act (IRA) on the GHIP for FY25 shows a significant projected increase in EGWP revenues. The FY25 budget by month was outlined and shows the fund going negative during the first half of the plan year due to cash flow, rebates running on a quarterly basis and Medicare premiums not increasing until January 1, 2025, however, the fund is expected to end FY25 with a positive cash balance. The \$7.3M payback to OMB for the FY24 transfer will be paid back by the end of September 2024.

**APPROVAL OF THE FY25 BUDGET**

A MOTION was made by Shaun O’Brien and seconded by Karen Field Rogers to approve the FY25 budget as presented.  
MOTION ADOPTED UNANIMOUSLY.

August 2024 Fund Report

Brian Stitzel outlined the executive summary for the August Fund Report and noted that August ran a surplus mainly due to having one less claim invoice which was paid in July. Total combined claims for July and August are right on budget. Premium contributions ran worse than budget due to lower-than-expected state employee premiums. Q4

FY24 rebates were lower than expected resulting in a deficit for other revenues. Expenses were higher than budgeted due to a Shared Savings fee to Highmark that was not included in the budget projections. The FY25 total GHIP budget shows claims, premium contributions, and other revenues right around budget and expenses with a 3.3% variance to budget.

Long Term Projections

Brian Stitzel detailed the long-term projections and premium rate increases for FY25 through FY28 for all GHIP groups combined, separate (active employees, pre-65 retirees, and Medicare retirees), and all retirees combined. Each long-term projection includes a premium rate increase scenario to target a \$0 dollar deficit by the end of FY28.

**LIFE INSURANCE BENEFIT REQUEST FOR PROPOSAL (RFP) – SCOPE OF WORK – JACLYN IGLESIAS, WTW**

Jaclyn Iglesias provided a recap and updated information on the proposed scope of work for the upcoming Life Insurance request for proposals (RFP) which includes the following four options: procuring for a plan that matches the current Group Universal Life (GUL) offering, offering an enhanced GUL plan design, offering group term life insurance, and/or offering group term life insurance with enhancements. The SBO will be conducting an employee survey to gauge employee preference on the two different life insurance options and the results of this survey will be shared with the Proposal Review Committee (PRC) to assist in their evaluation of proposals. A breakdown of each plan design was presented.

WTW recommended not offering a GUL and term life insurance policy simultaneously, rather offer one in lieu of the other, as this would allow the state a greater ability to negotiate more favorable pricing. If the PRC were to recommend awarding a plan other than the current GUL insurance product, plan members who choose to retain their GUL insurance policy would have the option to port their coverage. Plan members who port their coverage would pay a higher premium rate as this ported coverage would be underwritten directly through the insurance carrier.

Committee members had a discussion on the various options that would be included into the scope of work for the life insurance RFP. A few Committee members were in opposition to include a term life insurance option, however, several Committee members supported including both universal life and term life insurance options in the scope of work for the RFP to ensure competitive proposals were being received.

**APPROVAL OF THE SCOPE OF WORK FOR THE LIFE INSURANCE RFP**

A MOTION was made by Secretary Manning and seconded by Shaun O’Brien to approve the inclusion of all four life insurance options in the scope of work for the Life Insurance RFP.

**DISCUSSION ON THE MOTION**

Jaclyn Iglesias asked for clarification on whether potential bidders would be allowed to offer more than one option alongside another option. Bidders may be unwilling to provide an exact quote for services if they are allowed to bid for both a term life and universal life insurance product together without clear enrollment expectations.

Committee members discussed allowing potential bidders to offer more than one option alongside another and raised concerns that this approach may not be economically beneficial and bidders may be unwilling to quote a firm price until after enrollment into these plans.

Previous motion was withdrawn.

A MOTION was made by Chief Justice Seitz and seconded by Secretary Manning to approve the inclusion of the four options presented by WTW in the scope of work for the Life Insurance RFP and ensure that the scope of work includes information on any changes to qualifications or any transitions for current enrollees should the SEBC approve a life insurance option that is different from the current GUL plan, so that there is transparency into any

downsides on choosing either term life insurance or GUL going forward and there will be no solicitation of both a GUL and term life plan as a combination bid due to the difficulty in pricing both plans together.

*Voting Yes* – Chief Justice Seitz, Secretary Manning, Lieutenant Governor Hall-Long, Director Cade, Shaun O’Brien, Controller General Miller, Karen Field Rogers, Commissioner Navarro

*Voting No* - Thomas Brackin

*Not Present* – Secretary DeMatteis, Treasurer Davis

MOTION ADOPTED.

**AUDIT SERVICES RFP – SCOPE OF WORK – JACLYN IGLESIAS, WTW**

Jaclyn Iglesias recapped the scope of work for the audit services RFP with the potential to include emerging audit capabilities and provided Committee members with feedback from Subcommittee members regarding the inclusion of emerging audit capabilities. Jaclyn Iglesias reviewed additional information that was added in the draft scope of services which the Committee received in their meeting materials. Committee members were asked if there was any interest in expanding the scope of services to include bids from vendors with real-time audit capabilities and shortening the contract award period to an initial two-year term with a three-year optional extension to allow greater flexibility in evaluating changes in the audit vendor marketplace.

Committee members discussed expanding the scope of services and shortening the contract award years and supported expanding the scope of services, however, were hesitant on shortening the years of the contract award initial term.

**APPROVAL OF THE SCOPE OF WORK FOR THE AUDIT RFP**

A MOTION was made by Secretary Manning and seconded by Commissioner Navarro to include real-time audit capabilities in the scope of work for the audit services RFP.

MOTION ADOPTED UNANIMOUSLY.

**HOUSE RESOLUTION 32 AND UPDATES ON GHIP DIABETES PROGRAMS AND SERVICES – SEBC & SEBC SUBCOMMITTEES MANAGER STEPHANIE HARTOS, SBO**

Agenda item was deferred to the next meeting due to time constraints.

**EXECUTIVE SESSION**

A MOTION was made by Shaun O’Brien and seconded by Commissioner Navarro to move into the Executive Session at 3:55 p.m.

MOTION ADOPTED UNANIMOUSLY.

*Secretary DeMatteis arrived to the meeting.*

The Public Session resumed at 5:03 p.m.

*Karen Field Rogers and Commissioner Navarro did not return to the public session.*

**APPROVAL OF THE HEALTH PLAN APPEAL DECISION RECOMMENDATION BY THE HEARING OFFICER – DIRECTOR CERRON CADE, OMB**

A MOTION was made by Secretary DeMatteis and seconded by Secretary Manning to approve option two to pay 50% of the cost as outlined in the recommendations presented by hearing officer Faith Rentz.

*Abstentions* – Chief Justice Seitz

MOTION ADOPTED UNANIMOUSLY.

**APPROVAL OF THE SHORT-TERM DISABILITY APPEAL DECISION RECOMMENDATION BY THE HEARING OFFICER – DIRECTOR CERRON CADE, OMB**

A MOTION was made by Thomas Brackin and seconded by Lieutenant Governor Hall-Long to accept the recommendation presented by hearing officer Faith Rentz to award disability benefits through May 29, 2024.

*Voted Yes* – Thomas Brackin, Lieutenant Governor Hall-Long, Director Cade, Shaun O’Brien, Controller General Miller

*Voted No* – Secretary Manning, Secretary DeMatteis

*Not Present* – Treasurer Davis, Karen Field Rogers, Commissioner Navarro

*Abstentions* – Chief Justice Seitz

MOTION ADOPTED.

**OTHER BUSINESS**

No Other Business.

**ADJOURNMENT**

A MOTION was made by Secretary DeMatteis and seconded by Secretary Manning to adjourn the public session at 5:06 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