



**MINUTES FROM THE MEETING OF THE STATE EMPLOYEE BENEFITS COMMITTEE  
OCTOBER 28, 2024**

The State Employee Benefits Committee (the “Committee”) met at 2:00 p.m. on October 28, 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  
Treasurer Colleen Davis, State Treasurer, Office of the State Treasurer (“OST”)

Others in Attendance

Director Faith Rentz, SBO, DHR	Robert Scoglietti, Deputy Controller General, OCG
Deputy Director Leighann Hinkle, SBO, DHR	Andrea Godfrey, Deputy Director, Budget Development & Planning, OMB
Stephanie Hartos, SEBC and SEBC Subcommittee Manager, SBO, DHR	Representative Paul Baumbach, Delaware House of Representatives, Majority Caucus
Nina Figueroa, Health Policy Advisor, SBO, DHR	Walter Mateja, Merative
Pamela Barr, SBO, DHR	Jennifer Moyer, Aetna
Susan Meadows-Arnold, SBO, DHR	Julie Caynor, Aetna
Ashli Warman, SBO, DHR	Katherine Impellizzeri, Aetna
Samantha Mountz, SBO, DHR	Leah White, Aetna
Michelle Whalen, Deputy Attorney General, DOJ, SEBC Legal Counsel	Wendy Beck, Highmark Delaware
Jennifer Biddle, Deputy Secretary, DHR	John Gadzinski, Highmark Delaware
Cherie Dodge Biron, Director, Financial & Administrative Services, DHR	Randall Bryniarski, CVS Health
Heather Johnson, Controller, DHR	Victor Gutierrez, CVS Health
Dawn Warman, DHR	Carrie Schiavo, Delta Dental
Joanna Adams, Pension Administrator, Office of Pensions (“OPen”)	Matthew Swanson, Reciprocity Health
Stephenie Tatman, Deputy Pension Administrator, OPen	Paula Roy, Roy & Associates
Jaclyn Iglesias, Willis Towers Watson (“WTW”)	Bria Greenlee, 302 Strategies
Brian Stitzel, WTW	Angela Taylor, DHSS
Michelle Gast, WTW	Jenn Mile, OMB
Steven Costantino, Director Health Care Reform, DHSS	Sarah Russell, OMB
Ashley Tucker, Deputy State Court Administrator, AOC	Kylie Taylor, OMB
	Christy Wright, LegHall
	Julie Greenwood, UD
	John Van Gorp, Bayhealth
	Cole Wyrrough

**STATE OF DELAWARE STATEWIDE BENEFITS OFFICE**

Rebecca Byrd  
Barbara Philbin  
Steve LePage  
Tom Pledge

Bob Clarkin  
Carole Mick, SBO, DHR – Recorder, State  
Employee Benefits Committee and  
Subcommittees

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

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

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

A MOTION was made by Thomas Brackin and seconded by Secretary Manning to approve the public session minutes from the September 23, 2024 meeting of the State Employee Benefits Committee.

MOTION ADOPTED UNANIMOUSLY.

**APPROVAL OF EXECUTIVE SESSION MINUTES – SECRETARY CLAIRE DEMATTEIS, DHR**

A MOTION was made by Thomas Brackin and seconded by Secretary Manning to approve the executive session minutes from the September 23, 2024 meeting of the State Employee Benefits Committee.

MOTION ADOPTED UNANIMOUSLY.

**PUBLIC COMMENT**

Committee members received one written public comment that was received by the Statewide Benefits Office. Members of the public provided comment on agenda items related to retiree healthcare premiums and recommended to implement a tracking system to determine the efficiency of the GHIP benefit programs. Representative Baumbach provided comment on legislation that was passed this year and recommended that the Committee provide updated other post-employment benefits (OPEB) funding projections.

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

The State of Delaware's Calendar Year (CY) 2025 Medicare Open Enrollment concluded on October 25, 2024. SBO conducted in-person and virtual education sessions to allow eligible pensioners to learn more about Highmark's Special Medicfill and CVS's SilverScript plans. Participation was extremely low for these events and given the high cost and work effort in preparing for these events, SBO has decided not to hold any in-person Open Enrollment education sessions for the Spring CY2025 Open Enrollment. The SBO has completed negotiations with Highmark on the Special Medicfill contract, and the contract should be signed by all parties by the end of next week.

Director Rentz reviewed agenda items that were discussed at last week's Health Policy and Planning Subcommittee meeting and noted that the Financial Subcommittee did not hold a meeting in October. The Subcommittees will hold a combined meeting on November 18, 2024. The SBO is currently circulating dates for November to hold a Retiree Healthcare Benefits Subcommittee Meeting, however, there are some potential composition changes that will occur after the general election and SBO is currently awaiting guidance on how to proceed with membership.

**FINANCIALS – BRIAN STITZEL, WTW**

September 2024 Fund Report/FY25 Monthly Budget

Brian Stitzel outlined the executive summary for the September Fund Report and noted that September ran a surplus due to claims coming in largely below budget which was partially driven by lower-than-projected GLP-1 utilization and spend. Premium contributions continue to run worse than budget but is expected to improve in October, however, WTW will continue to monitor and update the forecast if needed. The updated FY25 Budget includes the \$7.3M payback to OMB under other revenues. The FY25 total GHIP budget shows the fund is right on target with a 0% 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 and separate (active employees, pre-65 retirees, and Medicare retirees). Each long-term

projection includes a premium rate increase scenario to target a \$0 deficit by the end of FY28. Brian Stitzel also discussed rating the active employees and pre-65 retirees in a separate group from the Medicare retirees as they are enrolled into the same health and pharmaceutical plans.

Committee members are interested in continuing discussions on potentially rating the groups separately, however, are not prepared to make any decisions without more data analysis and discussing potential impacts.

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

#### Actuarial Values of Non-Medicare Health Plans

Brian Stitzel re-addressed a previous discussion with Committee members regarding actuarial values of the health plan offerings and reviewed the actuarial values of the four healthcare plan options for active employees and pre-65 retirees. The four healthcare plans are all considered rich in benefits with high actuarial values and little difference in benefit offerings. These four non-Medicare plans are currently misaligned based on the plan design value and premium equivalent rates. Several options that could address the misalignment were presented - realigning the actuarial values, equalizing the state subsidy, or changing the plan actuarial values.

Committee members will continue discussions on this topic at future meetings.

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

Stephanie Hartos provided an overview of House Resolution 32 which urges the SEBC to collaborate with a health system partner and a technology partner to deliver focused and targeted care protocols to a measurable cohort of GHIP plan participants to actively address the growing problem of diabetes and metabolic syndrome. Stephanie Hartos reviewed current offerings through Highmark, Aetna, and other GHIP programs and resources that focus on diabetes and metabolic syndrome prevention and management.

*Lieutenant Governor Hall-Long left the meeting.*

#### **ENHANCING DIABETES PROGRAM ADHERENCE – PILOT PROPOSAL – MATTHEW SWANSON, RECIPROCITY HEALTH**

Matthew Swanson with Reciprocity Health presented on a proposed pilot for a new diabetes prevention program called TheraPay. TheraPay provides enrollees with financial incentives for engaging in health and wellness programs that target a specific need or chronic condition. In this specific proposal, TheraPay would partner with the SBO, Highmark, and the YMCA of Delaware to provide members incentives for enrolling and actively participating in the YMCA diabetes prevention program. As the financial incentives would be considered taxable income and reported in year-end W-2 reporting, only active State of Delaware employees enrolled in Highmark's Comprehensive PPO or First State Basic plans would have access to this program.

Stephanie Hartos informed Committee members that this program is already allocated in the FY25 budget and Highmark gave SBO permission to use the already established communications budget to pay for the program fees and incentives. There would be no additional cost to the State or plan members for this pilot program for CY2025.

Shaun O'Brien requested a copy of a Reciprocity Health white paper showing the impact of the company's programs, which was cited by Matthew Swanson. Matthew Swanson agreed to provide it.

Committee members will continue discussion on this topic at next month's meeting with a potential vote to move forward with the pilot proposal following a recommendation from the Health Policy and Planning Subcommittee.

#### **HIGHMARK NON-MEDICARE VIRTUAL HEALTH PROGRAM – ENHANCEMENT PROPOSAL – JACLYN IGLESIAS, WTW**

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

**AUDIT SERVICES REQUEST FOR PROPOSAL (RFP) – SCOPE OF WORK – DIRECTOR FAITH RENTZ, SBO**

Director Faith Rentz informed Committee members that following the vote and approval of the Audit Services RFP scope of work at the September 23, 2024 meeting, SBO was contacted by the Auditor of Accounts office who expressed interest in reviewing the scope of work and would like to participate in the RFP process. The Auditor of Accounts office will provide feedback on the scope of work no later than November 18, 2024. SBO will present any recommended changes to the Audit Services RFP scope of work to the Committee at the November 25, 2024 meeting for consideration and approval. The Audit Services RFP was expected to be released in late October 2024, however, the expected release date will now be extended to late December 2024.

*Chief Justice Seitz left the meeting.*

**EXECUTIVE SESSION**

A MOTION was made by Treasurer Davis and seconded by Shaun O’Brien to move into the Executive Session at 3:58 p.m. MOTION ADOPTED UNANIMOUSLY.

The Public Session resumed at 4:14 p.m.

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

**APPROVAL OF THE SHORT-TERM DISABILITY APPEAL DECISION RECOMMENDATION BY THE HEARING OFFICER – SECRETARY CLAIRE DEMATTEIS, DHR**

A MOTION was made by Treasurer Davis and seconded by Shaun O’Brien to accept the recommendation presented by hearing officer Faith Rentz to extend disability benefits from May 13, 2024 through June 5, 2024. MOTION ADOPTED UNANIMOUSLY.

**OTHER BUSINESS**

No Other Business.

**ADJOURNMENT**

A MOTION was made by Secretary DeMatteis and seconded by Director Cade to adjourn the public session at 4:16 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