



**MINUTES FROM THE MEETING OF THE STATE EMPLOYEE BENEFITS COMMITTEE  
DECEMBER 20, 2024**

The State Employee Benefits Committee (the “Committee”) met at 2:00 p.m. on December 20, 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  
Acting Director Courtney Stewart, Office of Management & Budget (“OMB”), SEBC Co-Chair  
Shaun O’Brien, Policy Director, American Federation of State, County, and Municipal Employees (“AFSCME”)   
Commissioner Trinidad Navarro, Insurance Commissioner, Department of Insurance (“DOI”)   
Karen Field Rogers, State Retiree  
Treasurer Colleen Davis, State Treasurer, Office of the State Treasurer (“OST”)   
Controller General Ruth Ann Miller, Office of the Controller General (“OCG”)   
Chief Justice Collins Seitz, Delaware Supreme Court  
Lieutenant Governor Bethany Hall-Long, Office of the Lt. Governor

*Committee Members Not in Attendance:*

Secretary Josette Manning, Department of Health & Social Services (“DHSS”)   
Thomas Brackin, Executive Director, Delaware State Troopers Association (“DSTA”)

*Others in Attendance*

Director Faith Rentz, SBO, DHR  
Deputy Director Leighann Hinkle, SBO, DHR  
Stephanie Hartos, SEBC and SEBC Subcommittee  
Manager, SBO, DHR  
Nina Figueroa, Health Policy Advisor, SBO, DHR  
Amber Cahill, SBO, DHR  
Pamela Barr, SBO, DHR  
Marie Hartigan, SBO, DHR  
Brittany Ford, SBO, DHR  
Larry Frank, SBO, DHR  
Ashli Warman, SBO, DHR  
Samantha Mountz, SBO, DHR  
Michelle Whalen, Deputy Attorney General, DOJ,  
SEBC Legal Counsel  
Jennifer Biddle, Deputy Secretary, DHR  
Cherie Dodge Biron, Director, Financial &  
Administrative Services, DHR  
Asia Surguy-Bonnewell, Fiscal Manager, DHR  
Heather Johnson, Controller, DHR  
Joanna Adams, Pension Administrator, Office of  
Pensions (“OPen”)  
Jaclyn Iglesias, Willis Towers Watson (“WTW”)  
Kant Khatri, WTW  
Michelle Gast, WTW  
Robert Scoglietti, Deputy Controller General, OCG

Matthew Rosen, Senior Policy Advisor, OST  
Representative Kerri Evelyn Harris, Delaware House of  
Representatives, Majority Caucus  
David Bentz, Deputy Director, DMS, DHSS  
Steven Costantino, Director Health Care Reform, DHSS  
Andrea Godfrey, Deputy Director of Budget  
Development and Planning, OMB  
Michelle Carpenter, HRIS Manager, PHRST, OMB  
Jennifer Moyer, Aetna  
John Gadzinski, Highmark Delaware  
Sara Dunlevy, CVS Health  
Randy Garcia, CVS Health  
Charlene Hrivnak, CVS Health  
Carrie Schiavo, Delta Dental  
Paula Roy, Roy & Associates  
Bria Greenlee, 302 Strategies  
David Vandever, Health Advocate  
Julia DePace, Health Advocate  
Suzanne Starker, Health Advocate  
Jennifer Brown, Securian  
Craig Westman, Carelon  
Zack Zeglinski, Care Bridge  
Paul Baumbach, Former State Representative  
Ginger Angstadt, DSEA-R  
Angela Taylor, DHSS

**STATE OF DELAWARE STATEWIDE BENEFITS OFFICE**

Drecina Fraser, OMB  
Kylie Taylor, OMB  
Gisela McKenzie, UD  
Myeshia Christopher, Colonial SD  
Barbara Philbin  
Lynda Hastings

Bob Clarkin  
Sam Austin  
Emily Ford  
Carole Mick, SBO, DHR – Recorder, State  
Employee Benefits Committee and  
Subcommittees

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

Secretary DeMatteis officially called the meeting to order at 2:00 p.m.

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

A MOTION was made by Acting Director Stewart and seconded by Shaun O'Brien to approve the public session minutes from the November 25, 2024 meeting of the State Employee Benefits Committee (SEBC).

MOTION ADOPTED UNANIMOUSLY.

**PUBLIC COMMENT**

Members of the public, including former Representative Baumbach provided comment on agenda items related to retiree healthcare.

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

The University of Delaware (UD) has notified the Statewide Benefits Office (SBO) of their intent to conduct an independent analysis and to release request for proposals (RFPs) to the current State Group Health Insurance Plan (GHIP) health, pharmacy, and dental vendors for the administration of benefit programs currently available to UD employees and retirees through the GHIP. UD will formally notify the SBO/SEBC by early March 2025 of their participation in the GHIP for the FY26 plan year. Should UD decide to self-insure for these benefits for FY26, the UD Special Medicfill with and without prescription plan participants would remain in the GHIP through December 31, 2025, with the rest of the UD population only remaining in the GHIP through June 30, 2025.

The State will exercise its first one year optional renewal period (year 4) effective July 1, 2025 with Dominion National and Delta Dental for dental plan administration. Similarly, the State will exercise its second one year optional renewal period (year 5) of the contract with EyeMed for State vision plan administration to also be effective July 1, 2025. The contracts allow for a not-to-exceed increase of 3% for the two one year optional renewal periods. The SBO will be reaching out to the dental and vision plan vendors in January 2025 to request the vendors maintain the rates currently in place through the end of FY26. The SBO will update the SEBC when the Committee reconvenes in February on the final rates for next fiscal year. An RFP for vision benefits effective July 1, 2026 will be released during CY2025.

**FINANCIALS – KANT KHARI, WTW**

November 2024 Fund Report and FY25 Budget and Fund Surplus/Deficit

Kant Khatri presented the fund report and FY25 budget projections versus actual experience through November 2024. Employee premium contributions ran better than budget due to a surplus in non-payroll premiums. Other revenues included higher than expected employer group waiver plan (EGWP) rebates, however, this was slightly offset by lower than expected commercial rebates. Aetna claims and Administrative Service Only (ASO) fees came in lower than expected for this month. GLP-1 utilization continues to run better than budget. The FY25 total GHIP budget shows the fund is running better than target with a 3.8% variance to budget.

Long-Term Projections

Kant Khatri outlined the FY26 rating approaches (combined, active employees versus retirees, Non-Medicare versus Medicare, and separated by cohort) and detailed the potential impact of each approach. The long-term projections and premium rate increase scenarios through FY28 were outlined 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.

#### **FSA, PRE-TAX COMMUTER, AND COBRA REQUEST FOR PROPOSAL (RFP) SUMMARY – MICHELLE GAST, WTW**

Michelle Gast reviewed the Proposal Review Committees (PRCs) summary, findings, and recommendation for the FSA, Pre-Tax Commuter, and COBRA administration RFP. Committee members were provided with additional information on participation in these programs.

#### **APPROVAL OF THE PRC RECOMMENDATION FOR FSA, PRE-TAX COMMUTER, AND COBRA ADMINISTRATION SERVICES**

A MOTION was made by Shaun O'Brien and seconded by Acting Director Stewart to approve the PRC recommendation to the SEBC as follows:

- SBO to begin the negotiation of a contract with ASIFlex for the Flexible Spending Account Program, Pre-Tax Commuter Program, and COBRA Administration for an initial three-year term, effective July 1, 2025 through June 30, 2028, with two optional one-year extensions.
- As ASIFlex had a lower score for their Tools and Technology, SBO should engage in discussions with ASIFlex to review their claim substantiation process and explore opportunities to enhance and streamline the experience of our members.
- SBO should negotiate with ASIFlex, the claim processing performance guarantee to at least match the current contract.

MOTION ADOPTED UNANIMOUSLY.

#### **EMPLOYEE ASSISTANCE PROGRAM (EAP) REQUEST FOR PROPOSAL SUMMARY – JACLYN IGLESIAS, WTW**

Jaclyn Iglesias reviewed the Proposal Review Committees (PRCs) summary, findings, and recommendation for the Employee Assistance Program (EAP) RFP.

#### **APPROVAL OF THE PRC RECOMMENDATION FOR AN EMPLOYEE ASSISTANCE PROGRAM (EAP)**

A MOTION was made by Acting Director Stewart and seconded by Commissioner Navarro to approve the PRC recommendation to the SEBC as follows:

- That Health Advocate provide the best value for the State of Delaware to continue to offer EAP services under a traditional EAP model consistent with the EAP benefits available currently.
- That SBO begin the negotiation of a contract with Health Advocate for the Employee Assistance Program for an initial three-year term, effective July 1, 2025 through June 30, 2028, with two optional one-year extensions. The EAP services shall remain the same as currently available including the ability for a participant to receive up to 5 sessions per EAP covered service.
- That the following be included in the contract negotiations:
  - o Implementation efforts which include communications and brand awareness to eligible participants in advance of the effective date.
  - o SBO and Health Advocate will explore and to the extent feasible implement options: to reduce the average 2-3 day timeframe between participant intake and provider appointment, to develop an intake process specific to identifying participants requiring medication management with direct access to qualified providers that specifically address participants' needs.
  - o SBO and Health Advocate will explore the addition of an eligibility file feed.
  - o As requested by Treasurer Davis, SBO and Health Advocate will explore the capability and options to collect user feedback.

MOTION ADOPTED UNANIMOUSLY.

**GROUP ACCIDENT AND CRITICAL ILLNESS SUPPLEMENTAL INSURANCE REQUEST FOR PROPOSAL SUMMARY – MICHELLE GAST, WTW**

Michelle Gast reviewed the Proposal Review Committees (PRCs) summary, findings, and recommendation for the Group Accident and Critical Illness Supplemental Insurance RFP.

**APPROVAL OF THE PRC RECOMMENDATION FOR GROUP ACCIDENT AND CRITICAL ILLNESS SUPPLEMENTAL INSURANCE**

A MOTION was made by Acting Director Stewart and seconded by Lieutenant Governor Hall-Long to approve the PRC recommendation to the SEBC as follows:

- SBO to begin the negotiation of a contract with Securian for the Group Accident and Critical Illness Supplemental Insurance for an initial three-year term effective July 1, 2025 through June 30, 2028, with two optional one-year period extension.
- In an effort to align with the SEBC's Strategic Framework, which encourages GHIP members to use the most appropriate sites of care, SBO should engage in discussion with Securian regarding the e payment amounts issued for initial treatment of a covered accident in the physician's office/urgent care and the emergency room as outlined under the Accident Insurance benefit.

**DISCUSSION ON THE MOTION.**

Shaun O'Brien expressed concern over bullet 2 of the PRC recommendation stating that accident insurance is a lump sum payout and is not contingent on healthcare that is provided.

After further discussion, bullet 2 was modified to the following: SBO and Securian, as part of the contract negotiations, will review the SEBC Strategic Framework goals with regards to appropriate use of sites of care and the current Accident Insurance benefit payment structure for treatment of a covered accident in the physician's office/urgent care and emergency room. Any recommended changes to the current Accident Insurance benefit payments resulting from the review should be reviewed and approved by the SEBC.

MOTION ADOPTED UNANIMOUSLY.

**EXECUTIVE SESSION**

A MOTION was made by Shaun O'Brien and seconded by Treasurer Davis to move into Executive Session at 3:03 p.m. MOTION ADOPTED UNANIMOUSLY.

The Public Session resumed at 3:28 p.m.

**OTHER BUSINESS**

No Other Business.

**ADJOURNMENT**

A MOTION was made by Shaun O'Brien and seconded by Acting Director Stewart to adjourn the public session at 3:33 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