

The State of Delaware

GHIP Strategic Framework – Introduction and Overview

State Employee Benefits Committee Meeting

September 29, 2025

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Overview of the GHIP Strategic Framework

- The State Employee Benefits Committee has adopted the **Group Health Insurance Plan (GHIP) Strategic Framework** to outline GHIP goals and guiding principles
- Framework includes:
 1. **Mission statement** – unchanged since originally adopted in December 2016
 2. **Goals** – last updated in December 2023, uses FY2023 data as baseline for measurement
 3. **Strategies** – last updated in December 2023, based on goals
 4. **Tactics** – last updated in December 2023, based on strategies
- The four-part format of the Framework¹ reflects preferences of SEBC members from 2016; to date, SEBC has not opted to streamline this format

Mission Statement:

Offer State of Delaware employees, retirees and their dependents adequate access to high quality healthcare that produces good outcomes at an affordable cost, promotes healthy lifestyles, and helps them be engaged consumers.

Purple text = core concepts defined further in Appendix

Purpose - provide SBO guiding principals supporting:

- Evaluation of GHIP's coverages and design against innovations in the employer sponsored healthcare benefits space
- Measurement of program goals against established benchmarks
- Development of thoughtful RFPs and recommendations that encourage progress towards agreed upon priorities

¹ The current GHIP Strategic Framework can be found here: <https://dhr.delaware.gov/benefits/sebc/documents/strategic-framework.pdf?ver=0117>

Goal #1: Drive Utilization in Alternative Payment Models

Increase proportion of medical spend to providers who are compensated for the quality, not quantity, of care delivered

Using the Alternative Payment Model (APM) Framework and FY2023 medical spend as a baseline¹, increase GHIP spend through advanced APMs² to be at least the following by the end of FY2025 (as % of total spend):

- Category 3: 50%
- Category 4: 5%

Strategies	Tactics
<ul style="list-style-type: none">▪ Continue to support the DHIN, including encouraging participation by Highmark and Aetna, and other data-driven approaches to provider care delivery▪ Continue to support efforts of the GHIP third-party administrators (TPAs) to establish advanced APM contracts (e.g., bundled payments, shared savings with downside risk, global budgets) with Delaware providers▪ Continue to ensure members are aware of how to find high quality, high value providers▪ Consider opportunities to partner directly with Delaware providers to promote greater adoption of advanced APMs▪ Continue to evaluate opportunities to drive a higher proportion of GHIP spend from retrospective payments for quality care delivered (Category 3) to prospective payments for care and/or global budgets (Category 4)	<ul style="list-style-type: none">▪ Continue to require medical TPAs to submit GHIP claim data to the DHIN and to the Delaware Office of Value Based Health Care Delivery▪ Leverage the Delaware Health Care Claims database and other publicly available sources of data (e.g., RAND³, NASHP³) to compare cost across other state populations▪ Explore ways to hold the GHIP TPAs accountable for expanding their pay-for-value contracts with providers▪ Continue to offer access to providers who deliver high-quality, cost-efficient health care (e.g., Centers of Excellence)▪ Continue to promote educational tools and resources that help members identify high quality, high value providers▪ Continue to periodically evaluate the readiness of the provider marketplace in Delaware to assume additional financial risk▪ Work with providers and TPAs to ensure non-claims payments are collected and reported to the DHIN, the GHIP health care claims data warehouse and the Delaware Office of Value Based Health Care Delivery

¹ FY22 results reported in January 2023: Medical spend in advanced APMs – Category 3 – 36%, Category 4 – 1%. Based on GHIP-specific data provided by Highmark and Aetna.

² Defined by the APM Framework as Category 3 and Category 4 models.

³ RAND is a research organization that develops solutions to public policy challenges (<https://www.rand.org/>) | NASHP = National Academy for State Health Policy (<https://nashp.org/>)

Goal #2: Reduce Costs for Target Conditions

Reduce cost to the plan and to participants who have diabetes, behavioral health and musculoskeletal conditions	<p>Reduce per-member-per-month (PMPM) cost trend for the GHIP and for plan participants for the following conditions by the end of FY2025, using FY2023 spend as a baseline:</p> <ul style="list-style-type: none">▪ Diabetes: 8% for the GHIP / 0.33% for plan participants▪ Behavioral health: 0.5% for the GHIP / 0.02% for plan participants▪ Musculoskeletal: 2% for the GHIP / 0.08% for plan participants <p><i>Note: Target cost trend reduction for plan participants reflects the GHIP weighted average actuarial value of approximately 96%; i.e., for every \$1.00 spent on healthcare by GHIP participants, the State pays \$0.96 toward the cost and plan participants pay the remainder.</i></p>
Strategies	Tactics
<p><i>In addition to those noted in goal #1:</i></p> <ul style="list-style-type: none">▪ Continue to leverage vendor-provided and community-based prevention and lifestyle risk management programs for diabetes and behavioral health conditions▪ Continue to explore ways to expand access to behavioral health care, including reducing and/or removing financial barriers for plan participants▪ Continue to promote use of Centers of Excellence for treatment of musculoskeletal conditions▪ Continue to encourage member awareness and use of self-care resources and lifestyle risk reduction programs for these conditions to promote healthy lifestyles▪ Leverage data on GHIP member demographics (where available) and social determinants of health to identify specific population segments and their unique needs to inform future program offerings and member communications/outreach to address health disparities▪ Continue to explore opportunities to expand access to primary care for GHIP participants and support the efforts of Delaware’s Primary Care Reform Collaborative	<ul style="list-style-type: none">▪ Continue to offer condition-specific resources for diabetes and metabolic syndrome through the State Group Health plan (e.g., Livongo, Transform Diabetes Care, Diabetes Prevention Program, Aetna One Advocate, Highmark CCMU), including coverage of select diabetes prescriptions and supplies at no cost to members, to support healthy lifestyles▪ Continue to offer access to physical therapy in multiple formats (e.g., in-person, virtual through Hinge Health)▪ Continue to engage with the Delaware Chiropractic Network on collaborative efforts to make GHIP members aware of the benefits of chiropractic care and the services covered under the GHIP▪ Continue to evaluate solutions available through the GHIP TPAs and other third-party vendors to supplement the network of behavioral health providers available to members▪ Continue to measure GHIP use, cost and outcomes from weight management drugs▪ Continue to educate members on the availability of preventive care and condition-specific resources to support lifestyle risk reduction through the GHIP and other community resources (e.g., hospital-based health and wellness courses, Delaware’s Help is Here for addiction support)▪ Continue to measure condition-specific disease prevalence, medical service/Rx utilization and cost ongoing vs. baseline▪ Continue to monitor emerging areas of GHIP spend such as treatments for obesity for consideration of expanding this goal in the future

Goal #3: Target High Cost/Low Value Care

Limit health care cost inflation through targeted reduction in high cost, low value services and providers	<p>Limit total cost of care inflation for GHIP participants at a level commensurate with the Health Care Spending Benchmark by the end of FY2025 by focusing on specific components, which are inclusive of, but not limited to:</p> <ul style="list-style-type: none">▪ Outpatient facility costs▪ Inpatient facility costs▪ Pharmaceutical costs▪ Bariatric surgery costs
Strategies	Tactics
<p><i>In addition to those noted in goal #1:</i></p> <ul style="list-style-type: none">▪ Continue managing GHIP TPAs and medical/Rx coverage provisions to encourage use of the most appropriate sites of care and/or types of treatment for members' individual health needs▪ Continue to offer and promote resources that will support member efforts to improve and maintain their health▪ Continue to monitor GHIP claims experience to identify areas of unnecessary utilization▪ Continue to promote use of Centers of Excellence for bariatric surgery▪ Continue to monitor opportunities for carving out coverage of additional services to Centers of Excellence beyond bariatric surgery based on cost, access and utilization by GHIP participants	<ul style="list-style-type: none">▪ Evaluate competitiveness of GHIP medical and Rx vendors' pricing for covered services and drugs against their competitors▪ Continue to measure and report on utilization of various sites of care for similar services, low value services and preventable services (e.g., "never events") to identify areas of unnecessary utilization and lower quality providers▪ Continue to explore, implement and promote medical TPA programs and plan designs that help steer members to most appropriate sites of care (without impacting quality of care delivered)▪ Continue to educate GHIP members on lower cost alternatives to the emergency room for non-emergency care (e.g., telemedicine, urgent care centers, retail clinics)▪ Continue to educate members on the availability of GHIP care management and lifestyle risk reduction programs▪ Continue to monitor utilization of the third-party Centers of Excellence benefit and drive engagement through additional member education and ongoing review of incentives▪ Continue to evaluate the cost and implications for the GHIP to voluntarily comply with Delaware's Primary Care law▪ Explore and implement programs related to utilization of various sites of care for similar services

Goal #4 -Participant Engagement

Offer and increase engagement in tools that help plan participants use their health care benefits effectively	In light of the GHIP’s changing demographic profile, strive for an incremental increase in unique users utilizing a specific point-of-enrollment and/or point-of-care engagement platform / consumerism tool by at least 5% annually.
Strategies	Tactics
<ul style="list-style-type: none">▪ Continue to drive GHIP members’ engagement in their health and benefit coverage decisions▪ Continue to ensure members understand benefit offerings and value provided▪ Continue to promote and educate members on the importance of using decision support tools for plan selection and provider price/quality comparison▪ Consider ways to meaningfully differentiate the GHIP medical plan options to meet the diverse needs of GHIP participants, and targeted programs to support special needs▪ Monitor and evaluate opportunities with the State’s benefit vendors that extend beyond just health plan consumer decision support	<ul style="list-style-type: none">▪ Continue to promote health care consumerism and the importance of making informed decisions when enrolling in or changing benefits▪ Continue to communicate the value of benefits provided along with member education resources▪ Steer new employees to these tools▪ Explore and implement new decision support tools and/or engagement solutions as the vendor marketplace for these continues to evolve▪ Periodically evaluate opportunities for changes to GHIP medical plan options and price tags, to encourage meaningful differences to prompt a greater need for members to utilize decision support

Long-term planning opportunities for FY2026 – FY2029

- Long-term planning opportunities represent strategies and tactics to support Strategic Framework goals
- Often these long-term opportunities may support one or more Strategic Framework goal
- SEBC's interest and feedback obtained through the development of the FY2026 Strategic Framework will guide the exploration of any long-term opportunities in greater depth
- Below is a preliminary list of opportunities to consider for FY2026 – FY2029

Initial list of opportunities for FY2026 – FY2029

Expand role of center-of-excellence partner Lantern and/or consider additional site-of-care steerage strategies

Evaluate member care navigation and cost transparency vendors

Enhanced GLP-1 utilization management

Understand Hospital/Facility price comparisons of DE to other states/benchmarks

Consider implementing a high-deductible health plan with an HSA ("HSA plan") in new TPA contract effective 7/1/2027

Evaluate alternative plan designs/network strategies via medical carrier RFP

Update conditions of focus per recent GHIP claims experience

Establish direct contracting with pharmaceutical manufacturers for certain drugs

Next steps

- SEBC to review results from FY2024 and FY2025 strategic framework and continue discussing FY2026 – FY2029 Strategic Framework at the October meeting
- December SEBC Meeting: WTW to present updated 2026 Framework reflecting SEBC feedback from the October and November meetings and the SEBC to consider voting to adopt updated version of the GHIP Strategic Framework presented

Appendix

GHIP mission statement

Core concepts defined

*Offer State of Delaware employees, retirees and their dependents **adequate access** to **high quality healthcare that produces good outcomes** at an **affordable cost**, promotes **healthy lifestyles**, and helps them be **engaged consumers**.*

Core Concept	Definition
Adequate access	Access to various types of healthcare providers that meets generally accepted industry standards (e.g., x number of y PCPs, specialists, hospitals within z miles of GHIP participant’s home zip code).
High quality healthcare that produces good outcomes	Healthcare that meets nationally recognized standards of care established by various governmental and non-governmental health care organizations (e.g., AHRQ, NCQA, The Leapfrog Group). ¹
Affordable cost	Annual health care cost trend that is lower than national average for both GHIP participants and the State. For GHIP participants, at minimum, medical plans meet the minimum value and affordability requirements under PPACA; cost reflects both out-of-pocket cost sharing via plan features and employee payroll contributions. For the State, program costs are monitored and budgeted to promote greater fiscal certainty.
Healthy lifestyles	Combination of behaviors that reduce health risk factors, including regular exercise, proper nutrition, avoidance of tobacco, moderation of alcohol use, preventive care, and active management of chronic conditions.
Engaged consumers	GHIP members who have taken ownership of their health by using all available resources provided by the State (e.g., provider cost/quality data, SBO consumerism website and online training course) to make informed decisions on how, where and when they seek care.

¹ AHRQ = Agency for Healthcare Research and Quality, a Federal agency within the U.S. Department of Health and Human Services (HHS).
NCQA = National Committee for Quality Assurance, a 501(c)(3) not-for-profit organization.
The Leapfrog Group is a nonprofit watchdog organization and a national advocate of hospital transparency in cost, quality and safety data to support informed decision-making among healthcare consumers.