

**MINUTES FROM THE MEETING OF THE STATE EMPLOYEE BENEFITS COMMITTEE  
November 25, 2025**

The State Employee Benefits Committee (the “Committee”) met at 2:00 p.m. on November 25, 2025. The meeting was held virtually and in person at 841 Silver Lake Boulevard, Suite 200, Dover, DE 19904.

*Committee Members Represented or in Attendance:*

Director Brian Maxwell, Office of Management & Budget (“OMB”), SEBC Chair  
Treasurer Colleen Davis, State Treasurer, Office of the State Treasurer (“OST”), Vice Chair  
Secretary Yvonne Gordon, Department of Human Resources (“DHR”)   
Lieutenant Governor Kyle Gay, Office of the Lt. Governor  
Secretary Christen Linke Young, Department of Health and Human Services, (“DHSS”)   
Commissioner Trinidad Navarro, Insurance Commissioner, Department of Insurance (“DOI”)   
Evelyn Nestlerode, Deputy State Court Administrator, Chief Justice of the Supreme Court Collins Seitz  
Designee, Administrative Office of the Courts (“AOC”)   
Paul Baumbach, President of the Delaware State Troopers Association (“DSTA”) Designee  
Jeff Taschner, Executive Director, Delaware State Education Association (“DSEA”)   
Karen Peterson, State Retiree Representative  
Bill Oberle, State Retiree Representative  
Controller General Ruth Ann Miller, Office of the Controller General (“OCG”) – Non-Voting Member

*Others in Attendance*

Director Stephanie Hartos, SBO, DHR  
Kristin Short, SEBC/Subcommittee Manager, SBO, DHR  
Leighann Hinkle, Deputy Director, SBO, DHR  
Michelle Whalen, Deputy Attorney General, DOJ, SEBC Legal Counsel  
Ashli Warman, SBO, DHR  
Alex Shull  
Andrea Godfrey, OMB  
Ann Vasalli  
Barbara Philbin  
Bob Clarkin  
Brian Holloran  
Brian Stitzel  
Brian Tinsley  
Charlene Hrivnak  
Corey Deck  
Cristine Vogel, DOI  
Eric Poston  
George Scheppler  
Helene Diskau  
Hope Manion  
Jason Swanson  
Jennifer N. Moyer  
John Van Gorp

Katherine P. Impellizzeri  
Lakisha M. Thompson, OMB  
  
Linda Chapman, Courts  
Mark Brainard, Lt Governor  
Michelle Carpenter, OMB  
Nancy Colley  
Nina Figueroa, SBO, DHR  
Pam Barr, SBO, DHR  
Pati Nash  
Paula Roy  
Randy Garcia  
Randall W. Bryniarski  
Rebecca Scarborough  
Ryan Carling  
Sachi Bharti  
Samantha Mountz, SBO, DHR  
Sara Dunlevy  
Sean Connolly  
Stephenie A. Tatman, OPeN  
Steve LePage  
Suzanne Milewski, OMB  
Tanner Polce  
Tashona James, OMB  
Timothy Vessel, Highmark BCBSDE Inc

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**STATE OF DELAWARE STATEWIDE BENEFITS OFFICE**

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Tom Pledgie  
Walter Mateja, Merative  
Grant Brunner, SBO, DHR

Wendy M. Beck, Highmark BCBS Inc  
Danielle Cross, SBO, DHR, Recorder

**CALLED TO ORDER – DIRECTOR BRIAN MAXWELL, OMB**

Director Maxwell officially called the meeting to order at 2:00 p.m.

**APPROVAL OF OCTOBER 28, 2025, SEBC MEETING MINUTES – DIRECTOR BRIAN MAXWELL, OMB**

A MOTION was made by Secretary Gordon and seconded by Treasurer Davis to approve the public session minutes from October 28, 2025, meeting of the State Employee Benefits Committee (SEBC). Deputy State Court Administrator Nestlerode abstained. MOTION ADOPTED.

**STATEWIDE BENEFITS OFFICE DIRECTOR’S REPORT – DIRECTOR STEPHANIE HARTOS, SBO, DHR**

Director Hartos opened her report with Request for Proposals (RFP) updates. The SBO received five proposals for the Health Data Warehouse RFP: Artemis Health, Certilytics, Merative, Onpoint Health Data, and UPMC Work Partners. All five vendors met the minimum requirements and will move forward with Proposal Review Committee (PRC) interviews and evaluation. The first PRC meeting is scheduled for December 8, 2025.

For the Vision Benefits RFP, the PRC continues to evaluate proposals from three finalists: EyeMed, MetLife, and VSP Vision Care. Interviews were completed in early November, and the last PRC meeting is scheduled for December 11, 2025. The PRC recommendation is anticipated to be ready for review at the January 26, 2026 SEBC meeting.

Director Hartos provided several Committee updates. Beginning January 2026, SEBC monthly meetings will be held on Mondays from 10:00am to 12:00pm. The full 2026 meeting schedule is posted on the SEBC website and Public Meetings Calendar. Meetings will continue to be held in a hybrid format.

SEBC agendas no longer indicate voting items with asterisks; items with an anticipated vote will be described as “Approval of \_\_\_\_\_” in the title of the agenda item. The SEBC retains full authority to vote on any item listed on an agenda regardless of whether approval is listed in the title. All SEBC agendas have been, and continue to be, compliant with FOIA public meeting requirements.

To comply with new federal and state accessibility requirements, real-time captions are now shown on screen to ensure that SEBC meetings are as accessible as possible. As such, in-person attendees should state their names when they speak for clarity in the transcript.

**MEDICAL THIRD-PARTY ADMINISTRATOR (TPA) SERVICES REQUEST FOR PROPOSAL (RFP) - SCOPE OF WORK – HOPE MANION, WTW**

Hope Manion presented the draft scope of services for the upcoming Medical Third-Party Administrator (TPA) RFP. The presentation included a review of current GHIP medical plan administration by Aetna and Highmark, populations served, and proposed modifications to the upcoming RFP scope of services. GHIP remains self-insured, with carriers providing nationwide network access, claims adjudication, administrative support services, and care management programs.

*Secretary Linke Young arrived at 2:10 p.m.*

Proposed scope includes evaluating a High-Deductible Health Plan option compatible with a Health Savings Account (HSA), enhancing audit and real-time data exchange capabilities, requiring stronger interoperability with the Health Data Warehouse and Lantern, and maintaining flexibility for potential care management carve-outs. Additional areas of focus include exploring receipt of rebates for specialty drugs billed under the medical benefit, reviewing air ambulance coverage and pricing, exploring enhanced cancer support solutions, and

incorporating compliance requirements for accessibility, upcoming and current legislation, and federal requirements such as the Mental Health Parity and Addiction Equity Act (MHPAEA).

The draft scope emphasizes accountability, competitive pricing, and outcomes-focused vendor performance, including the ability to support alternative payment models, integration with GHIP vendor partners, and member navigation tools that encourage high-quality and cost-effective care.

Committee members raised questions and recommendations regarding network performance transparency, expanding value-based care, and improving insights into medical cost differences between TPAs. Members discussed inclusion of retirees in communication requirements, review of direct-contracting and reference-based pricing approaches, and future reporting that breaks out GHIP medical spend by TPA to assess pricing variance. Commissioner Navarro recommended inviting Office of Value Based Health Care Delivery (OVBHCD) Director, Cristine Vogel, to provide an overview of alternative payment models and reference-based pricing at a future SEBC meeting.

SBO and WTW will incorporate SEBC feedback into the draft scope of services. The full Medical TPA RFP will be reviewed by the Committee in March 2026, with anticipated approval in April 2026.

#### **FINANCIALS— BRIAN STITZEL, WTW**

##### *October 2025 Fund Report and Financial Update*

Brian Stitzel presented the Fund Report and financial update through October 2025. Results for the month were approximately \$13 million favorable to budget overall. Premium contributions were slightly below budget, other revenues out-performed budget expectations by approximately \$7.7 million, and claims were below budget by approximately \$5.7 million. Pharmacy claims continue to be lower than budget, driven by reduced GLP-1 utilization following the July 1, 2025 formulary change. While Wegovy utilization has continued, the expected full transition from Zepbound has not materialized. Year-to-date results continue to trend favorably, and current projections indicate the GHIP remains on track to finish FY26 on budget.

Committee members asked questions regarding GLP-1 trends in diabetes versus obesity indications, member retention following plan exits (such as the University of Delaware), and the imbalance in cost experience between actives, pre-65 retirees, and Medicare retirees. Mr. Stitzel confirmed that budget projections incorporate known group departures.

#### **GHIP STRATEGIC FRAMEWORK – HOPE MANION, WTW**

Hope Manion presented key updates to the GHIP Strategic Framework, outlining proposed priorities to improve member health, ensure high-quality and cost-effective care, and strengthen transparency and accountability. Focus areas include improving primary care engagement and preventive care, expanding value-based payment adoption, evaluating the addition of an HSA-compliant plan option, and intensifying pharmacy management strategies — particularly related to GLP-1 utilization and rising specialty drug costs.

The proposed framework also emphasizes vendor optimization through the Medical TPA and PBM procurements, enhancements in data analytics and performance reporting, and expanded evaluation of social determinants of health to improve equity and member outcomes.

Committee Members discussed managing high-cost conditions, improving provider accountability, and supporting lower long-term healthcare costs, along with enhancing value-based care and member engagement.

WTW will continue to refine the framework based on Committee feedback. A revised version will be brought back to the SEBC for further review at a future meeting.

#### **GHIP SAVINGS OPPORTUNITIES**

*Lantern Surgeons of Excellence – Incentive Structure – Hope Manion, WTW*

Hope Manion presented proposed changes to the Lantern Surgeons of Excellence incentive structure to support improved outcomes and reduce total cost of care. Recommendations include:

- Reducing incentives for Joint and Spine procedures from \$4,000 to \$3,000, which would remain the second-highest incentive among Lantern clients
- Increasing incentives for Cardiac procedures from \$2,000 to \$3,000 to encourage greater utilization of these higher-value case types
- Aligning Gynecologic procedure incentives with Tier C at \$1,000, consistent with procedures primarily used by male members

Committee members discussed maintaining a balance between cost savings and preserving meaningful incentives that encourage members to select high-quality, lower-cost providers. SBO shared that travel costs associated with COE utilization are historically minimal but will be further evaluated. Members also requested continued monitoring of clinical outcomes, complications, and avoided procedures to validate value delivered through the program.

SBO and WTW will continue evaluating the outcomes and complication rates for procedures compared to Highmark and Aetna and return to the Committee with further findings at a future meeting.

*Coverage of Weight Loss Medications (GLP-1s) – Brian Stitzel/Brian Holloran, WTW*

Brian Holloran and Brian Stitzel provided an update on obesity-related GLP-1 utilization and market developments. The Committee reviewed strategies being implemented in other states, including higher BMI thresholds, required enrollment in weight management programs, and increased cost-sharing when members are not actively engaged. Federal announcements regarding pricing reductions and anticipated approvals of new oral medications may shift cost dynamics in the coming years but continue to introduce uncertainty in commercial plan budgeting.

WTW reviewed current GHIP coverage criteria and updated FY26 projections, noting that spending has moderated due to lower-than-expected transitions from Zepbound to Wegovy following CVS's July 1, 2025 formulary change. Revised estimates reflect significantly reduced near-term costs; however, long-term affordability concerns remain, with obesity-related GLP-1s continuing to represent a major cost driver.

WTW also presented potential FY27 – FY29 savings scenarios if coverage for GLP-1s used solely for weight loss were discontinued beginning July 1, 2026, while maintaining coverage for diabetes and other non-obesity indications.

Committee discussion followed. Committee Members raised concerns about members discontinuing therapy due to high out-of-pocket costs and the clinical risks of weight-regain after treatment interruption. Several members requested modeling of potential cost impacts for Medicare retirees and exploration of structured, vendor-supported weight-loss programs as alternatives to sole reliance on medications. Members emphasized the need for proactive planning, transparency in cost projections, and early communication to affected members if benefit changes are considered.

SBO confirmed that weight management program options are being evaluated with current vendors and will provide the Committee with those proposals once available... Further analysis will be presented at a future meeting at the request of the Committee.

**PUBLIC COMMENT**

A member of the public provided comments regarding retiree healthcare cost considerations and communication with plan members.

**ADJOURNMENT**

A MOTION was made by Retiree Representative Peterson and seconded by Treasurer Davis to adjourn the public session at 4:40 p.m. Motion was adopted unanimously.

Respectfully submitted,

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Danielle Cross, Statewide Benefits Office, Department of Human Resources,  
Recorder, State Employee Benefits Committee, and Subcommittees