



**MINUTES FROM THE MEETING OF THE STATE EMPLOYEE BENEFITS COMMITTEE
March 9, 2026**

The State Employee Benefits Committee (the “Committee”) met at 9:00 a.m. on March 9, 2026. 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
State Treasurer Colleen Davis, 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”)
Ashley Tucker, 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	Ashli Warman, DHR
Deputy Director Leighann Hinkle, SBO, DHR	Christina Haas, DOI
Kristin Short, SEBC/Subcommittee Manager, SBO, DHR	Sarah A. Russell, OMB
Michelle Whalen, Deputy Attorney General, DOJ, SEBC Legal Counsel	LeVar Johnson
Deputy Director Ann Visalli, OMB	Heather Signorelli, WTW
Bob Clarkin	Jessica M. Perrine, DNREC
Jeffrey C. Dill	Kristin McKee, WTW
Michelle Gast, WTW	Wendy M. Beck, Highmark BCBSD Inc.
Brianna Jones, DHSS	Chris Giovannello
Brittany J. Ford, DHR	Hope Manion, WTW
Kristal Diaz, OPEN	Dave Orendorf, WTW
Pamela C. Barr, DHR	Evelyn Nestlerode, Courts
Heather M. Johnson, DHR	Sean Finnigan
William Fayson, OPEN	Joanna Adams, OPEN
Michael Delano	Monique Cote
Charlene Hrivnak, CVS	Timothy Vessel, Highmark BCBSD Inc.
Walter Mateja, Merative	Joanna Duncan
Tashona James, OMB	Stephanie Henderson, DOS
Kathy Nedelka, OMB	Timothy P. Lyden
Mark Brainard, Office of the Lt. Governor	Colinda Marker, LegHall
Brian Stitzel, WTW	Jade Losh, DHSS
Cristine Vogel, DOI	Eric Poston, Merative
Aviva Ariel-Donges, Clutch Health	Kennadie Cook, DOI
	Michele Williams, DHR
	John J. Gadzinski, Highmark BCBSD Inc.

STATE OF DELAWARE STATEWIDE BENEFITS OFFICE

Robert Scoglietti, LegHall
Barbara Philbin
Lauren Sokola
Sarah Stowens, Lt. Governor
Melissa Marlin, OMB
Sara Dunlevy, CVS
Joanne White, DHSS
Corey Deck, WTW
Kristin Dwyer, Nemours
Jules Villecco, DHA
Bente Bouthier
Stephenie A. Tatman, OPEN
Christina Bryan, DHA
Carole Ann Mick, DHR
Roxana Shaffe
Ken Bullwinkle
Daniel Arndt, DHSS
Peggy Anderson
David S. Kohan
Alex Shull
Angela Taylor, DHSS
Nicholas J. Konzelman, OMB
Debra Gerardi, OMB
Sally Fintel
Dawn Warman, DHR
Michelle Carpenter, OMB
Suzanne Milewski, OMB
Meagan Iwaskiewicz, OPEN
Lucinda Lombardelli, OMB

Tonia Muncey, DSCYF
John Petersen, DSHS
Jen Rini, DHA
Carrie Schiavo
Kevin Myers, Office of the Governor
Jennifer N. Moyer, Aetna
Lakisha M. Thompson, OMB
Mark A. Miller, DTI
Ryan Smith
Marie Hartigan, DHR
Amy Desmond
Sophia Vassar, LegHall
Andrea Godfrey, OMB
Ashley Blok, DHR
Jon Patterson, LegHall
Randy Garcia
Alexandra Southerst, LegHall
Michele Bruner, DHSS
Karin Faulhaber, OMB
Rebecca Byrd
Evan Park
Jared Aupperle
Marie Pinkney, LegHall
Melissa Minor-Brown, LegHall
Nicole Freedman
Nina Figueroa, DHR
Charles Harmon, DNREC
Grant Brunner, DHR
Danielle Cross, SBO, DHR, Recorder

CALLED TO ORDER – DIRECTOR BRIAN MAXWELL, OMB

Director Maxwell officially called the meeting to order at 9:00 a.m.

Lt. Gov Gay joined the meeting at 9:02 a.m.

APPROVAL OF FEBRUARY 13, 2026, SEBC MEETING MINUTES – DIRECTOR BRIAN MAXWELL, OMB

A MOTION was made by State Retiree Karen Peterson and seconded by DSEA Executive Director Jeff Taschner to approve the public session minutes from the February 13, 2026 meeting of the State Employee Benefits Committee with the addition that 15 written public comments were received regarding changes to coverage for GLP-1 weight loss medications.

Roll Call Vote:

- Director Brian Maxwell – Yes
- Treasurer Davis – Yes
- Secretary Gordon – Yes
- Lt. Gov. Gay – Yes
- Ashley Tucker – Yes
- Secretary Young – Yes
- Paul Baumbach – Yes
- Commissioner Navarro – Yes

- Jeff Taschner – Yes
- Karen Peterson – Yes
- Bill Oberle – Yes

MOTION ADOPTED by roll call.

APPROVAL OF FEBRUARY 13, 2026, SEBC EXECUTIVE MEETING MINUTES – DIRECTOR BRIAN MAXWELL, OMB

A MOTION was made by State Retiree Karen Peterson and seconded by Lt. Gov. Gay to approve the executive session minutes from February 13, 2026 meeting of the State Employee Benefits Committee (SEBC).

Roll Call Vote:

- Director Brian Maxwell – Yes
- Treasurer Davis – Yes
- Secretary Gordon – Yes
- Lt. Gov. Gay – Yes
- Ashley Tucker – Yes
- Secretary Young – Yes
- Paul Baumbach – Yes
- Commissioner Navarro – Yes
- Jeff Taschner – Yes
- Karen Peterson – Yes
- Bill Oberle – Yes

MOTION ADOPTED by roll call.

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

Director Hartos provided an update that the Statewide Benefits Office (SBO) is currently working with vendors to execute contracts and amendments applicable for Fiscal Year 2027. The State is entering Year 5 of its agreements with Delta Dental and Dominion National while a procurement process will take place this summer for new contracts effective Fiscal Year 2028. Although the SBO requested they maintain the current rates, based on an incurred claims analysis conducted by the dental vendors, both vendors have elected to implement the allowable premium increase under the contract effective July 1, 2026. The increase for the Delta Dental PPO plan will range from \$1.16 per month for employee only coverage to \$3.86 per month for family coverage. The Dominion National DHMO increase will range from \$0.86 per month for employee-only coverage to \$2.34 per month for family coverage. These changes will be communicated to members prior to the May 2026 Open Enrollment period.

Director Hartos provided updates regarding participating groups in the State’s Group Health Insurance Plan. Beginning July 1, 2026, the Town of Ellendale will join the plan for medical, dental, and vision coverage and the Town of Wyoming will join the vision plan. The Town of Ocean View will terminate participation in the plan effective June 30, 2026.

Director Hartos discussed recent legislative activity that may impact the Committee and the Group Health Insurance Plan, specifically Senate Bill 1. The legislation would require, beginning in Fiscal Year 2029, that coverage be provided through a carrier whose payment for covered services does not exceed 250% of the Medicare reimbursement rate. The bill also includes provisions related to balance billing protections and beginning in Fiscal Year 2029 increasing primary care spending by 1% each year until it reaches 11.5% of total medical expenditures. Director Hartos noted that the projected net savings to the plan from the legislation is estimated at approximately \$159 million from Fiscal Year 2029 through Fiscal Year 2034.

ELECTION OF VICE CHAIR – DIRECTOR BRIAN MAXWELL, OMB

Director Maxwell informed the Committee that after the last meeting where the Vice Chair election was discussed he received outreach from two members, Treasurer Colleen Davis and DSEA Executive Director Jeff Taschner, with their interest in serving as Vice Chair for the upcoming year. Director Maxwell asked if there were any other eligible Committee members who were interested in serving and there were none. Director Maxwell allowed each interested member two minutes to tell the Committee why they would like to serve as Vice Chair and asked for a roll call vote.

Vote:

- Director Brian Maxwell – Treasurer Davis
- Treasurer Colleen Davis – Treasurer Davis
- Secretary Gordon – Treasurer Davis
- Lt. Gov. Gay – Treasurer Davis
- Ashley Tucker – Treasurer Davis
- Secretary Young – Treasurer Davis
- Paul Baumbach – Jeff Taschner
- Commissioner Navarro – Treasurer Davis
- Jeff Taschner – Jeff Taschner
- Karen Peterson – Jeff Taschner
- Bill Oberle – Jeff Taschner

Treasurer Colleen Davis was elected to serve as Vice Chair of the State Employee Benefits Committee for the one year term ending February 2027.

EXECUTIVE SESSION, HEALTH DATA WAREHOUSE (HDW) REQUEST FOR PROPOSALS (RFP) PROPOSAL REVIEW COMMITTEE (PRC) RECOMMENDATION

Director Maxwell stated that the next item on the agenda was to enter Executive Session pursuant to 29 Del. C. §10004(b)(6) to discuss the content of documents excluded from the definition of public record pursuant to 29 Del. C. §10002(o).

A MOTION was made by State Retiree Karen Peterson and seconded by Lt. Gov. Gay to move into the Executive Session at 9:28 a.m.

MOTION ADOPTED UNANIMOUSLY.

The Public Session resumed at 9:59 a.m.

APPROVAL OF HEALTH DATA WAREHOUSE (HDW) REQUEST FOR PROPOSALS (RFP) PROPOSAL REVIEW COMMITTEE (PRC) RECOMMENDATION – DIRECTOR BRIAN MAXWELL, OMB

A MOTION was made by State Retiree Karen Peterson and seconded by Commissioner Navarro to approve the Health Data Warehouse RFP PRC recommendation as presented in Executive Session.

Roll Call Vote:

- Director Brian Maxwell – Yes
- Treasurer Davis – Yes
- Secretary Gordon – Yes
- Lt. Gov. Gay – Yes
- Ashley Tucker – Yes
- Secretary Young – Yes
- Paul Baumbach – Yes

- Commissioner Navarro – Yes
- Jeff Taschner – Yes
- Karen Peterson – Yes
- Bill Oberle – Yes

MOTION ADOPTED by roll call.

FY27 PLANNING

Approval of FSA Dependent Care Contribution Max Increase – Heather Signorelli, WTW

Heather Signorelli presented an overview of the proposed increase to the Dependent Care Flexible Spending Account (DCFSA) maximum contribution limit for Plan Year 2027.

Ms. Signorelli noted that the Internal Revenue Service increased the statutory maximum contribution limit for DCFSA to \$7,500 effective January 1, 2026. Employers may adopt the full \$7,500 limit or establish a lower maximum contribution level.

Ms. Signorelli explained that increasing the contribution limit would allow employees to contribute additional pre-tax dollars toward eligible dependent care expenses. She also noted that higher contribution limits may create nondiscrimination testing considerations if participation among highly compensated employees exceeds allowable thresholds.

A MOTION was made by Lt. Gov. Gay and seconded by Secretary Young to approve the increase of the Dependent Care Flexible Spending Account maximum contribution limit to \$7,500 for Plan Year 2027.

Roll Call Vote:

- Director Brian Maxwell – Yes
- Treasurer Davis – Yes
- Secretary Gordon – Yes
- Lt. Gov. Gay – Yes
- Ashley Tucker – Yes
- Secretary Young – Yes
- Paul Baumbach – Yes
- Commissioner Navarro – Yes
- Jeff Taschner – Yes
- Karen Peterson – Yes
- Bill Oberle – Yes

MOTION ADOPTED by roll call.

Approval of Changes to Weight Loss Medication Coverage – Brian Stitzel, WTW

Brian Stitzel provided a follow-up presentation regarding coverage of GLP-1 medications for weight loss under the Group Health Insurance Plan (GHIP). Mr. Stitzel reviewed prior discussions from the February 13, 2026 SEBC meeting and provided updated information regarding manufacturer negotiations, rebate structures, copay assistance programs, and utilization trends.

Mr. Stitzel reported that utilization and costs associated with GLP-1 medications for weight loss have increased significantly since the benefit was initially implemented in July 2023. Updated projections estimate gross plan spending of approximately \$92.1 million for Fiscal Year 2026. He also noted that CVS continues to negotiate manufacturer rebates. The SBO met with drug manufacturer Novo Nordisk to discuss rebate improvement opportunities and the Wegovy Savings card; Novo Nordisk was not willing to increase rebates more than what was already proposed with CVS, nor would they commit in writing to maintaining the Wegovy Savings Card. Mr.

Stitzel also advised that manufacturer copay assistance programs are not guaranteed beyond calendar year 2026, although are unlikely to be discontinued. In addition, he addressed some concerns with member copays being variable based on employee salary as discussed at the previous meeting.

Mr. Stitzel reviewed several policy options for the Committee's consideration effective July 1, 2026, including eliminating coverage, implementing stand-alone or integrated copay structures of \$120, \$132 and \$200, removing prior authorization requirements in exchange for enhanced rebate pricing, or maintaining the current copay structure.

Committee members discussed the financial sustainability of the benefit, potential impacts to plan members, and considerations related to utilization management and long-term plan costs.

A MOTION was made by DSEA Executive Director Jeff Taschner and seconded by State Retiree Karen Peterson to continue coverage of GLP-1 medications for weight loss for the commercial population and effective July 1, 2026, implement a stand-alone copay of \$132 per month contingent upon the continued availability of the copay assistance program.

Roll Call Vote:

- Director Brian Maxwell – No
- Treasurer Davis – No
- Secretary Gordon – No
- Lt. Gov. Gay – No
- Ashley Tucker – No
- Secretary Young – No
- Paul Baumbach – Yes
- Commissioner Navarro – Yes
- Jeff Taschner – Yes
- Karen Peterson – Yes
- Bill Oberle – Yes

The motion failed.

Secretary Gordon made a motion, which was seconded by Lt. Gov. Gay, to adopt Option 2, implementing a stand-alone copay of \$200 per 30-day supply for weight loss GLP-1 medications, effective July 1, 2026, for the non-Medicare population. In addition, Secretary Gordon moved that the SBO provide robust communication to plan members regarding the copay change and promote available cost saving resources, including the Novo Nordisk Wegovy Savings Card and Health Care FSA options, to help members manage their out-of-pocket pharmacy costs.

Roll Call Vote:

- Director Brian Maxwell – Yes
- Treasurer Davis – Yes
- Secretary Gordon – Yes
- Lt. Gov. Gay – Yes
- Ashley Tucker – Yes
- Secretary Young – Yes
- Paul Baumbach – No
- Commissioner Navarro – Yes
- Jeff Taschner – No
- Karen Peterson – No
- Bill Oberle – No

MOTION ADOPTED by roll call.

Approval of Health Plan Premiums (Rates) – Brian Stitzel, WTW

Brian Stitzel presented updated financial projections related to the Fiscal Year 2027 premium rate action. Following the SEBC's recent decision to implement a \$200 copay for GLP-1 weight loss medications beginning in FY2027, the recommended rate action for all groups was adjusted from 4.2% to 2.2%.

A MOTION was made by Secretary Gordon and seconded by Secretary Young to approve the FY2027 health plan rates presented on Slide 9, implementing a 2.2% health plan premium increase for the non-Medicare health plans effective July 1, 2026, and the Medicfill Supplement plan effective January 1, 2027.

During discussion on the motion, Retiree Representative Bill Oberle stated that a Medicare population surplus offsets and helps fund the active and pre-Medicare retiree populations and requested the rationale behind increasing the rates for the Medicare population. Director Maxwell informed the Committee that the State is contributing \$197.1 million to the Medicare premiums, and the Medicare pensioner share is only \$10.4 million, thus the surplus in the plan is the State's surplus to use to cover health care costs in a plan that operates as a pool. Director Maxwell also noted that the pre-65 pensioners are operating at a deficit. Mr. Oberle stated that the data does not include what a pensioner pays to Medicare for parts A and B. Retiree Representative Karen Peterson stated that there are thousands of retirees that pay the full freight. SBO Director Stephanie Hartos provided data to the Committee stating that 194 Medicare pensioners are currently paying the full share of the premium (0.69%) due to those retirees having minimal years of State service prior to retirement.

Director Hartos stated that there are 28,127 Medicare retirees currently enrolled in the GHIP, and of that, 57% pay \$0 for their health plan premium under the State, and 30% pay 5% of their healthcare premium. She further stated that 90.4% (25,423) pay zero to 5% for their benefits under the GHIP, and 5.9% are paying 25% of the total premium (1,666 members). Retiree Representative Karen Peterson reiterated that thousands of retirees are paying all or part of the state's premiums.

Retiree Representative Bill Oberle emphasized reviewing cost distribution among retiree groups, noting pre-65 retirees drive higher costs. The Committee clarified it is voting on both Medicare retiree and non-Medicare/active employee rates for the upcoming plan year, with the projected increase reduced from 4.2% to 2.2% (e.g., a reduction from \$216 to \$113 per month for the highest cost non-Medicare family plan).

Retiree Representative Karen Peterson added that the State is charging the Medicare retirees for a drug that they are not even entitled to get (weight loss GLP-1s) along with other programs they are not entitled to. Treasurer Colleen Davis noted that similar population carve-outs, such as in vitro fertilization (IVF), have been addressed before, and emphasized that the Committee should focus on designing a plan that thoughtfully balances the specific needs of these groups with those of Delaware's broader population.

Discussion on the motion concluded and Director Maxwell asked the SBO to conduct a roll call vote.

Roll Call Vote:

- Director Brian Maxwell – Yes
- Treasurer Davis – Yes
- Secretary Gordon – Yes
- Lt. Gov. Gay – Yes
- Ashley Tucker – Yes
- Secretary Young – Yes
- Paul Baumbach – No
- Commissioner Navarro – Yes
- Jeff Taschner – Not Voting

- Karen Peterson – No
- Bill Oberle – No

MOTION ADOPTED by roll call.

APPROVAL OF PHARMACY BENEFIT MANAGEMENT REQUEST FOR PROPOSALS (RFP) – STEPHANIE HARTOS, SBO, DHR

Director Hartos presented the final draft of the Pharmacy Benefit Manager (PBM) RFP for the Committee’s review and approval.

The RFP supports procurement of PBM services for the Group Health Insurance Plan with a contract effective date of July 1, 2028 for the commercial plan and January 1, 2029 for the Employer Group Waiver Plan. The final draft had previously been shared with the Committee and posted publicly.

The only change since the prior version was an adjustment to the procurement timeline. Due to the cancellation of the February 23, 2026 SEBC meeting and procurement requirements, the posting date was moved from March 11 to March 25, 2026. The proposal submission deadline remains April 27, 2026. The RFP also includes language allowing the State flexibility to carve out certain drug classes or specialty medications in the future.

A MOTION was made by Commissioner Navarro and seconded by Secretary Young to approve posting of the Pharmacy Benefit Manager Request for Proposal.

Roll Call Vote:

- Director Brian Maxwell – Yes
- Treasurer Davis – Yes
- Secretary Gordon – Yes
- Lt. Gov. Gay – Yes
- Ashley Tucker – Yes
- Secretary Young – Yes
- Paul Baumbach – Yes
- Commissioner Navarro – Yes
- Jeff Taschner – Yes
- Karen Peterson – Yes
- Bill Oberle – Yes

MOTION ADOPTED by roll call.

MEDICAL THIRD-PARTY ADMINISTRATOR (TPA) SERVICES REQUEST FOR PROPOSALS (RFP) – MICHELLE GAST, WTW

Michelle Gast of WTW presented an update regarding the development of the Medical Third-Party Administrator (TPA) RFP.

Ms. Gast provided background on the RFP process, noting that WTW and the SBO previously presented the proposed scope of services and RFP structure during the November and December 2025 SEBC meetings. The Committee also provided feedback during the February 13, 2026 meeting regarding minimum requirements, questionnaire content, and scoring criteria.

Updated materials reflecting Committee feedback were reviewed. Ms. Gast noted that revisions included clarifying language regarding duplication of the Medicare Supplement Plan from the 2023 RFP and addressing questions related to retroactive termination provisions.

Ms. Gast advised that the draft Medical TPA RFP is currently being finalized and will be shared with the Committee prior to the next SEBC meeting to allow time for review and additional feedback before being brought forward for approval.

Committee members asked clarifying questions regarding potential plan design options included in the RFP, including the option for vendors to propose a high-deductible health plan with a health savings account.

THERAPAY DIABETES PREVENTION PROGRAM PILOT – STATUS UPDATE – AVIVA ARIEL-DONGES, CLUTCH

Aviva Ariel-Donges provided a six-month progress report on the TheraPay Diabetes Prevention Program pilot.

The pilot program was designed to encourage participation in the YMCA Diabetes Prevention Program through the TheraPay Rewards platform, which provides financial incentives to participants for completing program milestones. The program allowed up to 100 eligible employees to enroll, with rewards of up to \$275 available over the 12-month program period.

Enrollment reached the 100-participant capacity within seven days of opening. As of the report, 31 participants had registered with the YMCA program and 23 had begun attending classes.

Preliminary results indicate increased engagement and adherence compared to participation levels prior to implementation of the incentive program. Participant feedback has been largely positive.

A final report will be provided to the Committee following completion of the 12-month pilot period.

FINANCIALS

January 2026 Fund Report and Financial Update – Brian Stitzel, WTW

Brian Stitzel presented the January 2026 financial report for the Group Health Insurance Plan.

Mr. Stitzel reported that plan claims were approximately \$3.5 million lower than budget projections. The variance was primarily attributed to lower than anticipated utilization of GLP-1 medications for weight loss following formulary changes implemented earlier in the plan year.

Committee members asked questions regarding utilization trends and factors contributing to the lower than projected claims.

PUBLIC COMMENT

Two individuals provided verbal public comment. Comments were received regarding Senate Bill 1 and the impact of increased copays for GLP-1 weight loss medications on plan members.

In addition, 96 written public comments were submitted to the Committee prior to the meeting. The majority of written comments addressed coverage of GLP-1 medications for weight loss, providing support to maintain coverage, often at the current copay rate. Additional written comments referenced the Medical Third-Party Administrator RFP and language related to the procurement of the Medicare Supplement plan.

OTHER BUSINESS

Public Comment

Director Maxwell noted that the Joint Finance Committee limits public comment to two minutes and asked whether the Committee wished to consider adjusting its current three-minute public comment limit. No action was taken.

ADJOURNMENT

A MOTION was made by State Retiree Karen Peterson and seconded by Commissioner Navarro to adjourn the public session at 12:37 p.m. Motion was adopted unanimously.

Respectfully submitted,

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

A recording of the meeting is available [at this link](#) on the Delaware SEBC YouTube Page.