



**MINUTES FROM THE MEETING OF THE STATE EMPLOYEE BENEFITS COMMITTEE
March 23, 2026**

The State Employee Benefits Committee (the “Committee”) met at 10:00 a.m. on March 23, 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 Lieutenant Governor
Secretary Christen Linke Young, Department of Health and Human Services, (“DHSS”)
Chief of Staff Stuart Snyder, Commissioner Trinidad Navarro Designee, 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
Commissioner Trinidad Navarro,, Insurance Commissioner, Department of Insurance (“DOI”) – Designated Voting Authority to Stuart Snyder

Others in Attendance

Director Stephanie Hartos, SBO, DHR
Deputy Director Leighann Hinkle, SBO, DHR
Kristin Short, SEBC/Subcommittee Manager, SBO, DHR
Michelle Whalen, Deputy Attorney General, DOJ, SEBC Legal Counsel
Deputy Director Ann Visalli, OMB
Steven LePage, Retiree
Pati Nash, DRSPA
Michelle Gast, WTW
Anne Marie Higley
Jeffrey C. Dill
Heather Hernandez, DHR
Rebecca Scarborough
Brian Stitzel, WTW
Pamela C. Barr, DHR
Kristal Diaz, OPe
Paula Roy
Sarah Stowens, Lieutenant Governor’s Office
Mary Graham
Hope Manion, WTW
Charlene Hrivnak, CVS

Jason Smith, LegHall
Mark Brainard, Office of the Lieutenant Governor
John J. Gadzinski, Highmark BCBSD Inc
Jennifer N. Moyer, Aetna
Lynda Hastings
Jade Carey, OMB
Nina Figueroa, DHR
Jennifer Schlecht
Michele Williams, DHR
Andrea Godfrey, OMB
Cristine Vogel, DOI
Jenn Mile, OMB
Christina Bryan, DHA
Corey Deck, WTW
Ashli Warman, DHR
Heather M. Johnson, DHR
Carling Ryan, DHA
Timothy Vessel, Highmark BCBSD Inc
Meagan Iwaskiewicz, OPe
Tom Pledgie
Samantha Mountz, DHR
Ellen Scarpitti

STATE OF DELAWARE STATEWIDE BENEFITS OFFICE

Susanne Y. Laliberte, DOJ
Tashona James, OMB
Barbara Philbin
Robert Scoglietti, LegHall
Lakisha M. Thompson, OMB
Sarah A. Russell, OMB

Brian Tinsley
Stephanie A. Tatman, OOpen
Patricia Maichle
William Fayson, OOpen
Danielle Cross, SBO, DHR
Grant Brunner, SBO, DHR, Recorder

CALLED TO ORDER – DIRECTOR BRIAN MAXWELL, OMB

Director Maxwell officially called the meeting to order at 10:00 a.m.

APPROVAL OF MARCH 9, 2026, SEBC MEETING MINUTES – DIRECTOR BRIAN MAXWELL, OMB

State Retiree Karen Peterson and DSEA Executive Director Jeff Taschner discussed changes they wish to see in the meeting minutes. Director Maxwell tabled the minutes. Lieutenant Governor Kyle Gay asks for data regarding how many Medicare retirees are paying all or part of the state’s premiums. Director Hartos agrees to distribute that information to the Committee.

APPROVAL OF MARCH 9, 2026, EXECUTIVE SESSION MINUTES – DIRECTOR BRIAN MAXWELL, OMB

A MOTION was made by State Retiree Karen Peterson and seconded by Lieutenant Governor Kyle Gay to approve the executive session minutes from the March 9, 2026, meeting of the State Employee Benefits Committee.

Roll Call Vote:

- Director Brian Maxwell – Yes
- Secretary Gordon – Yes
- Lieutenant Governor Gay – Yes
- Treasurer Davis – Yes
- Chief of Staff Snyder – Yes
- Secretary Young – Yes
- Deputy State Court Administrator Tucker – Yes
- Jeff Taschner – Yes
- Paul Baumbach – 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 delivered an update regarding the SEBC’s decision to implement a \$200 copay per 30-day supply of weight loss GLP-1 medications beginning on July 1, 2026, for the non-Medicare population. She clarified that members with a clinical exception for off-formulary use of Zepbound will be subject to the \$200 copay. Zepbound’s manufacturer, Eli Lilly, offers the same \$100 savings card that Novo Nordisk has for Wegovy.

Director Hartos explained that the SBO website, CVS Caremark, and weight management landing pages have been updated with information on this copay change. This includes a new GLP-1 FAQ document and links where members can register for their respective copay savings cards.

On March 23, 2026, the SBO will send out an email to all benefit-eligible employees informing them of the increase in the GLP-1 weight loss copays and 2.2% increase to annual premiums. This information will also be included in this month’s “Get the Facts on What’s Happening” resource document, the SBO’s Benefits Bulletin, upcoming open enrollment documents, the “What’s Changing July 1st” document, open enrollment

presentations, and the open enrollment annual trainings. The SBO is also promoting the healthcare FSA benefit to assist with offsetting the out-of-pocket costs for members.

In addition, the SBO and CVS have created a letter for current users of Wegovy and Zepbound to inform them of the copay change and instruct them on how to take advantage of the copay assistance cards.

State Retiree Bill Oberle asked if the SBO can send follow-up communications, monitor the participation rate, and offer assistance applying for the savings cards. Director Hartos clarified that the savings cards are not affiliated with the State of Delaware or with CVS, so participation cannot be monitored, but she will investigate with the program lead. She continued to explain that while the SBO does not have the facilities to outreach to each member to walk them through the process of applying for the savings cards, the SBO does encourage benefit managers, HR representatives, and participating groups to print out SBO communications containing this information and place them in communal areas.

Lieutenant Governor Gay noted that the process of applying for the savings cards requires very little personal information and does not require a significant amount of time and effort.

Director Hartos delivered an update on Senate Bill 1. If passed, this bill would impose a GHIP reimbursement cap of 250% of Medicare effective FY29. The bill was reported out of the Senate Health and Social Services Committee on March 18, 2026, and has been assigned to the Senate Finance Committee for consideration.

Director Maxwell inquired about having Cristine Vogel present to the SEBC. Director Hartos indicated that the SBO has outreached multiple times, but that the Office of Value-Based Health Care Delivery is still discussing internally when they're available to present.

FINANCIALS

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

Brian Stitzel from WTW gave an overview of the February results. The actual expenses for the month came in roughly \$1.4 million better than the budget. Premium contributions were better by roughly \$700,000, primarily due to the non-payroll active groups.

Other revenues were approximately \$10.8 million below budget due to two primary factors. The EGWP direct subsidy is significantly lower than projections in the first two months of calendar year 2026; WTW is seeking more information from CVS. The other major shortfall is due to commercial rebates. Because the use of GLP-1s has been lower than initially budgeted, it follows that rebates for that class of medication are lower as well. The drop in commercial rebates was anticipated, so it was already built into prior forecasts.

Claims for February came in roughly \$11 million better than budget due to favorable claims across most groups and carriers. Expenses came in better than budget by roughly \$600,000. That amount is largely explained by a SilverScript admin fee credit and a re-bucketing of consulting expenses with the Life Insurance RFP.

Current projections have FY26 ending roughly \$26 million better than budget. This is a small increase from the January results because of the better-than-expected claims experience.

With the SEBC's approved 2.2% rate action for FY27, the \$200 GLP-1 copay, and the 4.2% rate action for FY28 set using the three-year smoothing approach, the FY29 projected rate action is 11.2% — a small decrease from previous months.

Director Maxwell asked for clarity on why there was a dip in the actual numbers of the commercial plan weight loss and anti-diabetes in February. Brian Stitzel from WTW noted that there are reductions and increases seen even within other months in FY26. This could be attributed to fluctuations in 90-day supply orders and renewals.

Director Maxwell asked for an explanation of the 30% increase projected for anti-diabetes for March. Brian Stitzel from WTW explained that the projections are set with the assumption that the remainder of the year would match the budgeted amount. The reason being that even with the dips, the spend has run close to the budget.

DSEA Executive Director Jeff Taschner asked how much of the commercial rebate shortfall is attributable to GLP-1 medications versus other potential changes from the PBM. Brian Stitzel from WTW illustrates with rough estimations how the unexpectedly low use of GLP-1s would likely make up the overwhelming majority of the shortfall and noted that he is unaware of any noteworthy change from the perspective of CVS rebates or average rebate percentages per quarter.

DSTA Designee Paul Baumbach asked for clarification on the drop to 11.2% for the projected rate action for FY29. Brian Stitzel from WTW clarified that the adoption of the \$200 GLP-1 weight loss copay paired with the favorable claims experience February factored into the projection.

Lieutenant Governor Gay asked for a follow-up to the full Committee on issues other than GLP-1 medications that are impacting the GHIP financials. Brian Stitzel from WTW agreed to look into this request.

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

Michelle Gast from WTW provided a brief overview of the events that have taken place since November in regard to the Medical TPA RFP, an explanation of what will be discussed by the Committee, and the expectation of a vote on the Medical TPA RFP during the April 20, 2026, SEBC meeting.

Michelle Gast from WTW noted that most of the feedback from the Committee to date has been regarding the wording related to the Medicfill Supplement RFP.

Some feedback supported maintaining the current plan design and using the word “duplicate” in the RFP. However, other feedback said that requiring exact plan duplication without deviation could limit the pool of eligible vendors. Committee feedback also indicated concern that duplication could disallow flexibility and alternative approaches that have the potential to offer a better value. Furthermore, some member feedback was concerning House Bill 377 which requires Medicfill plans to be comparable – not necessarily duplicative.

State Retiree Bill Oberle stated that he does not believe asking for duplication to be anti-competitive or a conflict with House Bill 377. DSTA Designee Paul Baumbach provided support for using the term “comparable” in the RFP as that aligns with language in the SEBC statute. State Retiree Karen Peterson discussed her concerns regarding the “comparable” language. State Retiree Bill Oberle indicated that he wishes to determine the legislative intent of House Bill 377, and DSEA Executive Director Jeff Taschner concurs. Lieutenant Governor Gay asked for legal guidance on the issue and advocated for obtaining more information from respondents during the RFP process.

State Retiree Karen Peterson asked if SEBC members are included under the proposal evaluation team. Michelle Gast from WTW clarified that they are. State Retiree Karen Peterson asked for clarification regarding costs and payment schedules. Michelle Gast from WTW said that she will follow up with additional information.

Director Maxwell indicated that he would follow up with legal counsel to develop language that fits with the legislative intent of House Bill 377.

DSTA Designee Paul Baumbach discussed his preferences for the point distribution in the RFP, and he asked Director Hartos for clear guidance in reviewing relevant aspects of the RFP Questionnaire.

APPROVAL OF FY26 – FY29 GHIP STRATEGIC FRAMEWORK – HOPE MANION, WTW

Hope Manion from WTW presented the proposed Strategic Framework for Fiscal Years 2026 through 2029, noting that the framework represents an update to the prior framework covering Fiscal Years 2024 and 2025.

Ms. Manion reviewed prior Committee engagement, noting that the framework was initially presented in November 2025, with an updated version presented in December 2025 incorporating Committee feedback. Further discussion was deferred due to competing agenda priorities, and the current version has been available to the Committee for review for several months.

Given prior review, Ms. Manion stated that the presentation would focus on how the framework is informing the SBO's ongoing work. This includes the Medical TPA RFP, evaluation of alternative payment models and plan design options, exploration of additional vendor solutions such as care navigation and cost transparency tools, continued evaluation of GLP-1 strategies, and ongoing analysis of social determinants of health.

During discussion, DSTA Designee Paul Baumbach noted that revisions made following prior Committee feedback were not clearly identified in the current version, making it difficult to assess how feedback had been incorporated. He also suggested revisions to improve clarity and reduce the use of technical or unclear terminology.

State Retiree Bill Oberle expressed concern that certain cost-containment strategies previously discussed by the Committee were not explicitly reflected in the framework and emphasized the importance of clearly articulating approaches to managing plan costs. He also expressed support for the potential use of subcommittees to further evaluate specific topics.

WTW and the SBO clarified that the framework is intended to serve as a high-level guide for internal planning and that not all specific strategies are explicitly listed. It was noted that certain items, including pending legislation, are not included as actionable components until enacted, but may inform future work.

DSTA Designee Paul Baumbach also referenced prior discussions regarding income-based or tiered pricing options and inquired whether such strategies are reflected within the framework.

Lieutenant Governor Gay requested that future updates include potential timelines or target dates associated with key initiatives to assist with planning and sequencing of work.

Further discussion emphasized the importance of clearly articulating cost-containment strategies and ensuring transparency in how Committee feedback is incorporated into the framework. State Retiree Bill Oberle requested that Senate Bill 1 be added to the Strategic Framework.

Director Maxwell noted that, based on the discussion and feedback received, the Committee was not prepared to vote on the Strategic Framework at this time. The item maybe brought back at a future meeting with revisions reflecting Committee input.

DENTAL BENEFIT REQUEST FOR PROPOSALS (RFP) SCOPE OF SERVICES – MICHELLE GAST, WTW

Michelle Gast from WTW provided background information, considerations, and objectives for the proposed Dental RFP Scope of Services.

Director Maxwell asked if there are scoring criteria changes since the last Dental RFP. Michelle Gast from WTW explained that the criteria are currently in the drafting process, but any changes will be discussed with the SEBC.

DSTA Designee Paul Baumbach asked for clarity around the results of a Dental-related employee survey and the potential to remove the Dental Health Maintenance Organization (DHMO) plan in favor of a high and low Dental Preferred Provider Organization (DPPO) offering. Requested follow-up will be provided to Committee members for future discussion.

Michelle Gast from WTW summarized next steps and the timeline for the proposed Dental RFP.

PUBLIC COMMENT

Four spoken public comments were heard. One individual discussed reference-based pricing and a Senate Executive Committee transcript regarding House Bill 377 and the Medicfill Supplement plan.. Three others discussed concerns regarding safeguards of retiree benefits. In addition, one of the commenters also spoke in favor of leaving the length of public comments at three minutes.

Separately, 37 written comments were received via email. These have been distributed to the SEBC members and posted online as [meeting materials](#).

OTHER BUSINESS

State Retiree Bill Oberle requests that Senate Bill 1 be added to the agenda of the next SEBC meeting.

ADJOURNMENT

A MOTION was made by State Retiree Bill Oberle and seconded by Secretary Gordon to adjourn the meeting at 11:55 p.m. MOTION ADOPTED unanimously.

Respectfully submitted,

Grant Brunner, 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.