

The State of Delaware

Proposed GHIP Strategic Framework FY2026 – FY2029

State Employee Benefits Committee Meeting

April 20, 2026

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Context for today's discussion

- The initial draft Framework was developed by the SBO/WTW for FY 2026 through FY 2029 in October/November 2025
 - The initial draft was reviewed with SEBC during the November 25, 2025 meeting
- Feedback was shared during that meeting as well as by email after the meeting
 - Second draft including feedback was presented at the December 16, 2025 SEBC meeting
- Additional feedback was provided during the meeting
 - Third draft reflecting December 16, 2025 feedback was presented during the March 23, 2026 meeting
- Additional feedback suggested has now been incorporated
- Today we are requesting the SEBC review that the feedback has been properly reflected and to vote on the approval of the final Framework
 - The Strategic Framework is included in the Medical TPA RFP as it is important that our Medical TPA(s) agrees to working with the State on strategies and tactics included in the GHIP Strategic Framework.

Summary of SEBC feedback and updates

Feedback is reflected in Framework as shown in Appendix

Update	When Requested	Slide #(s)
Changed description of consumerism considerations throughout: “The richer a plan design, the less incentive patients have to evaluate prices and provider quality when making healthcare decisions.”	November 25, December 16, March 23	9, 12
Added new strategy to Goal 3, Strategy 6: “Use demographic and actuarial insights to manage costs” including Tactics and Measures.	November 25	12
Removed “HSA compliant plan option” from Goal 3, Strategy 1 Tactics	December 16	10
Removed “in Senate Joint Resolution 7” from Goal 3, Strategy 2 Tactics	December 16	10
Added “Partner with legislature and departments where possible to support hospital price controls or other state-wide cost-management legislative initiatives” to Strategy 4 Tactics	December 16	11
Added Measures for all Goal 4 Strategies	December 16	13, 14
Added “Cost management tactics to be considered in partnership with state-wide/legislative initiatives include: reference based pricing; reverse auctions; direct contracting with providers or drug manufacturers; and investment in primary care access and utilization” under Strategy 4 Considerations. Note it is not recommended that we reference SB1 as the bill is likely to be amended, will need to go under review by the SBO and has not passed the General Assembly. It is covered by referencing investment in primary care access and utilization, as well as exploring reference-based pricing.	March 23	11
It was requested that we reference disparities in free standing versus hospital (steerage to providers). This is covered under Goal 3, strategy 5 so no updates were made.	March 23	12
It was requested that we address the term adequate access in the mission statement. This is addressed in the definitions section and revisions to the mission statement are not under consideration at this time.	March 23	N/A
It was requested that we provide target dates for seeking guidance from the SEBC on topics. Until the Strategic Framework is approved, we are unable to provide specific dates or action plan timelines.	March 23	N/A

Next Steps

- SEBC to vote on GHIP Strategic Framework

Appendix:

Proposed Strategic Framework for FY2026 through FY2029 with updates through March 23, 2026

Goal 1: Improve the **health** of GHIP members (1)

Strategy 1: Strengthen primary care engagement and promote preventive care	
Tactics	Considerations
<ul style="list-style-type: none"> Encourage members to establish and maintain a relationship with a primary care provider (PCP) Promote annual physical exams and all age-based annual wellness requirements (e.g., mammograms, colonoscopies) 	<ul style="list-style-type: none"> Delaware's primary care is experiencing challenges including a shortage of primary care physicians, increased wait times for appointments, and disparities in access for certain populations
<p>Measures: Primary care physician utilization statistics, annual physical exam rate, percent of population primary care attribution</p>	
Strategy 2: Engage members across the health continuum and provide services and education specific to their needs	
Tactics	Considerations
<ul style="list-style-type: none"> Explore conducting Health Risk Assessment surveys Promote wellness and condition management services to all members Work with the TPAs to explore delivering targeted education and support to members of varying health status Promote wellness for low-risk members Enhance support for “rising-risk” members (for example, prediabetics) Identify high-cost claimants and those with chronic disease and engage them in the medical TPA’s Care Management (CM) programs 	<ul style="list-style-type: none"> The need to balance targeted communication and support strategies with member privacy considerations SBO/SEBC reliance on TPAs to conduct targeted interventions
<p>Measures: GHIP population risk score over time, portion of GHIP population in Healthy/Low Risk status, disease staging data, portion of High-Risk population that engages in clinical management programs if available, health risk assessment participation rate, pre- and post-communications trend data</p>	

Goal 1: Improve the **health** of GHIP members (2)

Strategy 3: Identify unmet or inequitable healthcare needs of members	
Tactics	Considerations
<ul style="list-style-type: none"> • Closely monitor member engagement with any available Medical TPA Social Determinants of Health (SDOH) surveys • Assess impact of SDOH on member health and access to care • Identify at-risk populations that may face health equity challenges and work with medical TPAs to connect members to support services through Care Management programs. • Address “care deserts” by expanding virtual care and localized support such as provider networks. 	<ul style="list-style-type: none"> • SDOH can tend to be underreported • Adding SDOH to the database may come with a cost • The need to balance targeted communication and support strategies with member privacy considerations • SBO/SEBC reliance on TPAs to conduct targeted interventions
Measures: Overlay of housing and census tract data approximating social-economic status	
Strategy 4: Optimize vendor contracting to improve targeted member outreach	
Tactics	Considerations
<ul style="list-style-type: none"> • Embed targeted communication and education support in Medical TPA RFP • Leverage carrier and vendor communications to provide segmented strategic outreach targeting locations or groups where risk and rising risk concentration is the highest 	<ul style="list-style-type: none"> • SBO/SEBC reliance on TPAs to conduct targeted interventions • The need to balance targeted communication and support strategies with member privacy considerations
Measures: Quarterly communications and training report, pre- and post-communications trend data	

Goal 2: Ensure members receive **high-quality** and safe care that is cost-effective and improves outcomes

Strategy 1: Optimize sites of care utilization and empower members to make high-value care choices	
Tactics	Considerations
<ul style="list-style-type: none"> Identify high-cost, low-value site-of-care patterns (e.g. ER use for non-emergent needs) and work with the TPAs to develop targeted interventions Embed Centers of Excellence (COE) utilization targets in Medical TPA RFP Evaluate implementing a modern provider search tool to increase cost transparency and support site of care decisions Promote publicly available provider quality and safety comparison tools (e.g., Leapfrog’s Hospital and Surgery Center Ratings, Leapfrog’s Hospital Safety Grade, Healthgrades, CMS Provider Compare, etc.) 	<ul style="list-style-type: none"> The richer a plan design, the less incentive patients have to evaluate prices and provider quality when making healthcare decisions. SBO/SEBC reliance on TPAs to conduct targeted interventions Current availability of cost transparency tools that are specific to GHIP members may be limited Implementation of a modern provider search tool would come at a cost
Measures: Site of Care Steerage Report, Centers of Excellence & Lantern utilization and outcomes statistics, HEDIS quality measures	
Strategy 2: Advance alternate payment models (APMs) that reward quality and outcomes	
Tactics	Considerations
<ul style="list-style-type: none"> Work with the TPAs to increase GHIP spend in Value-Based Payment Models (ACOs, bundled payments) 	<ul style="list-style-type: none"> SBO/SEBC have limited influence over provider agreement to Value-Based Payment model adoption
Measures: Delaware Office of Value-Based Health-Care Delivery data, value-based care versus fee-for-service payment data	

Goal 3: Manage healthcare costs for GHIP and members (1)

Strategy 1: Optimize benefit design to promote cost-effective, high-value care	
Tactic	Considerations
<ul style="list-style-type: none"> • Offer consumer-driven plan options • Explore the differentiation of plan options by payroll deductions and out-of-pocket exposure. • Review copay, deductible and coinsurance structures to ensure alignment with cost and quality goals • Explore designing member benefits and incentives that encourage use of high-value care and discourage low-value or avoidable utilization (for example, increase ER copays) • Incentivize smart provider and site selection with tools and plan features that guide members to high-value care 	<ul style="list-style-type: none"> • Some GHIP members may value an HSA-compliant plan and the opportunity to save in a highly tax-advantaged account • A deep exploration of revising premium determination methodology, realigning actuarial values, and reviewing quarterly financial and key trends reports would likely require the addition of SEBC workgroups
<p>Measures: Compare year-over-year GHIP PMPY trend to market benchmarks</p>	
Strategy 2: Manage specialty pharmacy and high-cost drug spend	
Tactic	Considerations
<ul style="list-style-type: none"> • Explore strategies to manage GLP-1 costs and utilization • Explore PBM and pharmacy cost reduction strategies • Explore and make recommendations to the General Assembly about legislative strategies 	<ul style="list-style-type: none"> • Rapidly changing market and legal landscape for weight loss medications • Procurement and contracting cycles • Legal and administrative capabilities and limits
<p>Measures: Key Trends report, Diabetes and obesity semi-annual dashboards, GLP-1 analysis, Incurred Claims report</p>	

Goal 3: Manage **healthcare costs** for GHIP and members (2)

Strategy 3: Identify high-cost conditions and implement solutions

Tactic	Considerations
<ul style="list-style-type: none"> Continue to track high-cost conditions, procedures, and trends. Evaluate and offer point solutions and patient support programs that focus on high-cost conditions such as Diabetes, Behavioral Health and Musculoskeletal (MSK) Adopt innovative cost-saving carrier programs and vendor partners as appropriate Increase utilization of the Diabetes Prevention Program (DPP), Employee Assistance Program (EAP), Lantern Surgeons of Excellence, and Hinge Health 	<ul style="list-style-type: none"> Point solutions and carrier programs may come with an initial up-front cost

Measures: Compare Diabetes and MSK PMPY costs against available condition specific benchmarks, disease state progression analyses of Diabetes and MSK spend, enrollment and utilization data for programs, program evaluation, high-cost claimant report, specific-condition dashboards

Strategy 4: Optimize vendor management, contracting, and performance oversight to manage spend

Tactic	Considerations
<ul style="list-style-type: none"> Optimize vendor contracts to obtain optimal network discounts, and administrative fees, and contract terms Leverage PBM RFP to minimize pharmacy spend and allow for direct contracting with manufacturers or other third-party vendors for certain drugs Ensure payment integrity of carriers and PBMs to prevent waste, fraud, and abuse Perform medical and PBM claims audits; perform implementation audit after a vendor change Partner with legislature and departments where possible to support hospital price controls or other state-wide cost-management legislative initiatives 	<ul style="list-style-type: none"> Optimizing vendor contracts may be constrained by administrative process timelines (e.g., procurement and contracting cycles) Cost management tactics to be considered in partnership with state-wide/legislative initiatives include: reference based pricing; reverse auctions; direct contracting with providers or drug manufacturers; investment in primary care access and utilization

Measures: Audits, payment integrity algorithms, provide any recommendations to General Assembly annually in the fall of each year

Goal 3: Manage healthcare costs for GHIP and members (3)

Strategy 5: Engage members to use care appropriately to reduce preventable costs

Tactic	Considerations
<ul style="list-style-type: none"> Promote the health data warehouse plan decision support tool during Open Enrollment (OE) cycles that include material changes in plan options Educate members on price variation across sites of care and providers to support informed choices Promote alternate sites of care such as ambulatory surgery centers, urgent care centers, and telehealth Educate members on how smart choices impact GHIP sustainability and employee contributions Promote use cost transparency tools Support agency HR leaders with consumerism resources to drive member engagement and decision-making 	<ul style="list-style-type: none"> Health data warehouse plan decision support tool utilization plateaus when there have not been recent plan design changes The richer a plan design, the less incentive patients have to evaluate prices and provider quality when making healthcare decisions. Available and appropriate cost transparency tools may currently be limited External cost transparency vendors will require an RFP and incur incremental cost and direct ROI or cost mitigation results may be difficult to determine

Measures: Health data warehouse plan decision support tool engagement statistics in years when there are material changes to plan options, provider search tool engagement statistics, avoidable ER Utilization analysis, Teledoc utilization analysis, pre- and post-communications trend data

Strategy 6: Use demographic and actuarial insights to manage cost trends

Tactic	Considerations
<ul style="list-style-type: none"> Conduct demographic and experience analyses for specific member cohorts to identify cost drivers, emerging risks, and variations to the Fund by group Evaluate predictive retirement trends and model long-term impacts on enrollment, plan costs, and the health fund 	<ul style="list-style-type: none"> Experience by group can change over time and making changes to rating methodology can cause volatility and create challenges to forecasting

Measures: Cost studies, OPEB/retiree medical valuations

Goal 4: Ensure **transparency and continuous improvement** toward achieving goals by monitoring, measuring and reporting progress (1)

Strategy 1: Establish a performance measurement and reporting framework	
Tactics	Considerations
<ul style="list-style-type: none"> • Develop action items for each tactic and create an implementation plan • Develop key performance indicators and benchmarks aligned with strategic goals 	
Measures: Development of KPIs and implementation plans	
Strategy 2: Strengthen data analytics capabilities	
Tactics	Considerations
<ul style="list-style-type: none"> • Evaluate opportunities to increase analytic capabilities through additional tools as opportunities arise • Evaluate opportunities to improve data integration across systems as opportunities arise • Optimize vendor contracting to enhance data to make data and files more useful (for example, sharing lab data with the State’s health data warehouse) 	<ul style="list-style-type: none"> • Enhanced analytic capabilities typically come at a cost
Measures: Evaluation and possible implementation of evolving data analytics capabilities	

Goal 4: Ensure **transparency and continuous improvement** toward achieving goals by monitoring, measuring and reporting progress (2)

Strategy 3: Use evaluation and feedback to refine strategies and tactics	
Tactics	Considerations
<ul style="list-style-type: none"> • Conduct regular evaluations to assess progress and realign resources • Integrate member feedback and evaluation findings into future Strategic Framework planning • Adjust strategies and tactics based on data, feedback, opportunities, and challenges 	<ul style="list-style-type: none"> • Requires regular discussions and revisions with the SEBC
Measures: Annual refinement and confirmation of GHIP Strategic Framework	
Strategy 4: Enhance transparency through regular reporting	
Tactics	Considerations
<ul style="list-style-type: none"> • Develop dashboards aligned with strategic goals • Summarize progress on the Strategic Framework quarterly to State Employee Benefits Committee or a designation Subcommittee/Workgroup • Provide detailed results in an annual results report • Communicate progress to GHIP members and the public 	
Measures: Dashboards and annual results report	