



**MINUTES FROM THE MEETING OF THE STATE EMPLOYEE BENEFITS COMMITTEE
APRIL 20, 2026**

The State Employee Benefits Committee (the “Committee”) met at 10:00 a.m. on April 20, 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	Heather Hernandez, DHR
Deputy Director Leighann Hinkle, SBO, DHR	Helene Diskau
Kristin Short, SEBC/Subcommittee Manager, SBO, DHR	Jade Carey, OMB
Tyler Waad, Deputy Attorney General, DOJ, SEBC Legal Counsel	Jason Smith, LegHall
Victoria Sweeney, Deputy Attorney General, DOJ, SEBC Legal Counsel	Jenn Mile, OMB
Deputy Director Ann Visalli, OMB	Jessica Gabriele Lafond
Adam D. Knox	John Fazio, WTW
Anne Marie Higley	John J Gadzinski, Highmark BCBSD Inc
Ashli Warman, DHR	Julie A Caynor
Barbara Philbin	Katrina Leibel Marin, Office of the Lt. Governor
Bente Bouthier	Kristy L Akus
Brian Stitzel, WTW	Lakisha M Thompson, OMB
Brian Tinsley	Lynda Hastings
Carling Ryan, DHA	Mark Brainard, Office of the Lt. Governor
Carrie Schiavo	Michele Williams, DHR
Charlene Hrivnak, CVS	Michelle Carpenter, OMB
Corey Deck, WTW	Michelle Gast, WTW
Cristine Vogel, DOI	Nancy Schuman
David Quandt	Natalie Di Sabatino Graef, DOI
Denise Schwartz	Nick Moriello
Evelyn Nestlerode, Courts	Pamela C Barr, DHR
Ginger Angstadt	Pati Nash, DRSPA
	Paula Roy
	Rebecca Scarborough
	Robert Scoglietti, LegHall

STATE OF DELAWARE STATEWIDE BENEFITS OFFICE

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Sarah Stowens, Office of the Lt. Governor
Steve LePage
Tanisha Merced, DOI
Tashona James, OMB
Timothy Vessel, Highmark BCBSD Inc

Walter Mateja, Merative
Wendy M Beck, Highmark BCBSD Inc
Grant Brunner, SBO, DHR
Danielle Cross, SBO, DHR, Recorder

CALLED TO ORDER – DIRECTOR BRIAN MAXWELL, OMB

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

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

A MOTION was made by DSEA Executive Director Jeff Taschner and seconded by State Retiree Bill Oberle to approve the minutes from March 9, 2026, meeting of the State Employee Benefits Committee (SEBC).

Secretary Gordon arrived at 10:05 a.m.

Roll Call Vote:

- Director Brian Maxwell – Yes
- Treasurer Davis – Yes
- Secretary Gordon – Yes
- Lieutenant Governor 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 MARCH 23, 2026, SEBC MEETING MINUTES – DIRECTOR BRIAN MAXWELL, OMB

A MOTION was made by State Retiree Karen Peterson and seconded by Secretary Gordon to approve the minutes from March 23, 2026, meeting of the State Employee Benefits Committee (SEBC).

Roll Call Vote:

- Director Brian Maxwell – Yes
- Treasurer Davis – Yes
- Secretary Gordon – Yes
- Lieutenant Governor 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 reported that the Pharmacy Benefit Manager (PBM) Request for Proposals (RFP) was released on March 25, 2026. Twelve vendors submitted intent to bid. Proposals are due April 27, 2026.

Director Hartos provided an update on the 2026 Spring Open Enrollment period, scheduled for May 4 through May 15, 2026. She noted this is the only opportunity for members to make coverage changes outside of a qualifying event. Open enrollment will also include dental and vision options for Medicare retirees, and materials and communications have been distributed.

Director Hartos provided an update on the agency health scorecard initiative, noting that SBO continues to partner with agencies to review GHIP data and identify opportunities to improve workforce health outcomes. Seven agencies have engaged in follow-up collaboration, and efforts will continue to align with the FY26 – FY29 Strategic Framework.

During discussion, Committee members emphasized the importance of tracking outcomes over time to measure the effectiveness of these efforts.

Director Hartos highlighted a FY25 example where data identified an increase in late-stage breast cancer diagnoses, prompting targeted outreach to encourage mammogram screenings. Follow-up results showed improved screening rates and earlier diagnoses.

Committee members discussed opportunities to further leverage agency specific data and strengthen engagement with agencies and school districts to improve benefits utilization and preventive care.

Director Hartos provided an update on Senate Bill 1, which includes a GHIP reimbursement cap of 250% of Medicare effective FY29 and increased primary care investment requirements. The bill was released from the Senate Finance Committee, though amendments are anticipated.

The Committee determined no action would be taken on Senate Bill 1 at this time and will revisit the item at the May 11, 2026, SEBC meeting once additional details are available.

LEGAL ADVICE PERTAINING TO MEDICAL THIRD-PARTY ADMINISTRATOR (TPA) SERVICES REQUEST FOR PROPOSALS (RFP) – TYLER WAAD

Mr. Waad provided legal guidance regarding the Medical Third-Party Administrator (TPA) Services RFP, specifically related to the Special Medicfill Medicare Supplement plan.

Mr. Waad stated that the Department of Justice evaluated whether the use of the terms “comparable” and “duplicate without deviation” in the RFP would be consistent with statutory requirements under Title 29, Delaware Code, Section 2503, which resulted from House Bill 377. He confirmed that both terms are consistent with the statutory mandate.

Mr. Waad noted that requiring “duplicate without deviation” may limit vendor participation and could result in the need to cancel, revise, and reissue the RFP if insufficient responses are received. He emphasized that the determination of which standard to apply is a policy decision for the Committee.

During discussion, Committee members noted that the terms are not synonymous, with “comparable” allowing for variation in plan design elements, while “duplicate without deviation” requires closer alignment to the existing plan.

Mr. Waad confirmed that both approaches comply with statutory requirements, though “duplicate without deviation” is more restrictive.

A Committee member requested that written legal guidance be provided in advance of future meetings and made available to both Committee members and the public. Mr. Waad confirmed that the guidance could be

documented and circulated.

FINANCIALS

Medicare Retiree Contributions – Director Stephanie Hartos, SBO, DHR

Director Hartos reported on Medicare retiree contributions based on enrollment for the current special Medicfill plan year of January 1, 2026 – December 21, 2026, noting that the SEBC does not set the premium percentage allocations for Medicare retirees. Those are set in statute and can only be modified by the General Assembly through legislation. Director Hartos stated that approximately 56.8% of retirees (just under 16,000 individuals) currently pay no premium for the State plan, with the State covering 100% of the share.

She further reported that approximately 30% of retirees (8,411 individuals) pay 5% of the premium, with the State covering 95%. Those are the members that retired after July 1, 2012, who had the fully accredited state service. Retirees paying higher contribution levels (25%, 50%, or 100%) represent less than 10% of the total Medicare retiree enrollment and did not meet the required years of state service prior to retiring and thus pay a higher percentage of the premium dictated in the statute.

Director Hartos stated that for 25,423 Medicare retirees (90.4%), the State is paying 95 – 100% of the premium with retirees paying 0 - 5%.

During discussion, Director Hartos clarified that the double state share program applies to more than 1,000 retirees and is limited to individuals who were married prior to January 1, 2012 and both employed by or retired from the State. She noted that some participants were grandfathered into lower contribution requirements.

Paul Baumbach asked that additional information be included in the document: The percentage of non-Medicare retirees for whom the State is paying 95 – 100% of the premium, the percentage difference that the State pays per Medicare retiree versus active employee, and the percentage of what the State and Medicare retirees pay in premiums that are used by the Medicare retirees. Director Maxwell objected to including the items requested in the document as they fall outside of the scope of what is being reviewed. State Retiree Karen Peterson objected to the Medicare retirees paying 0 – 5% being lumped together. Further discussion took place about the timing of distribution of meeting materials.

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

Mr. Stitzel presented the March 2026 Fund Report. For the month of March, total results were approximately \$4 million unfavorable to budget. Premium contributions and expenses were generally in line with expectations, and the variance was primarily driven by differences in other revenues and claims.

Other revenues were approximately \$3 million below budget, driven by a quarterly EGWP coverage gap discount payment of \$7.9 million compared to a budgeted amount of \$11 million.

Overall claims were approximately \$1 million unfavorable to budget. Highmark medical claims exceeded budget, including approximately \$6 million over budget for active employees, \$5 million over budget for pre-65 retirees, and \$1.7 million over budget for Medicare retirees.

These higher medical costs were partially offset by favorable CVS pharmacy claims, which have been trending below budget. This favorable experience was largely attributed to lower-than-expected utilization and costs associated with GLP-1 medications for weight loss compared to projections.

While GLP-1 spend increased in March, overall spend remains below budget for the fiscal year. Variability in monthly costs were attributed to utilization patterns and prescription fill timing, including 30-day versus 90-day supplies.

Looking ahead, the plan is projected to finish FY26 approximately \$15 million favorable to budget, driven primarily by lower-than-expected claims and additional premium contributions from non-payroll groups. Due to recent claims experience, the projected rate action for FY29 has increased to 14%. The Committee previously approved a 2.2% increase for FY27 and continues to assume a 4.2% increase for FY28 as part of a multi-year smoothing approach.

During discussion, Committee members asked about drivers of GLP-1 cost fluctuations. Staff noted that utilization continues to increase and cost variability is influenced by prescription patterns. When asked about the drug manufacturer GLP-1 savings program, Director Hartos confirmed that neither the State nor CVS has visibility into member use of manufacturer savings programs as those are administered independently at the pharmacy level and there is no ability for the State or CVS to create or access reporting on utilization.

DENTAL BENEFIT REQUEST FOR PROPOSALS (RFP)

RFP Overview – Michelle Gast, WTW

Ms. Gast presented updates to the Dental RFP, including proposed design changes and scoring criteria.

Ms. Gast noted that the current draft scoring criteria totaled 105 points and must be reduced by 5 points to total 100 points. During discussion, a Committee member suggested removing the five points allocated to responsiveness, noting that vendors are typically compliant in this area, and it does not serve as a meaningful differentiator in scoring. Ms. Gast confirmed that responsiveness can still be tracked and reported to the Committee outside of formal scoring.

A MOTION was made by DSEA Executive Director Jeff Taschner and seconded by Commissioner Navarro to strike five points from the responsiveness category to get to a total of 100 points. Director Maxwell called for a voice vote. Motion passed unanimously.

Discussion continued on the proposed plan design options for the Dental RFP, including whether to continue with procuring for a DPPO and DHMO plan or to procure for a DPPO plan with a High/Low option. Discussion favored removing the DHMO plan option and only procuring for a DPPO High/Low plan.

Approval of Dental Plan Designs for Procurement – Michelle Gast, WTW

A MOTION was made by Commissioner Navarro and seconded by State Retiree Karen Peterson to approve the dental plan design for procurement for DPPO High/Low Plan.

Roll Call Vote:

- Director Brian Maxwell – Yes
- Treasurer Davis – Yes
- Secretary Gordon – Yes
- Lieutenant Governor 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 FY26 – FY29 GHIP STRATEGIC FRAMEWORK – JOHN FAZIO, WTW

Mr. Fazio reviewed the work completed to date on the draft FY26 – FY29 GHIP Strategic Framework. Committee members discussed being provided approval dates for items in the plan, removing references to Lantern to only state the name of the benefit as opposed to the vendor.

Commissioner Navarro raised proposed language to modify the Medical TPA RFP, which was discussed and deferred to the subsequent agenda item.

Director Maxwell stated that the only correction that he heard being requested was removal of the references to Lantern.

A MOTION was made by Treasurer Davis and seconded by Secretary Gordon to approve the FY26 – FY29 GHIP strategic framework as presented, with that correction.

Roll Call Vote:

- Director Brian Maxwell – Yes
- Treasurer Davis – Yes
- Secretary Gordon – Yes
- Lieutenant Governor 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 MEDICAL THIRD-PARTY ADMINISTRATOR (TPA) SERVICES REQUEST FOR PROPOSALS (RFP) - MICHELLE GAST, WTW

Ms. Gast provided an overview of updates made to the draft RFP based on prior Committee feedback, including adjustments to evaluation criteria and incorporation of prior discussion points.

During discussion, A MOTION was made by State Retiree Karen Peterson and seconded by DSTA Representative Paul Baumbach to amend page 12 item number 5 of the RFP, requesting the language be revised to, “If you indicated that you cannot duplicate the current plan without deviation, please confirm if you can do so by the effective date of 1/1/28.”

Roll Call Vote:

- Director Brian Maxwell – Yes
- Treasurer Davis – No Vote
- Secretary Gordon – Yes
- Lieutenant Governor 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.

Additional amendments to the Medical TPA RFP were proposed by Committee members.

Further discussion occurred regarding proposed language related to innovative healthcare solutions and vendors partnerships. Victoria Sweeney, DAG from the Department of Justice, provided procedural guidance, advising caution in making such partnerships a minimum requirement. It was recommended that such language instead be included as a question in the questionnaire. Director Hartos recommended that language regarding inclusion of innovative healthcare organizations be incorporated into the scope of services to clearly define expectations for vendors. A corresponding question should also be added within the questionnaire requesting vendors to identify partnerships.

Committee members emphasized the importance of ensuring that the RFP includes flexibility for the State to pursue innovative solutions during the life of the contract and avoid being constrained once the contract is awarded. Director Hartos further recommended revising existing questionnaire language to expand the State's ability to carve out services beyond care management to include other vendor-supported services at the State's discretion. WTW confirmed that partnership-related questions would remain informational in nature and would not limit vendor eligibility but could be used to inform evaluation and scoring considerations.

Final voting on the Medical TPA RFP would be deferred to after public comment to ensure members of the public could have the opportunity to comment on the additional revisions discussed at the meeting.

APPROVAL OF GHIP ELIGIBILITY AND ENROLLMENT RULE CHANGES – NINA FIGUEROA, DHR

Ms. Figueroa presented proposed revisions to the GHIP eligibility and enrollment rules for an effective date of July 1, 2026.

Updates were primarily surrounding the Family Caregiving Leave or Qualifying Exigency Leave per the Health Delaware Families Act, with additional clarifications and housekeeping changes proposed to align with feedback received from SBO staff and WTW.

Discussion included clarification of spousal coordination of benefits requirements.

Secretary Young left the meeting at 12:32 p.m.

A MOTION was made by Secretary Gordon and seconded by State Retiree Karen Peterson to adopt the revisions to the Group Health Insurance Plan eligibility and enrollment rules effective July 1, 2026.

Roll Call Vote:

- Director Brian Maxwell – Yes
- Treasurer Davis – Yes
- Secretary Gordon – Yes
- Lieutenant Governor Gay – Yes
- Ashley Tucker – Yes
- Secretary Young – Not Present
- Paul Baumbach – Yes
- Commissioner Navarro – Yes
- Jeff Taschner – Yes
- Karen Peterson – Yes
- Bill Oberle – Yes

MOTION ADOPTED by roll call.

SEBC SUBCOMMITTEES – KRISTIN BARNEKOV-SHORT, DHR

Director Maxwell tabled this discussion for May 11, 2026.

PUBLIC COMMENT

Ms. Cross noted that 18 written public comments were received prior to the meeting and were distributed to Committee members.

One pre-registered commenter was acknowledged. No additional public comments were received.

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

Following public comment, the Committee returned to the Medical TPA RFP to finalize and consolidate all proposed amendments discussed during the meeting.

The proposed revisions included:

- Add to the scope of services, “TPA(s) will be expected to include innovative healthcare organizations, which may offer solutions that expand access to primary care, behavioral health, metabolic and weight management services, care navigation, or measurable workforce wellness and assessment capabilities. All proposed solutions must demonstrate the ability to reduce cost of medical care for the State.”
- Add to questionnaire details on any partnerships currently in place, “Please identify any partnerships currently in place.”
- Page 163 Section N, revise to say, “Confirm the state may carve out care management and other vendors supported services from their medical TPA scope of services at their discretion.”
- Page 5, the minimum requirement to replace “enhancement” with “additional benefit services at no cost.”
- Page 5, update the wording to say, “please explain each deviation in detail.”
- Page 9, paragraph two, after “without deviations” add, “bids for any other arrangements are not being solicited and will not be considered by the SEBC.”
- Page 11, paragraph one, add to the end of the paragraph, “bids for any other arrangements are not being solicited and will not be considered by the SEBC.”
- Page 92, paragraph one, after where the plan is not met, add, “if you cannot duplicate the current plan design without deviation, please confirm if you can do so by the effective date of the plan.”
- Page 150, number 11, add, “If so, please provide an overview of the arrangement.”
- Page 9, Scope of Services, update to include approved FY26 - FY29 Strategic Framework.
- Page 25, Criteria Weight, Financial Proposal Section, add, “Propose performance guarantees (PGs) that place meaningful fees at risk and are tied to measurable improvements in total cost of care and cost trend, while also advancing overall plan performance, including member health outcomes, quality of care, and engagement, Examples may include but are not limited to: reductions in per-member cost or cost trend relative to benchmarks: improved management of high-cost conditions; optimization of utilization and site-of-care; increased adoption of value-based payment arrangements; and improvements in clinical outcomes or member engagement.”

A MOTION was made by DSEA Executive Director Jeff Taschner and seconded by State Retiree Bill Oberle to include all proposed amendments in the Medical TPA RFP.

Roll Call Vote:

- Director Brian Maxwell – Yes
- Treasurer Davis – Yes
- Secretary Gordon – Yes
- Lieutenant Governor Gay – Yes
- Ashley Tucker – Yes
- Secretary Young – Not Present

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

MOTION ADOPTED by roll call.

A MOTION was made by DSEA Executive Director Jeff Taschner and seconded by Commissioner Navarro to approve the Medical TPA RFP as amended.

Roll Call Vote:

- Director Brian Maxwell – Yes
- Treasurer Davis – No Vote
- Secretary Gordon – Yes
- Lieutenant Governor Gay – Yes
- Ashley Tucker – Yes
- Secretary Young – Not Present
- Paul Baumbach – Yes
- Commissioner Navarro – Yes
- Jeff Taschner – Yes
- Karen Peterson – Yes
- Bill Oberle – Yes

MOTION ADOPTED by roll call.

OTHER BUSINESS

No other business.

ADJOURNMENT

A MOTION was made by State Retiree Karen Peterson and seconded by Secretary Gordon to adjourn the public session at 12:43p.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.