

**MINUTES FROM THE MEETING OF THE STATE EMPLOYEE BENEFITS COMMITTEE
AUGUST 24, 2026**

The State Employee Benefits Committee (the “Committee”) met at 10:00 a.m. on August 24, 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:

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

Committee Members Absent:

Karen Peterson, State Retiree Representative

Others in Attendance

Deputy Director Leighann Hinkle, SBO, DHR
Kristin Short, SEBC/Subcommittee Manager, SBO, DHR
Tyler Waad, Deputy Attorney General, DOJ, SEBC Legal Counsel
Ashli Warman, SBO, DHR
Barbara Philbin
Bente Bouthier
Bob Clarkin
Brian Stitzel, WTW
Carrie Schiavo
Charlene Hrivnak, CVS
Christina Bryan
Christina Haas, DOI
Ciera Lints, OMB
Deputy Director Ann Visalli, OMB
Ebony Liggins
Evelyn Nestlerode, Courts
George Schreppler
Grant Brunner, SBO, DHR
Heather Hernandez, SBO, DHR

Heather Johnson, DHR
Helene Diskau
Jason Smith, LegHall
Jenn Mile, OMB
Jennifer Moyer
John Fazio, WTW
John Gadzinski, Highmark BCBS Inc
Juliann Emory, DHA
Kennadie Cook, DOI
Kristal Diaz, OPe
Kristy Akus
Lauren Vella
Leigh Ulrich, SBO, DHR
Lori Ann Rhoads, Medical Society of DE
Lynda Hastings
Mark Brainard, Office of the Lt. Governor
Mary Kate McLaughlin
Michael Smith
Michael Volpe, DOL
Michele Williams, DHR
Michelle Baldassarre, OMB
Michelle Gast, WTW

STATE OF DELAWARE STATEWIDE BENEFITS OFFICE

Pamela Barr, SBO, DHR
Patricia Marney
Paula Roy
Randy Garcia
Robert Scoglietti, LegHall
Sarah Stowens, Office of the Lt. Governor
Stephen Wyszomierski, Highmark BCBS Inc

Steve LePage
Tanisha Merced, DOI
Timothy Vessel, Highmark BCBS Inc
Walter Mateja, Merative
Wendy Beck, Highmark BCBS Inc
Danielle Cross, SBO, DHR, Recorder

CALLED TO ORDER – DR. NEIL HOCKSTEIN, CHAIR OF DHCC

Dr. Hockstein officially called the meeting to order at 10:00 a.m.

Commissioner Navarro arrived at 10:02 a.m.

APPROVAL OF JULY 27, 2026, SEBC MEETING MINUTES – DR. NEIL HOCKSTEIN, CHAIR OF DHCC

A MOTION was made by Treasurer Davis and seconded by DSEA Designee Jeff Taschner to approve the minutes from July 27, 2026, meeting of the State Employee Benefits Committee (SEBC).

DSTA Designee Paul Baumbach requested two edits to clarify members' titles.

A MOTION was made by Treasurer Davis and seconded by DSEA Designee Jeff Taschner to approve July 27, 2026, SEBC meeting minutes with the two requested edits.

MOTION was adopted unanimously.

STATEWIDE BENEFITS OFFICE REPORT – KRISTIN BARNEKOV-SHORT, SBO, DHR

Kristin Barnekov-Short, Statewide Benefits Office (SBO), provided an update on the Medical Third-Party Administrator (TPA) Request for Proposal (RFP). Proposals were received from Aetna and Highmark. Following consultation with the Department of Technology and Information (DTI), the Deputy Attorney General (DAG), and Willis Towers Watson (WTW), both vendors were determined to have met the minimum qualifications and will move forward in the procurement process.

Ms. Barnekov-Short also reminded Committee members to state their names when speaking, particularly when making motions, to assist with preparation of the meeting minutes.

SEBC SUBCOMMITTEE RESOLUTION REPORT – KRISTIN BARNEKOV-SHORT, SBO, DHR

Ms. Barnekov-Short reviewed the proposed resolutions establishing the Financial & Vendor Strategy Subcommittee and the Health Outcomes & Data Insights Subcommittee. She explained that both Subcommittees would serve in an advisory capacity to the SEBC and would have similar governance and membership structures. The Financial & Vendor Strategy Subcommittee would focus on financial, actuarial, benefit, and vendor matters, while the Health Outcomes & Data Insights Subcommittee would focus on member health, quality, utilization, and measurement. She noted that meetings may be coordinated when issues overlap and that the resolutions contemplate the use of standing designees to promote continuity.

Members discussed the proposed membership structure, timing of implementation, continuity of membership, majority approval of recommendations, and coordination between the two Subcommittees. State Retiree Bill Oberle expressed a preference for one Subcommittee rather than two and suggested changing a reference to "cost" to "pricing" under Section 4: Responsibilities.

Lieutenant Governor arrived at 10:15 a.m.

DSEA Designee Jeff Taschner requested clarification regarding whether a designee could serve as Subcommittee Chair. Following discussion with legal counsel, the Chair requested that DSTA Designee Paul Baumbach and the DAG work together to develop revised language regarding eligibility to serve as Subcommittee Chair.

The vote on the proposed resolutions was deferred to a subsequent meeting.

153RD GENERAL ASSEMBLY LEGISLATIVE REVIEW – KRISTIN BARNEKOV-SHORT, SBO, DHR

Ms. Barnekov-Short provided an informational update on legislation from the 153rd General Assembly impacting the GHIP, SBO, and/or SEBC. She noted that SBO monitored legislation throughout the session and worked with vendors and consultants, as appropriate, to evaluate potential fiscal and administrative impacts. Ms. Barnekov-Short provided an overview of HS 1 for HB200 with H1 and HA2, HB435, SS2 for SB1, SS1 for SB289, SS1 for SB120, SS1 for SB319, and SB320 with SA2. For each bill she reviewed the requirements of the legislation, the status of the bill, the estimated fiscal impact, and the effective date of the legislation.

Ms. Barnekov-Short stated that SBO will continue working with applicable partners to implement enacted legislation and monitor legislation awaiting action by the Governor.

FINANCIALS – BRIAN STITZEL, WTW

Review Senate Substitute 2 for Senate Bill 1

Mr. Stitzel reviewed the projected financial impacts of SS 2 for SB 1, including the primary care spending and Medicare Reference-Based Pricing (RBP) provisions. Primary care spending is projected at approximately 5.8% of total medical spending in FY27 and FY28 and, beginning in FY29, would increase by 1% annually until reaching the required 11.5% threshold in FY34. For modeling purposes, WTW assumed a high-cost claimant threshold of \$150,000 annually; however, the final definition is subject to determination by the SEBC.

Mr. Stitzel stated that approximately \$10 million in additional primary care spending is projected in FY29, increasing to just under \$60 million by FY34. RBP is projected to generate approximately \$36 million in savings beginning in FY30, increasing to approximately \$70–\$80 million in FY32 and FY33 and more than \$100 million beginning in FY34. WTW also modeled a return on the additional primary care investment through improved health outcomes, better care management, and reduced utilization. Overall, the legislation is projected to result in net savings to the GHIP, primarily due to the RBP provisions.

Members discussed the definition of a high-cost claimant and the SEBC's authority to establish the applicable threshold. Director Hartos noted that Highmark and Aetna use different thresholds and that the \$150,000 threshold used for modeling was provided by the Department of Insurance. The Chair suggested the definition of a high-cost claimant be included as a topic for discussion at a future meeting.

Secretary Linke Young discussed the importance of strategically investing the additional primary care funding. Members also discussed tracking the financial impact of the legislation and the projected savings. Director Hartos noted that SBO's upcoming consulting and actuarial services RFP includes requirements related to administering the legislation and tracking its financial impacts and savings.

A question was raised regarding the assumption of a 1% annual hospital spending trend from 2025 through FY29. Mr. Stitzel agreed to review the assumption and follow up with the Committee.

REVIEW COORDINATION OF BENEFITS POLICY CHANGES – SAMANTHA MOUNTZ, SBO, DHR

Spousal Coordination of Benefits (SCOB) Policy Proposed Revisions

Ms. Mountz provided a recap of the proposed SCOB Policy revisions presented at the July SEBC meeting. She stated that HB 376 required updates to the Policy to align with State regulations and clarify existing language for accuracy, consistency, and compliance.

Members discussed language in Section 7 referring to an employee as “married to” and whether it was consistent with the definition of spouse in Section 1.2.2, which includes a legal spouse or civil union partner. Following discussion with legal counsel, the Committee agreed, without objection, to revise the applicable language from “is married to” to “is married to or has entered into a civil union with.”

Ms. Mountz stated that the updated SCOB Policy is scheduled to become effective January 1, 2027.

New Pensioner Coordination of Benefits (PCOB) Policy

Ms. Mountz provided a recap of the proposed PCOB Policy, which becomes effective July 1, 2027. The policy applies to eligible pensioners enrolled under the State Plan who were first employed on or after January 1, 2015, and is used to determine eligibility for primary coverage under the State Plan. She stated that the intent is to ensure fiscal responsibility for the GHIP where other employers offer health care coverage to their employees and that, pursuant to Delaware Code, the PCOB Policy must be comparable to the SCOB Policy.

In response to a question regarding anticipated savings, Ms. Mountz stated that an estimate is not currently available because the applicable population has not previously been tracked. There was additional discussion about the complexity of the SCOB process and administration of the policy.

PUBLIC COMMENT

Ms. Cross noted that four written public comments were received prior to the meeting and were distributed to Committee members. One member of the public provided verbal comment regarding prescription drug costs, transparency, competition, and public participation.

COORDINATION OF BENEFITS POLICY CHANGES

Approval of Spousal Coordination of Benefits (SCOB) Policy Proposed Revisions

A MOTION was made by DSEA Designee Jeff Taschner and seconded by State Retiree Bill Oberle to approve the Spousal Coordination of Benefits (SCOB) Policy changes with the edits to include civil unions.

Roll Call Vote:

- Dr. Neil Hockstein – Yes
- Treasurer Davis – Yes
- Director Maxwell – Yes
- Lieutenant Governor Gay – Yes
- Secretary Linke Young – Yes
- Commissioner Navarro – Yes
- Controller General Ruth Ann Miller – Yes
- Ashley Tucker – Yes

- Jeff Taschner – Yes
- Paul Baumbach – Yes
- Bill Oberle – Yes

MOTION ADOPTED by roll call.

Approval of New Pensioner Coordination of Benefits (PCOB) Policy

A MOTION was made by Lieutenant Governor Gay and seconded by Commissioner Navarro to approve the Pensioner Coordination of Benefits (PCOB) Policy as written.

Roll Call Vote:

- Dr. Neil Hockstein – Yes
- Treasurer Davis – Yes
- Director Maxwell – Yes
- Lieutenant Governor Gay – Yes
- Secretary Linke Young – Yes
- Commissioner Navarro – Yes
- Controller General Ruth Ann Miller – Yes
- Ashley Tucker – Yes
- Jeff Taschner – Yes
- Paul Baumbach – Yes
- Bill Oberle – Yes

MOTION ADOPTED by roll call.

OTHER BUSINESS

State Retiree Bill Oberle asked a follow-up question regarding the Part D direct subsidy reflected in the financial projections and whether there had been a reduction in the subsidy for the individual market. Mr. Stitzel agreed to review and report back to the Committee.

ADJOURNMENT

A MOTION was made by Director Maxwell and seconded by Secretary Linke Young to adjourn the public session at 11:07 a.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.