



**MINUTES FROM THE MEETING OF THE RETIREE HEALTHCARE BENEFITS ADVISORY SUBCOMMITTEE MEETING
April 17, 2023**

The Retiree Healthcare Benefits Advisory Subcommittee met at 4:00 p.m. on April 17, 2023.

The meeting was held virtually and in person at 97 Commerce Way, Suite 201 in Dover.

Subcommittee Members in Attendance:

The Honorable Bethany Hall-Long, Office of the Lt. Governor, Chair
Representative Paul Baumbach, Delaware House of Representatives, Majority Caucus, Co-Vice Chair
Secretary Claire DeMatteis, Department of Human Resources (“DHR”)
Director Cerron Cade, Office of Management & Budget (“OMB”)
The Honorable Trinidad Navarro, Insurance Commissioner, Department of Insurance (“DOI”)
Representative Michael Ramone, Delaware House of Representatives, Minority Caucus
Senator Brian Pettyjohn, Delaware State Senate, Minority Caucus
Mr. Wayne Emsley, State Retiree – New Castle County
Mr. David Craik, State Retiree – Kent County
Ms. Denise Allen, State Retiree – Sussex County
Mr. Jeff Taschner, Executive Director, Delaware State Education Association (“DSEA”)
Mr. Michael Begatto, Executive Director, Delaware Public Employees Council 81
Mr. William Oberle, Delaware State Trooper’s Association (“DSTA”)

Subcommittee Members Not in Attendance:

Senator Bryan Townsend, Delaware State Senate, Majority Caucus, Co-Vice Chair
Secretary Rick Geisenberger, Department of Finance (“DOF”)

Others in Attendance

Director Faith Rentz, SBO, DHR	Ms. Stephenie Tatman, Deputy Pension Administrator, OPen
Deputy Director Leighann Hinkle, SBO, DHR	Ms. Wendy Beck, Highmark Delaware
Ms. Samantha Mountz, SBO, DHR	Ms. Jeanie Carson, Highmark Delaware
Mr. Aaron Schrader, SBO, DHR	Ms. Pamela Price, Highmark Delaware
Ms. Cherie Dodge Biron, Director, Financial & Administrative Services, DHR	Ms. Lisa Mantegna, Highmark Delaware
Ms. Adria Martinelli, Deputy Attorney General, Department of Justice, SEBC Legal Counsel	Mr. Ken Bronke, Highmark Delaware
Mr. Chris Giovannello, Willis Towers Watson (“WTW”)	Ms. Katherine Impellizzeri, Aetna
Ms. Jaclyn Iglesias, WTW	Ms. Julie Caynor, Aetna
Ms. Rebecca Warnken, WTW	Ms. Brooke Nedza, Aetna
Mr. Brian Stitzel, WTW	Ms. Paula Roy, Roy & Associates
Mr. Tom Cotter, WTW	Ms. Margaret Tempkin, Cheiron
Mr. Walter Mateja, Merative	Ms. Christina Bryan, DHA
Ms. Kristin Short, CoLab Strategies, LLC	Ms. Christy Wright, LegHall
Mr. Robert Scoglietti, Deputy Controller General, OCG	Ms. Aimee Holthaus, DNREC
Ms. Joanna Adams, Pension Administrator, Office of Pensions (“OPen”)	Ms. Taylor Hawk, DSEA
	Ms. Karen Peterson, Retired Senator
	Mr. Ray Seigfried, Former Representative
	Ms. Lynda Hastings

STATE OF DELAWARE STATEWIDE BENEFITS OFFICE

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Ms. Diana Noonan
Mr. William Young
Ms. Elisa Diller
Ms. Jean Betley
Ms. Linda Waltz
Ms. Linda Thompson
Ms. Nancy Alteri

Ms. Donna Dossett
Ms. Joan DeFattore
Mr. Fred Willey
Ms. Sherry Long
Ms. AnRea MacDonald
Ms. Barbara Philbin
Mr. David Taylor
Ms. Marian Coker
Ms. Lisa Kane
Ms. Kathleen Thomas
Ms. Cindy Tatman-Hogan
Ms. Julie Finley O’Conner
Mr. George Yocher
Ms. J. Denise Baker
Ms. Karen Oldland
Ms. Maureen Keeney
Mr. Mike Kempski
Ms. Nancy Hackendorn
Ms. Patricia Roberts
Ms. Carole Mick, SBO, DHR – Recorder, State
Employee Benefits Committee and Subcommittees

CALLED TO ORDER – LIEUTENANT GOVERNOR BETHANY HALL-LONG

Lieutenant Governor Hall-Long called the meeting to order at 4:00 P.M.

PUBLIC COMMENT

Members from the public provided comment on Medicare Advantage (MA) as it compares to the Medicfill plan, having prior authorizations, a network and coinsurance. A member from the public provided comment on keeping the current Medicfill plan with plan design changes, pricing out a Health Reimbursement Account (HRA) for use in the individual marketplace, and commented on the follow-up document regarding mention of the 90th percentile costs on GHIP Medicfill and individual marketplace plans. A few members from the public addressed concerns with an HRA and the individual marketplace. A member of the public commented that they do not like the current Zoom webinar function to host these meetings and would prefer to use the Zoom meeting function. Members of public stated that they were promised quality retiree benefits for their service to the state and a 1% OPEB funding option is not reasonable enough to address to the OPEB liability. Additional comments from the public include difficulties understanding the employee benefits survey, recommended options to address the OPEB liability, the State’s failure to budget properly on funding retiree benefits, requests for quality data and updates to the FY22 Q4 Financial Report to reflect reconciliations.

Director Cade arrived to the meeting.

APPROVAL OF MINUTES – LIEUTENANT GOVERNOR BETHANY HALL-LONG

A MOTION was made by Mr. Emsley and seconded by Representative Baumbach to approve the minutes from the Retiree Healthcare Benefits Advisory Subcommittee meeting on April 3, 2023.

MOTION ADOPTED UNANIMOUSLY.

OTHER POST-EMPLOYMENT BENEFITS (OPEB) OPTIONS – MR. CHRIS GIOVANNELLO, WTW

Mr. Giovannello reviewed the OPEB liability and future liability estimates assuming no changes in plan design, eligibility, or funding. Options to reduce the OPEB liability were presented and grouped into three categories: increased funding, eligibility changes, and plan design. Combining options from each category will provide the greatest impact to reduce the OPEB liability. Mr. Giovannello displayed options to reduce the OPEB liability that were modeled by the Retirement Benefit Study Committee (RBSC) from each category and provided additional options for potential consideration that have not been previously modeled.

Ms. Tempkin from Cheiron provided insight into the OPEB liability from an actuarial point of view and noted that adding additional dollars to OPEB has a greater impact on future liability than health care cost saving because of the discount rate variation that is applied to each action.

Senator Pettyjohn left the meeting.

Ms. Allen left the meeting.

MAY 1ST STATUS REPORT – LIEUTENANT GOVERNOR BETHANY HALL-LONG

Lieutenant Governor Hall-Long discussed the May 1st Status report to the General Assembly and displayed the outline for this report. This report will include a summary of Subcommittee activity, SEBC decision on Medicare health plan for FY24, areas of focus requiring further consideration, and expected meeting timeframe for post FY24 recommendations.

Secretary DeMatteis left the meeting.

DISCUSSION BY SUBCOMMITTEE MEMBERS

Subcommittee members continued discussion on the OPEB liability options, the May 1st status report, and future dates for additional Subcommittee meetings.

PUBLIC COMMENT

Members of the public provided comment on the OPEB options, additional non-modeled OPEB options, and HB 75 containing language on Medicare Advantage. A member of the public provided a recommendation to codify the OPEB funding, payroll contributions, and a percent of surplus resources and to rate each group individually rather than together.

ADJOURNMENT

A MOTION was made by Mr. Emsley and seconded by Representative Baumbach to adjourn the public session at 5:55 P.M. MOTION ADOPTED UNANIMOUSLY.

Respectfully submitted,

Carole Mick, Executive Secretary, Statewide Benefits Office, Department of Human Resources
Recorder, State Employee Benefits Committee, and Subcommittees