



**MINUTES FROM THE MEETING OF THE RETIREE HEALTHCARE BENEFITS ADVISORY SUBCOMMITTEE MEETING  
May 19, 2023**

The Retiree Healthcare Benefits Advisory Subcommittee met at 1:00 p.m. on May 19, 2023.

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

Subcommittee Members in Attendance:

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

Subcommittee Members Not in Attendance:

Representative Michael Ramone, Delaware House of Representatives, Minority Caucus  
Denise Allen, State Retiree – Sussex County

Others in Attendance

Director Faith Rentz, SBO, DHR	Christopher Horton, OMB
Deputy Director Leighann Hinkle, SBO, DHR	Wendy Beck, Highmark Delaware
Heather Johnson, SBO, DHR	Jeanie Carson, Highmark Delaware
Marie Hartigan, SBO, DHR	Pamela Price, Highmark Delaware
Cherie Dodge Biron, Director, Financial & Administrative Services, DHR	Lisa Mantegna, Highmark Delaware
Chris Giovannello, Willis Towers Watson (“WTW”)	Ken Bronke, Highmark Delaware
Rebecca Warnken, WTW	Katherine Impellizzeri, Aetna
Tom Cotter, WTW	Margaret Tempkin, Cheiron
Paula Stander, Via Benefits	Valerie McCartan, LegHall
Dennis Willden, Via Benefits	Aimee Holthaus, DNREC
Alison Kile, Via Benefits	Karen Peterson, Retired Senator
Walter Mateja, Merative	Ray Seigfried, Former Representative
Kristin Short, CoLab Strategies, LLC	Sam Haut
Robert Scoglietti, Deputy Controller General, OCG	Lynda Hastings
Joanna Adams, Pension Administrator, Office of Pensions (“OPen”)	Wanda Pfeiffer
Matt Clark, AFSCME	Bob Clarkin
	Steve LePage
	Tom Pledge
	Rebecca Scarborough

**STATE OF DELAWARE STATEWIDE BENEFITS OFFICE**

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Sam Gaertner  
Pat Sine  
Deborah Schrass  
Joan Burnside  
Diana Noonan  
Elisa Diller  
Nancy Alteri  
Donna Dossett  
Joan DelFattore  
Barbara Philbin  
Mike Kempfski  
Denise Schwartz  
Roger Jones  
Sara Russell  
AnRea Macdonald  
Becky Breasure

Bill Saylor  
Bill Mead  
Carole Kirshner  
Charles Clark  
Connor Hansen  
Fred Willey  
Jean Betley  
Jim Chaconas  
Judy Chaconas  
Laurel Ferris  
Nancy Weaver  
Rich Phillips  
Rita Klepner  
Robin Willey  
Terri Hunter  
Larry Bray

**CALLED TO ORDER – LIEUTENANT GOVERNOR BETHANY HALL-LONG**

Lieutenant Governor Hall-Long called the meeting to order at 1:08 P.M.

**APPROVAL OF MINUTES – LIEUTENANT GOVERNOR BETHANY HALL-LONG**

A MOTION was made by Michael Begatto and seconded by Wayne Emsley to approve the minutes from the Retiree Healthcare Benefits Advisory Subcommittee meeting on May 8, 2023.

MOTION ADOPTED UNANIMOUSLY.

*Senator Pettyjohn arrived to the meeting.*

**HEALTH REIMBURSEMENT ARRANGEMENT (HRA)/INDIVIDUAL MARKETPLACE OVERVIEW – ALISON KLIE, VIA BENEFITS**

Alison Klie provided an overview of the mechanics of an HRA and ways to enroll in a health care plan through the individual Medicare marketplace. Alison Klie and Paula Stander, Via Benefits, summarized how a marketplace platform operates and how benefit advisors assist Medicare eligible members to enroll into a health care plan that best suits their needs.

Chris Giovannello reviewed a previous retiree impact analysis of an HRA by costs and unused HRA funds by age assuming retirees are age 65, enroll into the highest premium Medigap plan (Plan G), and receive an initial \$5,100 annual HRA amount with 2% indexing and unused funds rolling over to the next plan year.

*Representative Baumbach arrived to the meeting.*

*Director Cade arrived to the meeting.*

*Senator Townsend arrived to the meeting.*

*Senator Pettyjohn left the meeting.*

**OPEB MODELING IMPACTS FROM MAY 8, 2023 RHABS MEETING – JOANNA ADAMS, OPEN**

Joanna Adams summarized the OPEB eligibility options that were modeled by Cheiron which include reducing the spousal state share subsidy, increasing the graduated state share based on years of service, and eliminating future vested retirees from eligibility for healthcare. The approximate OPEB liability reduction by cost and the 2052 approximate funded ratio by percent were displayed for the modeled options. An additional option for reducing the spousal state share subsidy was discussed for new hires on or after January 1, 2025 which would impact the OPEB liability by approximately \$1B with a 2052 approximate funded ratio of 18.5%.

Joanna Adams noted a correction to the OPEB eligibility options slide on increasing the graduated state share based on years of service Model A. The approximate OPEB liability reduction should read \$3.8B and the 2052 approximate funded ratio to 20.2%.

**RHBAS DISCUSSION AND OTHER BUSINESS**

Subcommittee members continued a lengthy discussion on each modeled OPEB eligibility option and provided recommendations to reduce the OPEB liability including an increase to the rate of payroll, adding additional models to the eligibility options, model the increase in minimum required age option, and discuss the impact of potential changes to the Medicare health plan design.

Additional discussion included a summary of the employee benefits survey retiree healthcare question results and further exploration of an HRA.

**PUBLIC COMMENT**

Several members of the public provided comment on agenda items presented at today’s meeting, shared personal health stories, and concerns over HB 75 containing language on Medicare Advantage.

**ADJOURNMENT**

A MOTION was made by Michael Begatto and seconded by Jeff Taschner to adjourn the public session at 3:12 P.M. MOTION ADOPTED UNANIMOUSLY.

Respectfully submitted,

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