



**MINUTES FROM THE MEETING OF THE RETIREE HEALTHCARE BENEFITS ADVISORY SUBCOMMITTEE MEETING
JUNE 5, 2023**

The Retiree Healthcare Benefits Advisory Subcommittee met at 1:00 P.m. on June 5, 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
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
Representative Michael Ramone, Delaware House of Representatives, Minority Caucus
Secretary Rick Geisenberger, Department of Finance (“DOF”)
Director Cerron Cade, Office of Management & Budget (“OMB”)
Wayne Emsley, State Retiree – New Castle County
Denise Allen, State Retiree – Sussex 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:

Senator Bryan Townsend, Delaware State Senate, Majority Caucus, Co-Vice Chair
Commissioner Trinidad Navarro, Insurance Commissioner, Department of Insurance (“DOI”)
David Craik, State Retiree – Kent County

Others in Attendance

Director Faith Rentz, SBO, DHR	Pamela Price, Highmark Delaware
Deputy Director Leighann Hinkle, SBO, DHR	Lisa Mantegna, Highmark Delaware
Heather Johnson, SBO, DHR	Ken Bronke, Highmark Delaware
Marie Hartigan, SBO, DHR	Katherine Impellizzeri, Aetna
Samantha Mountz, SBO, DHR	Paula Roy, Roy & Associates
Adria Martinelli, Deputy Attorney General, Department of Justice, SEBC Legal Counsel	Margaret Tempkin, Cheiron
Chris Giovannello, Willis Towers Watson (“WTW”)	Christy Wright, LegHall
Brian Stitzel, WTW	Taylor Hawk, DSEA
Tom Cotter, WTW	David Kohan, Christina SD
Walter Mateja, Merative	Lester Johnson, ARDSP
Kristin Short, CoLab Strategies, LLC	Ray Seigfried, Former Representative
Robert Scoglietti, Deputy Controller General, OCG	Sam Haut
Joanna Adams, Pension Administrator, Office of Pensions (“OPen”)	Lynda Hastings
Keith Warren, Chief of Staff, Office of the Lt. Governor	Wanda Pfiesser
Matt Clark, AFSCME	Bob Clarkin
Jeanie Carson, Highmark Delaware	Steve LePage
	Tom Pledgie
	Rebecca Scarborough
	Sam Gaertner

STATE OF DELAWARE STATEWIDE BENEFITS OFFICE

97 Commerce Way, Suite 201, Dover DE 19904 (D620E)

Phone: 1-800-489-8933 • Fax: (302) 739-8339 • Email: benefits@delaware.gov • Website: de.gov/statewidebenefits

Pat Sine
Deborah Schrass
Joan Burnside
Diana Noonan
Elisa Diller
Nancy Alteri
Donna Dossett
Joan DelFattore
Barbara Philbin
Mike Kempski
Denise Schwartz
Bill Mead
Fred Willey
Jean Betley
Jim Chaconas
Judy Chaconas
Rita Klepner
Robin Willey
William Young

Tom MacPherson
Patricia Roberts
Nancy Schuman
Nancy Colley
Maureen Keeney
Mark Collender
Linda Thompson
Julie Petroff
John Philips
Janet Smith
Dave Taylor
Chad Carmack
AnRea MacDonald
Ann Ryan
Larry Bray
Joan Denney
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 1:04 P.M.

APPROVAL OF MINUTES – LIEUTENANT GOVERNOR BETHANY HALL-LONG

A MOTION was made by Wayne Emsley and seconded by Representative Baumbach to approve the minutes from the May 19, 2023 Retiree Healthcare Benefits Advisory Subcommittee meeting.

MOTION ADOPTED UNANIMOUSLY.

SEBC UPDATES AND REVIEW OF MAY 22, 2023 MEETING – DIRECTOR FAITH RENTZ, SBO

Director Rentz provided Subcommittee members with agenda items that were discussed and voted on at the May 22, 2023 SEBC meeting which included votes on the premium rate increase and prescription copay increase for the Special Medicfill plans effective January 1, 2024. Additionally, it was mentioned that the SEBC voted on several items for the non-Medicare health plans at the March 6, 2023 and March 20, 2023 SEBC meetings.

UPDATE ON RISE DELAWARE LITIGATION – DIRECTOR FAITH RENTZ, SBO

Director Rentz reviewed updates on the RISE Delaware litigation.

OPEB MODELING IMPACTS FROM MAY 19, 2023 RHBAS MEETING – JOANNA ADAMS, OPEN

Joanna Adams discussed additional OPEB modeling options for eligibility changes and provided modeling for benefit changes on a Health Reimbursement Arrangement (HRA) and using the individual marketplace with a 2% or 4% indexing of the HRA.

RHBAS WORK PLAN, RHBAS DISCUSSION AND OTHER BUSINESS – DIRECTOR FAITH RENTZ, SBO

The RHBAS work plan for future Subcommittee meetings through September was displayed.

Subcommittee members held a discussion on options to reduce the OPEB liability and provided recommendations which include gathering data from other states on eligibility changes, modeling a state sponsored Medicare supplement plan and Medicare Advantage (MA) plan, model a step-down scenario on the percentage that the state

will contribute to a state sponsored plan based on retirement date or date of hire, and illustrate payroll contributions towards retiree health.

It was noted that the Subcommittee is not recommending a MA plan for current retirees. It was mentioned that the Joint Finance Committee voted to remove the epilogue language related to MA from the FY24 budget.

Subcommittee members discussed the timeline on when the request for proposal (RFP) should go out to bid for Medicare retiree healthcare and determined that the best approach is to release the RFP in September and no later than early October. Additional RHBAS and SEBC meetings may need to occur to provide recommendations and vote on a Medicare retiree healthcare benefit.

PUBLIC COMMENT

Several members of public provided comment on Medicare Advantage (MA), concerns over MA language in Delaware Code 5202(d)(5) but expressed appreciation for the removal of MA language in HB 75, Medicare retiree premium rate increase, and lack of funding for retiree healthcare. Additionally, members of the public asked to see options for Medicare retiree health and provided a recommendation to fund the OPEB liability.

ADJOURNMENT

A MOTION was made by Wayne Emsley and seconded by Representative Baumbach to adjourn the public session at 2:34 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