



**MINUTES FROM THE COMBINED MEETING OF THE FINANCIAL and HEALTH POLICY & PLANNING SUBCOMMITTEES
TO THE STATE EMPLOYEE BENEFITS COMMITTEE
SEPTEMBER 10, 2020**

The Health Policy & Planning (“HP&P”) Subcommittee and the Financial Subcommittee to the State Employee Benefits Committee (the “Committee”) met Thursday, September 10, 2020 via WebEx and without a physical location in accordance with the Governor’s [Proclamation Authorizing Public Bodies to Meet Electronically](#). Attendees participated using the information provided via the Delaware Public Meeting Calendar.

Committee Members Represented or in Attendance:

Director Faith Rentz, SBO, Department of Human Resources (“DHR”) (Appointee of DHR Sec. Johnson), Chair
The Honorable Colleen Davis, State Treasurer, Office of the State Treasurer (“OST”)
Ms. Judy Anderson, DSEA, (Appointee of Mr. Taschner for DSEA)
Ms. Victoria Brennan, Sr. Legislative Analyst, Office of the Controller General (Appointee of CG Morton)
Mr. Steve Costantino, Dept. of Health and Social Services (Appointee of DHSS Sec. Magarik)
Ms. Ruth Ann Jones (Appointee of CG Morton)
Ms. Emily Molinaro, OMB (Appointee of OMB Dir. Jackson)
Mr. William Oberle, Delaware State Trooper’s Association (Appointee of Mr. Taschner for DSEA)
Mr. Tanner Polce, Policy Director, Office of the Lt. Governor (Appointee of Lt. Governor Hall-Long)
Ms. Judi Schock, Deputy Principal Assistant, Office of Management & Budget (Appointee of OMB Dir. Jackson)
Mr. Stuart Snyder, Chief of Staff, Department of Insurance (Appointee of Commissioner Navarro)

Others in Attendance:

Ms. Leighann Hinkle, Deputy Director, SBO, DHR	Ms. Lisa Mantegna, Highmark Delaware
Ms. Jaclyn Iglesias, Willis Towers Watson (“WTW”)	Mr. Walter Mateja, IBM Watson Health
Mr. Chris Giovannello, WTW	Ms. Mary Kate McLaughlin, Faegre Drinker Biddle
Ms. Rebecca Warnken, WTW	Ms. Jennifer Mossman, Highmark Delaware
Mr. Kevin Fyock, WTW	Mr. Michael North, Aetna
Ms. Christina Bryan, Delaware Healthcare Association	Ms. Paula Roy, Roy & Associates, OBO Delaware Chiropractic Association
Ms. Rebecca Byrd, ByrdGomes Group	Ms. Christine Schiltz, Parkowski, Guerke & Swayze OBO Christiana Care
Ms. Julie Caynor, Aetna	Ms. Martha Sturtevant, Executive Assistant, SBO, DHR
Ms. Nina Figueroa, SBO, DHR	Ms. Ashley Tucker, Staff Attorney, Administrative Office of the Courts
Ms. Sandy Hart, IBM Watson Health	
Ms. Katherine Impellizzeri, Aetna	
Ms. Heather Johnson, Controller	

CALL TO ORDER

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

APPROVAL OF MINUTES –DIRECTOR FAITH RENTZ, CHAIR

A MOTION was made by Treasurer Davis and seconded by Ms. Schock on behalf of the Health Policy & Planning Subcommittee to approve the Minutes (previously approved by the Financial Subcommittee) from the Combined Subcommittee meeting on February 13, 2020.
MOTION ADOPTED UNANIMOUSLY.

STATE OF DELAWARE STATEWIDE BENEFITS OFFICE

A MOTION was made by Treasurer Davis and seconded by Ms. Molinaro to approve the Minutes from the August 13, 2020 Financial Subcommittee meeting.
MOTION ADOPTED UNANIMOUSLY.

Mr. Costantino joined the meeting

DIRECTOR'S REPORT – DIRECTOR FAITH RENTZ, CHAIR

SEBC Updates

The Committee met August 17, 2020 to review FY20 Q4 financial reporting as discussed with the Financial Subcommittee on August 13, 2020.

The Committee reviewed and approved the recommendation of the Proposal Review Committee to award the contract for Employee Assistance Program services to ComPsych for a contract effective date of January 1, 2021.

The Committee will meet September 14, 2020 to discuss the Group Health Insurance Plan (“GHIP”) Strategic Framework as it relates to the Healthcare Stakeholder Request for Information and consider a recommendation by the Proposal Review Committee to award a Vision Plan services contract for an effective date of July 1, 2021.

Additionally, they will consider possible action to extend the enhanced COVID-19 benefits through December 31, 2020 and consider the adoption of Solera, Aetna’s online diabetes prevention solution; Solera is similar to Retrofit currently offered to Highmark Delaware participants.

Subcommittee Updates

The Health Policy & Planning Subcommittee will be receiving a request from SBO on September 14, 2020 to review proposed changes to the GHIP Eligibility & Enrollment Rules with responses due back by October 1, 2020; further discussion of the proposed changes will be reviewed with the Subcommittee on October 8, 2020 and will be the primary topic for the Committee at the October 12, 2020 meeting.

In November the Committee and its Subcommittees will review the engagement and effectiveness of FY20 programs (e.g. infertility benefit changes, site of care, Livongo, SurgeryPlus) and SBO will continue to work with the Proposal Review Committee on the remaining Request for Proposals (medical/prescription plan audit services, data analytics and prescription) with award recommendations expected to the Committee between October 2020 and January 2021.

FINANCIALS – CHRIS GIOVANNELLO, WTW

July 2020 Fund Report

Revenues came in \$3.4M below budget. There was a \$3.8M coverage gap discount payment.

Claims in July were \$7.1M below budget. The FY21 budget was not edited to reflect Q4 favorable claim experience or account for the impact of care deferral.

July had a net income shortfall of \$6.4M and the Fund Equity balance is \$183.4M.

Mr. Oberle asked about additional marketing for SurgeryPlus. Dir. Rentz responded that SBO is in discussions with SurgeryPlus regarding a quarterly communication campaign. She added that the claims reported on the Fund Report will vary as a result of bundled payments and noted that the preliminary reporting suggests initial savings estimates have been realized despite the pandemic.

COVID-19 Cost Reporting

The cost of deferred care continues to significantly outpace the costs related to testing and treatment of COVID-19. The impact on the GHIP in FY21 remains unknown and will depend on many factors including the effectiveness of policies to mitigate spread, the timing and easement of social distancing measures, the level of care deferral that

continues or emerges in FY21, the costs associated with a potential vaccine and/or therapeutic agents, and the potential for new waves of infection.

As a result of deferred care that began in late March, the FY20 Q4 claims were a combined \$47.1M below budget. Claim levels are returning closer to budget. July and August claims were \$7.1M below budget and \$3.9M below budget, respectively, with September and October claims expected to be near budget.

Mr. Costantino asked to clarify the definition of deferred care. Mr. Giovannello responded that deferred care is the difference between actual claims and claims budgeted.

Actual costs related to COVID-19 were reviewed by health plan providers.

Highmark has 584 confirmed (positive) members year-to-date out of 5,944 tested. Paid claims for confirmed members total \$3.7M and testing claims total \$3.8M. There is \$1.6M in submitted charges. There were 360 telemedicine claims associated with COVID-19 totaling \$34K.

Aetna has a total of 1,270 in confirmed member claims, for a total of \$686K in paid claims with 3,847 test claims totaling \$352K. Telemedicine utilization for COVID-19 claims total \$22K and telemedicine claims for non-COVID-19 claims visits total \$1.9M.

Mr. Costantino queried the per member range of claims expenses related to COVID-19 treatment. Dir. Rentz responded that the information is available, and she will follow up.

Mr. Oberle queried how the State might be able to use COVID-19 related federal dollars received. Dir. Rentz responded that the Health Fund is tracking and prepared to provide documentation if requested to support any request for reimbursement of COVID-19 expenses.

Ms. Anderson queried whether there were any COVID-19 related High Cost Claimants (claims over \$100,000). Mr. Costantino is also interested in more detailed claims data. Mr. Giovannello added clarification to the data presented stating that confirmed claims are moved out of the test claims category, and he will follow up with more detail.

HEALTH CARE STAKEHOLDER REQUEST FOR INFORMATION – MS. JACYLN IGLESIAS

The Request for Information (“RFI”) aligns with the goals of the GHIP Strategic Framework to lower the total cost of care for the plan and plan participants. The subcommittee reviewed the goals.

The RFI seeks to learn best practices for collaborative approaches and innovative solutions to improve the quality and cost efficiency of medical providers from a variety of stakeholders within the Delaware healthcare community.

The RFI seeks stakeholders willing to partner with the GHIP in advanced APMs containing down-side risk (Category 3B & 4 models) with consideration given to targeted opportunities (e.g. condition or procedure specific), or stakeholders who can support broader population health (e.g. delivering enhanced primary care, virtual medicine, care coordination, etc.).

The RFI also seeks stakeholders willing to expand access to primary care which may be broadly interpreted by health care stakeholders (e.g. offering priority access, nights/weekend availability, low wait times, etc. for members) and to improve the delivery and coordination of care for GHIP participants that should be coupled with the longer-term goal of reducing GHIP health risk and costs.

Additionally, the RFI seeks other stakeholders who can offer new and innovative ways to improve care delivery, coordination and care management for GHIP participants.

The RFI seeks to broadly gather perspectives on proposed solutions, prior experience, thoughts on barriers to adoption, timeframe for readiness to adopt, and more with a focus on innovation.

Mr. Costantino led a discussion on how the RFI will inform the RFP for the Medical TPA. The RFI may suggest innovative opportunities not currently within the scope of the RFP and provide an opportunity for revision.

The RFI is scheduled to be released on September 22, 2020 with responses due December 1, 2020. There will be no contract awarded as a result of the RFI; however, responses will assist in preparing the upcoming GHIP Medical TPA RFP scheduled for release in the Spring of 2021 for a contract effective date of July 1, 2022.

OTHER BUSINESS

No new business.

PUBLIC COMMENT

No public comment

ADJOURNMENT

A MOTION was made by Ms. Anderson and seconded by Treasurer Davis to adjourn the meeting at 10:50 a.m.
MOTION ADOPTED UNANIMOUSLY.

Respectfully submitted,

Martha Sturtevant, Statewide Benefits Office, Department of Human Resources
Recorder, Statewide Employee Benefits Committee