



**MINUTES FROM THE COMBINED MEETING OF THE FINANCIAL and HEALTH POLICY & PLANNING SUBCOMMITTEES
TO THE STATE EMPLOYEE BENEFITS COMMITTEE
April 21, 2022**

The Financial Subcommittee and the Health Policy & Planning (“HP&P”) Subcommittee to the State Employee Benefits Committee (the “Committee”) met Thursday, April 21, 2022 in a combined meeting. In the interests of protecting the citizens of this State from the public health threat caused by COVID-19, participants had the option to attend virtually via Webex in addition to the option to attend in person.

Subcommittee Members Represented or in Attendance:

- Director Faith Rentz, Statewide Benefits Office (“SBO”), Department of Human Resources (“DHR”) (Appointee of Secretary Claire DeMatteis), Chair
- Mr. Steven Costantino, Director Health Care Reform, Dept. of Health and Social Services (“DHSS”) (Appointee of Secretary Molly Magarik)
- Ms. Jeanette Hammon, Sr. Fiscal and Policy Analyst, Office of Management & Budget (“OMB”) (Appointee of OMB Director Cerron Cade)
- Mr. Robert Scoglietti, Deputy Controller General, Office of the Controller General (“OCG”) (Appointee of Controller General Ruth Ann Jones)
- Mr. William Oberle, Delaware State Trooper’s Association (Appointee of Mr. Taschner, Executive Director, DSEA)
- Mr. Stuart Snyder, Chief of Staff, Department of Insurance (Appointee of Commissioner Trinidad Navarro)
- Ms. Ashley Tucker, Deputy State Court Administrator, Administrative Office of the Courts, (Appointee of The Hon. Collins Seitz, Chief Justice, Delaware Supreme Court)
- Mr. Daniel Madrid, Chief Operating Officer, Office of the State Treasurer (Appointee of The Honorable Colleen Davis, State Treasurer)
- Ms. Judi Schock, Deputy Principal Assistant, Office of Management & Budget (“OMB”) (Appointee of OMB Director Cerron Cade)

Subcommittee Members Not Represented or in Attendance:

- Mr. Keith Warren, Chief of Staff, Office of the Lt. Governor (Appointee of Lt. Governor Bethany Hall-Long)
- Ms. Judy Anderson, Delaware State Education Association (Appointee of Mr. Taschner, Executive Director, DSEA)

Others in Attendance:

- Ms. Leighann Hinkle, Deputy Director, SBO, DHR
- Ms. Nina Figueroa, Health Policy Advisor, SBO, DHR
- Mr. Chris Giovannello, Willis Towers Watson (“WTW”)
- Ms. Jaclyn Iglesias, WTW
- Ms. Rebecca Warnken, WTW
- Ms. Gabby Costagliola, WTW
- Mr. Brian Stitzel, WTW
- Ms. Wendy Beck, Highmark Delaware
- Ms. Christina Bryan, Delaware Healthcare Association
- Ms. Cherie Dodge Biron, Deputy Principal Asst., DHR
- Ms. Katherine Impellizzeri, Aetna
- Mr. Michael North, Aetna
- Ms. Lisa Mantegna, Highmark Delaware
- Mr. Walter Mateja, IBM Watson Health
- Ms. Sandy Hart, IBM
- Mr. Michael Gorfin, Hinge Health
- Dr. Bijal Toprani, Hinge Health
- Ms. Brynn Bannach, Hinge Health
- Ms. Janani Ramachandran, Hinge Health
- Mr. Jared, Maruji, SWORD Health
- Ms. Amy Gillen, SWORD Health
- Mr. Tom Goldhardt, SWORD Health
- Dr. Ashley Bass, SWORD Health
- Ms. Brooke Best, Employer Direct Healthcare and SurgeryPlus
- Mr. Scott Rosenthal, Delaware Chiropractic Society
- Mr. Kollin Jensen, Teledoc Health

STATE OF DELAWARE STATEWIDE BENEFITS OFFICE

Ms. Carole Mick, SBO, DHR - Recorder, State

Employee Benefits Committee and Subcommittees

CALLED TO ORDER – DIRECTOR FAITH RENTZ, CHAIR

Director Rentz called the meeting to order at 10:01 a.m.

APPROVAL OF MINUTES – DIRECTOR RENTZ, CHAIR

A MOTION was made by Mr. Costantino and seconded by Ms. Hammon to approve the minutes from the Combined Subcommittee meeting on March 10, 2022.

MOTION ADOPTED UNANIMOUSLY.

DIRECTOR'S REPORT – DIRECTOR RENTZ, CHAIR

SEBC Meeting Overview for April 25th, 2022

The SEBC meeting will be held on Monday, April 25th, 2022 and we will be discussing several items including updates on the Medicare Advantage plan, COVID-19 benefit enhancements, February/March fund reports, the Group Health Plan Strategic Dashboard, and primary care legislation implementation (Senate Bill 120). There will be recommendations brought forward from the Subcommittee meeting to the SEBC for vote regarding the diabetes care management programs that will go into effect starting July 1st, 2022. An Executive Session will be held following Monday's SEBC meeting to discuss GHIP contracting.

House Bill 303

This bill is currently pending; however, this behavioral health well check bill would mandate that the GHIP would include coverage for all members to receive an annual preventive well check visit with a licensed behavioral health provider. This bill was released from the House Health Committee on April 13th and the estimated fiscal impact to the State Group Health Plan is \$2.4 million annually. This bill will continue to be monitored as it moves through the legislature.

Mr. Scoglietti added that HB 303 has a one-year delay on implementation and wouldn't have impact to the State Group Health Plan until FY24 (this would only include a half of year).

FY22 Q2 PRIMARY CARE DASHBOARD – MS. LEIGHANN HINKLE, SBO

Ms. Hinkle walked through the updated primary care dashboard that has been updated for FY22 Q2. All the data that was presented is as of December 31st, 2021 and includes total unique Primary Care Physician (PCP) counts. The PCP total for Highmark across all three counties including all PCP provider types is 1,480; this compares to 1,458 last quarter. The PCP total for Aetna across all three counties including all PCP provider types is 1,508; this compares to 1,464 last quarter. Highmark had nine providers terminate this quarter compared to Aetna who had a total of 48 terminations this quarter. Highmark had 25 new PCPs this quarter compared to Aetna who had a total of 40 new PCPs this quarter.

Ms. Hinkle provided data on the total number of GHIP members with PCP visits. The total number of patients and visits are not mutually exclusive. The same patient can see their PCP more than once during the quarter. For this quarter, preventive care visits increased. Other PCP visits decreased (around 12,000 visits) as well as telemedicine visits (decreased around 1,400 visits), and urgent care visits stayed flat (2,134 visits).

Mr. Costantino questioned, what is the number of State employees that had one visit with their primary care doctor during the year Ms. Hinkle responded that Mr. Mateja indicated that it is roughly eighty percent of the total members. However, Ms. Hinkle will follow up and provide this reporting.

Mr. Oberle questioned if a member does not live in the same state as the primary care physician, would this be reflected in this data? Ms. Hinkle stated that it would be reflected in the data provided because it is based on where the member resides. The report's data is organized by where participants reside and not where their PCP is located.

FEBRUARY AND MARCH STATE OF DELWARE HEALTH FUND REPORT – MR. CHRIS GIOVANNELLO, WTW

Mr. Giovannello reviewed the February fund report and indicated that February was a rebate month. The commercial rebates were close to budget around \$14.6 million and the EGWP rebates were above budget at \$9.7 million (versus \$7.8 million budgeted and this has been consistent with the last few months). No adjustments will be made at this point to the budget as the CVS rebates will be presented in May and at that point the WTW team will reassess. Claims were above budget for February at \$89.5 million compared to \$83 million that had been budgeted (year to date still below budget overall). In February, net income was reported to be about \$3.5 million.

Mr. Giovannello reviewed the March fund report and indicated there was no substantial movement under Other Revenues. March claims were around budget at \$93 million (budgeted was \$93.4 million). The deficit for March was \$23.4 million compared to \$24.7 million projected. This brought the fund equity balance down to \$147.2 and actual year-to-date variance of \$28.3 million (after reserves, current surplus is about \$61.9 million).

Mr. Scoglietti requested, if going forward can there be a column included in the fund reports that shows the full fiscal year budget. Ms. Rentz responded that the full fiscal year budget isn't typically included in the monthly reports, but it could potentially be included. She added that she will work with the WTW team to potentially add this column into the report without compromising the size and format of the monthly report.

Ms. Hammon asked for further clarification around what is included in other revenue and total other expenses. Mr. Giovannello responded that these tend to fluctuate monthly and can include performance guarantee payments from vendors. Mr. Giovannello stated that he can take this item back and provide a list of what is included.

REVIEW AND DISCUSSION OF DIABETES MANGEMENT, BEHAVIORHAL HEALTH AND MUSCULOSKELETAL PROGRAM OPTIONS – MS. JACLYN IGLESIAS, WTW

Ms. Iglesias provided an overview of the condition specific programs that the GHIP has in place today. In addition to its broad care management programs, the GHIP offers programs and resources that support members with specific health needs such as diabetes and behavioral health. The purpose of this conversation is to address the follow-up questions from the March 10th combined Subcommittee meeting, share summarized information previously provided, and outline key decision points for the Subcommittee members' consideration at today's meeting (including diabetes care management program options that the Subcommittee members will be asked to formulate a recommendation).

Diabetes Care Management Program

Ms. Iglesias gave an overview of the Livongo program and reviewed its offerings since it was implemented on July 1, 2019. Livongo provides all enrolled participants with a "connected meter" that uses wireless technology to transmit blood glucose test results to Livongo coaches, who will contact members with abnormally high or low glucose levels. Members today are mainly aware of the program through the broader care management program, some targeted member outreach, and larger communication efforts. At the previous Subcommittee meeting the program's utilization metrics were discussed. The key takeaway regarding the utilization metrics is consistent with previous findings shared with the Subcommittees in October 2021, that the GHIP enrollment is lower than expected (15% vs Livongo book of business (BOB) range 20-25%), but once enrolled, connected meter activation at 98% is very high (vs. Livongo BOB range: 85%-90%).

Mr. Costantino questioned, is the program charged per member per month, per enrolled per month, or is it a flat fee? Ms. Iglesias answered, it is a fee per engaged per diabetic participant. Once the member activates the diabetic meter and is engaged for a certain period, the fee starts and continues as long as the member stays engaged with the meter.

Ms. Iglesias presented additional information on the GHIP's outcomes and results since implementation of the program on July 1, 2019. Those who are using the connected meters are engaged with Livongo on average 19 times a month (Livongo's BOB is 20-23 times/month). Other engagement methods that Livongo uses to get GHIP members engaged are their "Health Nudges" (a personalized digital notification that members receive directly on their Livongo device) and Alert-based Coaching (which is triggered automatically within three minutes of the member taking a reading). GHIP members responded to over 30,000 health nudges and 7,278 alerts triggered for GHIP members helping to reduce hospitalizations. Livongo has reported an average A1c reduction for engaged members of 1.44% (Livongo's BOB is 1.04%). Livongo provided data showing an average reduction in estimated A1c for activated members at 6 or more months. The Livongo program has a 1.5x return on investment which equates to \$1.1 million for the cost of the program and \$0.6 million in estimated net savings. Overall, GHIP members rated Livongo a Net Promoter Score (NPS) of +69 (which is a measure of how likely someone would recommend Livongo to a friend or family member, on a scale of -100 to +100) compared to Livongo's BOB NPS of +54.

Mr. Oberle questioned for the 1.5x ROI, is that based on assumptions that by using Livongo, members are being proactive in preventing hospitalizations. Ms. Iglesias responded that assumption is correct and paired with the medical costs associated with diabetic care. Mr. Oberle then questioned what is the total cost of Livongo? Ms. Iglesias responded that for FY21, the cost of the program was \$1.1 million.

Ms. Hammon asked if members are being referred to the program through their primary care providers. Ms. Iglesias confirmed that the participation is mainly driven by larger communication efforts and explained that the program does not directly work with PCPs to refer members to the program. The program isn't typically marketed towards primary care doctors directly but rather as an informational element that they can refer members to. This can be a takeaway that WTW asks the carriers if this would be a possibility for the future. Ms. Rentz added as the State works to enhance primary care in Delaware, we should think about how to use programs like this to enhance engagement with primary care doctors.

Ms. Iglesias stated that another consideration and decision point for the Combined Subcommittees is that as previously discussed, Aetna is sunsetting its relationship with Livongo, which will not be available to Aetna HMO and CDH Gold plan participants after June 30, 2022. Aetna has proposed their diabetes care management program called Transform Diabetes Care (TDC) that was launched with CVS Health (Aetna's parent company) on January 1, 2022, for the EGWP Medicare eligible members. The decision point is if the State should offer the TDC program to all plan participants (Aetna and Highmark) or continue with Livongo for Highmark participants and TDC for Aetna participants. Ms. Hammon asked, how many participants are in each plan? Ms. Iglesias responded that those figures are reported later in the presentation.

Ms. Iglesias added that with the decision to implement the TDC program the State can choose to either contract with Aetna or CVS Health to implement the program (both options have additional considerations). For Highmark members additionally, there is the option to add TDC through the CVS contract or maintain Livongo through the Highmark contract.

Ms. Iglesias pointed out that there are some key differences between TDC and Livongo. For TDC, the glucose meter used by program participants is different and only those who are the highest risk participants receive a connected meter. Those lower risk participants that do want to participate in the program would receive a formulary meter. Ms. Hammon asked if the low-risk members still want to participate, are they just missing the connected meter and automatic upload of the participant's data. Ms. Iglesias stated that is a correct statement. Ms. Hammon added that low risk members might not necessarily be as engaged as data has shown that high risk participants are the most engaged and it could be a change in their behavior. Mr. Scoglietti asked for a definition of what a high-risk participant would be. Ms. Iglesias explained that a high-risk participant would be a person with high A1c level or a person with other comorbidities in conjunction with the diabetes diagnosis (i.e., obesity, high blood pressure).

Ms. Iglesias stated that TDC offers more coaching and counseling options than Livongo. Program participants can call or text diabetes coaching nurses, plus go to an in-person counseling session on nutrition. TDC also provides vouchers for two screenings (A1c test, blood pressure, foot exam, retinopathy scan) per year at a CVS HealthHUB at no cost to program participants. Additionally, they can redeem vouchers for virtual visits focused on lifestyle and comorbidity management. There are no GHIP-specific results available yet, given the program isn't in place for any Commercial plans and was only available for EGWP Medicare members starting January 1, 2022. CVS did provide detail on TDC outcomes for another Commercial population. Mr. Costantino asked if there are any HealthHUBs in the State of Delaware. Ms. Iglesias confirmed there are no HealthHUBs in Delaware.

Ms. Iglesias reviewed the TDC program outcomes from a pilot study conducted on a non-Medicare population, although final ROI results will not be available until after June 2022. Ms. Hammon questioned if the study includes both high and low risk patients. Ms. Iglesias stated that this study is believed to have included a broad spectrum of patients for all risk levels but will follow-up with CVS for additional details. Mr. Oberle asked how many participants were included in the study. Ms. Iglesias answered that there were several thousand per participating group but will provide an exact number at a later date.

Ms. Iglesias reviewed the considerations for each option for non-Medicare plans only. The TDC has an ROI guarantee of 2:1 through the CVS and Aetna contracts. The TDC program does require additional data for A1c values to include medical claims, lab data, and member self-reported data. There are concerns that CVS will not have sufficient data for Highmark plan participants to support the ROI guarantee. Ms. Hammon asked why CVS will not have sufficient data though Highmark. Ms. Iglesias replied that Highmark participants tend to use LabCorp more and CVS has been unable to readily access LabCorp data. Livongo has a self-reported ROI of 1.5:1 using a third-party, independently validated methodology.

Ms. Iglesias continued with the estimated costs and estimated annual net savings for Highmark members using TDC or Livongo. The estimated annual cost for TDC ranges from \$0.6 million to \$0.8 million with an estimated net savings of \$1.3 million to \$1.7 million based on 5,109 diabetics. TDC also estimated a net savings of \$0.3 million based on reduced pharmacy costs associated with insulin and test strips. Mr. Oberle asked if the cost is based on the participation rate (15% currently) or based on 100% participation. Ms. Iglesias commented that the estimate for TDC is based on the number of diabetics that Highmark has identified in the population (5109). Livongo has an estimated annual cost of \$0.7 million with an estimated net savings of \$0.3 million assuming a 1.5x ROI. Mr. Constantino asked if any of these programs invest in prevention of diabetes. Ms. Iglesias stated that these programs specifically care for those with diabetes but that there are additional programs that assist with prevention for people at risk of diabetes. Mr. Stitzel further commented that there are also programs that assist with reversing diabetes.

Mr. Constantino asked if Highmark and Aetna pay care management fees to primary care doctors. Ms. Iglesias said that they pay a fee for the value-based care models where members engage with local provider communities, however, they do not pay a fee specifically for these programs to PCPs. Mr. Constantino continued that there is an extreme amount of care management programs and that the savings from some of these programs is minimal. Mr. Constantino and Ms. Hammon addressed concerns with the data from these programs being provided to their PCPs. Ms. Iglesias stated that the members would have to elect to have their information provided from these programs to their PCPs and this does not happen automatically.

Ms. Iglesias asked the Subcommittee if the thinking was that the best decision is to keep the Highmark members with Livongo. Mr. Scoglietti agreed and Ms. Hammon also agreed, adding that in the future, once more data comes out, then they can reconsider. Mr. Oberle and Ms. Schock added that they agree as well with Mr. Scoglietti and Ms. Hammon.

Ms. Rentz stated that she also agrees with keeping Livongo for Highmark members based on the current success that participants have had with Livongo. Mr. Scoglietti asked if there was a way to communicate to Livongo, concerns with why the GHIP participation rates are lower than their BOB numbers. Ms. Rentz confirmed that this

question could be addressed to Livongo and then asked if there were any other members of the Subcommittee that would like to provide any further comments or thoughts specific to the options on the table for Highmark members. No comments were provided.

Ms. Rentz asked for the Aetna members, which option did Subcommittee members thought were best. Ms. Hammon added that she does not believe that CVS could be a viable option at this point. Ms. Iglesias added that with the approach through the Aetna contract, there is far less concern (seamless implementation, more access to data). Ms. Rentz agreed with Ms. Hammon. No other concerns were expressed from other members of the committee.

Behavioral Health Resources Care Management Program

Ms. Iglesias reviewed the follow-up questions that Subcommittee members had at the previous meeting regarding the Rethink program that is available through Highmark starting July 1, 2022. This is a program that provides online resources available for parents who have children with developmental delays and includes 6 hours of remote consultation time. If additional hours are needed there is a fee of \$150 per hour; this is an enhancement from the three hours offered during the free trial period. There is no additional cost to the GHIP for the State to offer Rethink to Highmark plan participants.

Musculoskeletal Resources

Ms. Iglesias reviewed the Hinge Health program for the virtual physical therapy program that would be offered to plan participants and could be offered through SurgeryPlus or through Aetna for Aetna GHIP members. If a member initially engages with Hinge Health but experiences difficulty with continuing virtual physical therapy over time, Hinge will help the member locate an alternative physical therapy provider that participates in the member's medical network for in-person care. Ms. Iglesias then briefly touched on Hinge Health's reports on their book of business outcomes for the public sector organizations (40 clients).

Ms. Iglesias reviewed that Highmark partners with SWORD Health to provide virtual physical therapy. SWORD Health was founded in 2014 and has several clinical studies on the effectiveness of its program. Ms. Iglesias then presented an outline of potential pathways of the program options to take into consideration when deciding. Ms. Hammon asked for clarification on the Hinge Health data and if their 40 clients refers to organizations or participants. Ms. Iglesias responded, individual organizations. Mr. Gorfin from Hinge Health added those 40 clients are just from the public sector cut and that Hinge has about 650 total clients and 14 million covered lives. Ms. Bannach added that their most recent client list has grown for the public sector with a current total of 63 clients.

HINGE HEALTH DEMO – MS. BRYNN BANNACH, DR. BIJAL TOPRANI, MR. MICHAEL GORFIN, HINGE HEALTH

At this time, the Hinge Health team demonstrated their virtual physical therapy solution and what the member experience would look like.

SWORD HEALTH DEMO – DR. ASHLEY BASS, MR. JARED MARUJI, MR. TOM GOLDHARDT, MS. ARMY GILLEN, SWORD HEALTH

At this time, the SWORD Health team demonstrated their virtual physical therapy solution and what the member experience would look like.

After the demonstrations, the vendors asked Subcommittee members for questions. Ms. Hammon asked, how often does the member engage with the physical therapist. Mr. Gorfin from Hinge Health responded that the typical engagement is three to five times per week and what is unique is that every member is assigned a physical therapist. Dr. Bass from SWORD Health responded that on average members are engaged three to five times per week and also with a personal physical therapist.

Mr. Madrid asked how would both vendors measure ROI and success. Mr. Gorfin from Hinge Health responded that Hinge measures ROI as their ability to reduce pain and use the visual analog sliding scale (which is a validated clinical study). Hinge Health has conducted several claims-based studies to determine the correlation between reducing participants pain and overall medical spend. In addition, third party claim impact studies have been conducted that have validated the claims impact (they offer a 1.5 to 1 ROI). Mr. Maruji, from SWORD health team explained that they report on data for the participants reduction of pain, anxiety, depression, and avoidance of surgery from each program participant which is validated through a third-party analysis.

OTHER BUSINESS

No other business.

PUBLIC COMMENT

No public comment was provided.

ADJOURNMENT

A MOTION was made by Ms. Schock and seconded by Mr. Scoglietti to adjourn the public session at 12:05 p.m. MOTION ADOPTED UNANIMOUSLY.

Respectfully submitted,

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