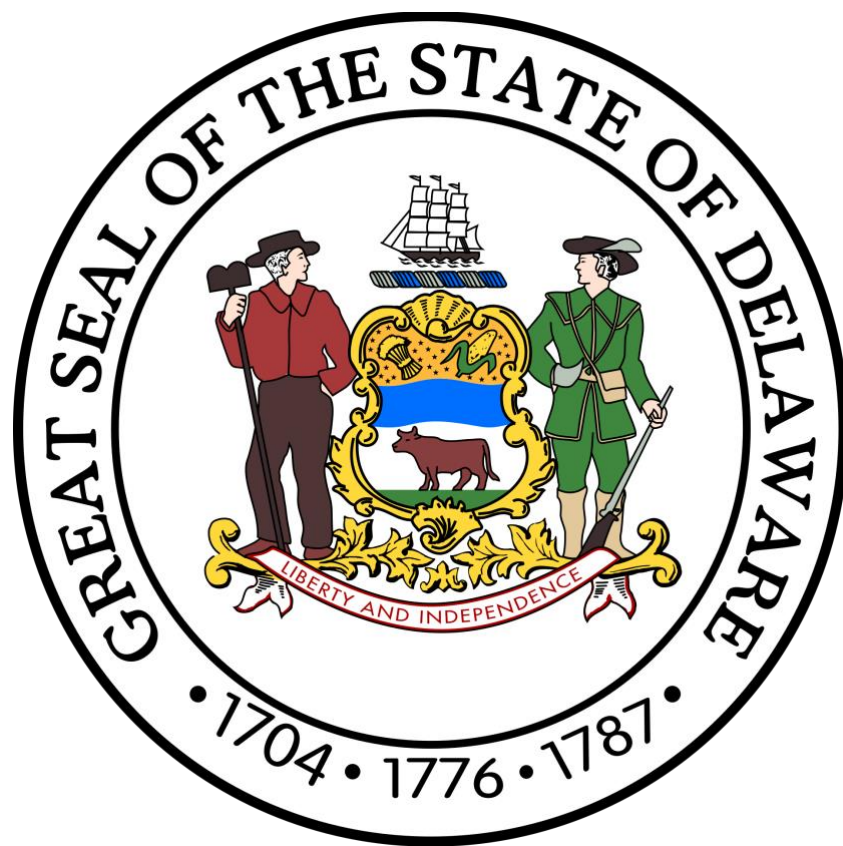


Initial Report on Retiree Healthcare Benefits Advisory Subcommittee



May 1, 2023



STATE OF DELAWARE
SEBC RETIREE HEALTHCARE BENEFITS ADVISORY SUBCOMMITTEE

To: The Honorable John C. Carney, Jr., Governor
Members of the Delaware General Assembly

From: Lieutenant Governor Bethany Hall-Long, Chair
Senator Bryan Townsend, Co-Vice Chair
Representative Paul Baumbach, Co-Vice Chair
Members of the SEBC Retiree Healthcare Benefits Advisory Subcommittee

Date: May 1, 2023

Re: SEBC Retiree Healthcare Benefits Advisory Subcommittee Initial Report

The Retiree Healthcare Benefits Advisory Subcommittee (“the Subcommittee”) was established by Senate Bill 29 and charged with receiving public comment on current and future State retiree healthcare benefits, considering analyses regarding Medicare Advantage plans nationwide, evaluating the implications of the extension of the existing Medicare Supplement plan, evaluating options for continuing to provide strong State retiree healthcare benefits in a fiscally sustainable way and issuing findings and recommendations to the Governor and the General Assembly about the foregoing as they relate to the Fiscal Year 2024 State budget.

The Subcommittee has held seven (7) public meetings, providing time at each meeting for public comment. Public comment expressed strong opposition to the proposed Highmark Blue Cross Blue Shield Delaware’s Freedom Blue PPO Medicare Advantage plan with significant concern for preauthorizations and a desire for additional options to be considered. One of the seven meetings was devoted solely to public input. In addition, a Frequently Asked Questions (FAQ) website link with responses to those questions was created for reference.

Because the SEBC voted on April 24, 2023 to further extend the expired Special Medicfill Medicare Supplement contract for an additional six (6) months through June 30, 2024, the current level of State funding for Medicare retiree healthcare benefits will continue throughout Fiscal Year 2024. The Subcommittee will continue to meet to further evaluate options to address the State’s Other Post-Employment Benefits (OPEB) liability. The Subcommittee will continue its work and will advance further detailed findings and recommendations in a final report expected to be issued no later than

October 1, 2023. A copy of this report and all materials reviewed by the Subcommittee are available at: [DHR - Division of Statewide Benefits \(delaware.gov\)](https://delaware.gov)