



## SEBC and SEBC Subcommittee Meetings (April 2024 Updates) *Get the Facts on What's Happening*

As the “administrative arm” of the State Employee Benefits Committee (SEBC), the Statewide Benefits Office (SBO), Department of Human Resources (DHR) is providing the following frequently asked questions document as a resource to employees and retirees, which includes facts on what’s being discussed related to the Group Health Insurance Plan (GHIP) at the SEBC and SEBC Subcommittee meetings and actions taken by the SEBC.

Learn more about the SEBC and SEBC Subcommittees, including committee members, meetings schedules, and meeting materials by visiting the [SEBC page](#) of SBO’s website. Each meeting is open to the public and provides an opportunity for public comment. In addition, suggestions, comments, and/or concerns can be sent to the SEBC at [sebc@delaware.gov](mailto:sebc@delaware.gov).

### Frequently Asked Questions:

#### **Q. As an active employee or retiree, what do I need to know and do in May 2024 related to Open Enrollment?**

A. 2024 Open Enrollment is May 1 – 17, 2024 for the plan year that begins July 1, 2024 through June 30, 2025. View the [What’s Changing Effective July 1, 2024 - Quick Reference Chart](#) for an overview of the changes effective July 1, 2024. Select your group below to view the Enrollment Action Checklist and the steps for completing Open Enrollment:

- [State Employees \(State Agencies \(including DOE\), K12, Delaware Technical Community College, and Delaware State University\)](#)
- [Participating Groups \(Non-State Groups including Towns, Cities, Fire Companies, etc. that participate in the GHIP\)](#)
- [State Non-Medicare Eligible Retirees](#)
- [State Medicare Eligible Retirees](#) – **Note:** Medicare-eligible pensioners, spouses, and dependents have an Open Enrollment each fall for their health coverage. You cannot make changes to your *Highmark Delaware Special Medicfill Plan* coverage until October 2024, unless you experience a qualifying event.

#### **Q. Why are health plan premiums (rates) increasing for Fiscal Year (FY) 2025?**

A. From July 2017 to June 2022, there were no increases in health plan premiums (rates). During this time, the cost of healthcare and pharmaceutical prescriptions continued to rise. The top three contributors that are driving these increased costs include outpatient medical procedures, specialty drugs, and emergency room visits. An additional driver is the overall increase in healthcare utilization post-COVID-19. The SEBC and SEBC Subcommittees also have been reviewing a specific class of medications known as Glucagon-like peptide-1 (GLP-1) agonists. GLP-1 agonists fall into two categories, those that are FDA approved and prescribed for weight loss, and those that are FDA approved and prescribed to manage type 2 diabetes. The GHIP began covering weight loss medications in July 2023, and the financial impact has been much higher than originally anticipated. The SBO and SEBC are continuing to monitor the high cost and utilization associated with these drugs and have been meeting with other states and employers to learn how they are addressing this significant increase in cost. At this time, no coverage changes have been proposed or made related to weight loss medications.

#### **Q. What is the status on actions being taken by the General Assembly related to the December 2023 Retiree Healthcare Benefits Advisory (RHBAS) Subcommittee report?**

A. As presented at the April 18, 2024 RHBAS meeting, the General Assembly has been taking action on some of the recommendations provided in the [December 2023 RHBAS Report](#). The following bills have been introduced and are currently being considered by the legislature:

- [House Bill 330](#) – An Act to amend Title 19 of the Delaware Code that would increase the amount of annual appropriation to prefund future State employee retiree health insurance as recommended by the RHBAS.

- [House Bill 350 with House Substitute 2](#) – An Act to amend Title 16 of the Delaware Code that would create a State Hospital Review Board which would be responsible for the review and approval of annual hospital budgets beginning with budgets for calendar year 2026. As a temporary measure until the Board begins operations, hospitals would be required to charge no more than 250% of Medicare costs to any payer for hospital services in calendar year 2025.
- [House Bill 281 with House Amendment 3](#) – An Act to amend Title 29 of the Delaware Code which would repeal the option of providing a Medicare Advantage Plan for current State retirees and employees and allow a Medicare Advantage plan be considered as an option for eligible pensioners who are **first hired on or after January 1, 2025**.
- [House Bill 282 with House Amendments 1 and 2](#) – An Act to amend Title 29 of the Delaware Code that would add procedural requirements to meetings of the SEBC, revises the membership of the SEBC, and requires that the Secretary of the Department of Human Resources inform State employees and retired State employees (eligible pensioners) about changes in benefit coverage that affect eligible pensioners who are receiving or eligible to receive retirement benefits under the State Employees' Pension Plan, including proposed changes.

Additional information on these bills and how they relate to the December 2023 RHBAS Report recommendations can be found in the [Report of Recommendations – Legislative Updates](#) document presented at the April 18, 2024 RHBAS meeting. It is important to note that for these bills to become law, they would need to pass both chambers of the Delaware General Assembly by June 30, 2024 and be sent to the Governor for signature. To learn more about the legislative process and how a bill becomes a law, visit the [Delaware General Assembly](#) webpage.

***Q. What is the status of the proposed revisions to the Disability Insurance Program (DIP) Rules and Regulations?***

A. The Statewide Benefits Office (SBO) provided the DIP Rules and Regulations proposed revisions to the Health Policy and Planning Subcommittee in the Registrar of Regulations format in advance of its April 15, 2024 meeting. The Subcommittee requested further discussion with the SEBC on two definitions and otherwise recommended that the proposed revisions move to the SEBC for final approval. An [overview](#) of the process and proposed revisions to the [DIP Rules and Regulations](#) was covered at the April 22, 2024 SEBC meeting. The SEBC will be asked to vote on the revised DIP Rules and Regulations at the May 28, 2024 meeting.

***Q. What decision is the SEBC considering related to Group Universal Life insurance?***

A. The State of Delaware currently offers a Group Universal Life Insurance benefit through Securian Financial, and this contract is set to expire on June 30, 2025. The SEBC and the Health Policy and Planning Subcommittee are currently discussing a possible extension of the existing contract with Securian Financial to allow additional time to initiate and complete a Request for Proposals (RFP) for group life insurance benefits. The most recent Group Universal Life Insurance RFP was initiated in 2014 and the Proposal Review Committee (PRC) only received three applications as most life insurance companies do not offer Group Universal Life coverage. The Subcommittee and the SEBC will continue discussions at the May meetings.